

Managing shareholder goodwill*

Companies participating in the capital markets are expected to meet robust legal and ethical standards yet each year many companies face allegations of questionable conduct.

In these turbulent times, shareholders and the general public are more sensitive to issues such as false and misleading financial statements, unfair treatment of clients, inappropriate trading activities, internal control weaknesses and corporate governance or compliance deficiencies.

There is no time for delay: your clients must respond quickly to allegations that can arise internally through whistleblower tips and routine audits, or externally through shareholder lawsuits, regulatory inquiries or investigations. Otherwise they can expose themselves to serious financial and reputational consequences.

As legal counsel, your challenge is to help address issues at an early stage to effectively manage reputational risk and proactively influence the course of regulatory action or securities litigation. At the same time, you need a partner that can analyze the situation and provide the information you need in order to determine next steps.

How can PwC help?

PricewaterhouseCoopers can help you gather the information you need to help your clients manage and minimize securities litigation and regulatory compliance risks. We can:

- Understand the essential elements of the issue, and the business, financial, regulatory and accounting implications;
- Envision an appropriate approach and define the forensic accounting puzzle that needs to be solved;
- Identify the facts and analytical elements needed to reach the most optimal outcome;
- Identify and secure electronic data sources;
- Interpret the data and resulting analysis; and
- Expand solution possibilities by exploring the accounting, financial and economic outcomes.

Who to contact

Toronto

Brenda Eprile
Partner
Regulatory Advisory Services
416 869 2349
brenda.j.eprile@ca.pwc.com

Dorothy Sanford
Partner
Regulatory Advisory Services
416 869 2353
dorothy.a.sanford@ca.pwc.com

Peter Vakof
Partner
Forensic Technology Solutions
416 814 5841
peter.vakof@ca.pwc.com

Our practitioners have extensive experience in securities and regulatory investigations and forensic accounting diagnosis, and use best practices to determine next steps. By going through the aforementioned exercise, our professionals can help your clients determine:

- What are the underlying transactions and events that led to the issue at hand?
- Where and when did economic, financial and accounting events and transactions occur?
- What conflicts of interest existed and how were they managed?
- What was the motivation behind the actions?

Our fact-based approach can help your clients provide the right answers to their board, customers, investors and securities commissions.

Leveraging global expertise from key practice leaders and offices in 150 countries, we can provide expert advice and analysis regarding your clients' accounting or other regulatory investigations. By working in partnership with us, together we can offer your clients a strategic advantage, which can alter the outcome of a potential action or regulatory investigation.