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DAN WATSON, PH.D.

SUMMARY

Dr. Watson, an Economist, serves Accumyn's clients in the areas of econometric and statistical analytics, valuation analysis, economic and financial damage claim computations, and risk management. He is an adjunct professor of finance at the Jones Graduate School of Business, Rice University. Dr. Watson teaches Security and Asset Valuation, a second year graduate class which incorporates financial theory with case studies of asset pricing in the presence of incomplete information, market illiquidity, differing claims on cash flows, degree of control, and other complexities.



The cases taught draw upon Dr. Watson's previous experience as co-founder and chief investment officer of Capstone Asset Management Company. With assets under management of \$4.1 billion, Capstone provides equity, fixed income and balanced investment management services to institutional and high net worth clients. As CIO, he chaired the investment policy committee, which is responsible for setting the company's investment products strategy covering a wide range of asset classes. He also served as Chair of the company's securities valuation committee that was responsible for establishing the fair value of non-traded, illiquid distressed securities including issuers in bankruptcy. These valuations rose in importance following the financial meltdown of 2008 and subsequent changes in regulation and accounting standards. Dr. Watson has decades of experience presenting the results of complex analytical work in a simple, understandable way to prospects and clients.

Prior to co-founding Capstone, Dr. Watson was Chairman of Tenneco Financial Services; a company formed to integrate and manage the assets of the parent company's newly acquired insurance companies and the Tenneco pension plan. He led the management buyout of Tenneco Financial following the sale of Tenneco's insurance operations.

Before assuming leadership of Tenneco Financial, Dr. Watson served for four years as assistant to the Chairman of the Board of Tenneco, Inc. In this capacity, he assisted the chairman in all of his responsibilities, including acquisitions, divestitures, capital allocation, project review, and corporate strategy. He led the company's efforts in Washington, D.C. to secure desired changes in the Natural Gas Policy Act and related tax legislation. He presented his analysis of the NGPA to members of both legislative houses, their staff, and regulatory staff.

Dr. Watson began his career at JP Morgan Chase (Texas Commerce Bank) as an analyst with research responsibilities for acquiring or creating banks for the parent holding company. He served as speech writer for senior management.



SELECTED ENGAGEMENTS

- In support of testifying experts in federal proceeding analyzed energy service firm's complex capital structure to determine impact of potential ratings downgrade on the firm's ability to meet increased financial strain, including bankruptcy, which might arise from settlement.
- In support of testifying expert in state proceeding reviewed securities market losses suffered by a pipeline company.

SELECT STRATEGY EXPERIENCE

- Advised management at Fortune 500 Company regarding flaws and needed changes in capital allocation process. Recommendations were subsequently adopted.
- Advised against chemical plant expansion owing to flawed economic analysis. Recommendations were not adopted, but subsequently borne out.
- Wrote review and position paper on Libor rate manipulation scandal
- In preparation for potential litigation involving large national oil company developed case outline, assembled expert team from areas of petroleum engineering, forensic chemistry, geology, oil transportation, storage and trading; finance and forensic accounting. Prepared final presentation.
- Case Study (2012) The Energy Crisis and Coal Gasification Investments: Best Decision With the Information Available?
- Case Study (2012) Disasters: Why Didn't Investors Know Then What We Know Now?

EDUCATION

Ph.D. in Economics, Rice University, Financial Economics and Econometrics

B.A. in Economics and History, Baylor University, magna cum laude

MEMBERSHIPS

- American Finance Association
- American Economic Association
- Rice University Jones Graduate School of Business M.A. Wright Fund Board of Overseers
- Jones Partners of Rice University
- Rice University School of Social Sciences Advisory Board