DOUGLAS LUCAS

MANAGING DIRECTOR

1-646-626-4555

EXPERTISE

- ✓ Rating Methodologies
- ✓ CDO Performance Analysis
- ✓ Fixed Income Credit Risk
- ✓ Cross-Sector Credit Analysis

EDUCATION

The University of Chicago
Booth School of Business
MBA with Honors

University of California, Los Angeles
B.A. magna cum laude in Economics

EMPLOYMENT HISTORY

Moody's Investors Service
Managing director
2008-2018

UBS
Head of CDO Research
2002-2008

Moody's KMV
Consultant and Managing Director
2001-2002

JP Morgan Securities
Head of CDO Research
2000-2001

Salomon Swapco
Co-Chief Executive Officer
1994-2000

TMG Financial Products and Ambac Indemnity
Chief Credit Officer & Chief Risk Compliance Officer
1993-1994

Moody's Investors Service
Structured Finance Group
Financial Institutions Group
1987-1993

Drexel Burnham Lambert
Financial Analyst
1986-1987

Douglas Lucas has over 30 years of experience in the financial industry and is a world-class expert in fixed income and structured product credit risk. He created Moody's CLO rating methodology, including the WARF and diversity score measures of portfolio credit risk. At UBS, 2000-2008, he was consistently voted onto Institutional Investor's Fixed-Income Research Team for CLO and CDO research.

From 2008 to 2018, Douglas Lucas was a Managing Director at Moody's Investors Service, responsible for cross-sector fixed income research. He managed Moody's most-read publication, publishing 593 issues of Moody's Credit Outlook, the company's flagship publication, responsible for 18% of Moody's total research readership. He also managed cross-sector thematic publications such as those predicting the knock-on credit effects of a US automaker bankruptcy (2008), whether sectors were on the road to credit recovery (2009), and the effect of fintech on bank credit quality in different parts of the world (2018).

Prior to that, Mr. Lucas was the Head of CDO Research at UBS, where he was consistently recognized in the Institutional Investor poll and was voted the number one CDO analyst at the beginning of the subprime crisis. He wrote 125 issues of CDO Insight, many of which were gathered together in books published by Frank Fabozzi and John Wiley. He also produced monthly performance reports on UBS-underwritten CDOs, contributed to Mortgage Strategist, and started Monday Morning Comment, a weekly cross-sector publication. He organized and hosted well-attended annual CDO conferences in New York and London.

At JP Morgan, while he was the Head of CDO Research, he authored The CDO Handbook, one of the most authoritative papers in the CDO industry, and a weekly compendium of CDO market statistics.

Mr. Lucas was Co-Chief Executive Officer of Salomon Swapco, responsible for regulatory and working capital management, rating agency relations, counterparty marketing, board relations, and transaction structuring for the triple-A special-purpose derivatives dealer.

Prior to that he was the Chief Credit Officer & Chief Risk Compliance Officer at TMG Financial Products and Ambac Capital Management, responsible for market and credit risk control, and rating agency relations for the boutique derivatives dealer and municipal investment contract and swap provider.

Early in his career, Mr. Lucas was an analyst at Moody's Investor Service, Structured Finance Group, performing research into historical default rates and rating changes, developing rating methodologies, and rating various structured issuers including collateralized bond and loan obligations and triple-A special- purpose derivatives dealers.

Later, in the Financial Institutions Group, he rated US security firms and mutual fund managers, developed rating methodology for fixed income mutual funds, and performed assessments of derivative risk at financial institutions.

PUBLICATIONS

- 593 issues of *Moody's Credit Outlook*, the rating agency's flagship publication in which analysts explained the credit implications of recent news events on names and sectors. Among the hundreds of research reports Moody's published each week, *Credit Outlook* generated 18% of total readership.
- Cross-sector thematic publications such as predicting the knock-on credit effects of a US automaker bankruptcy (2008), whether sectors were on the road to credit recovery (2009), and the effect of fintech on bank credit quality in different parts of the world (2018).
- 125 issues of *CDO Insight* at UBS
- Lead author of two Frank Fabozzi / John Wiley books:
  - *Collateralized Debt Obligations: Structures and Analysis* (2006)
  - *Developments in Collateralized Debt Obligations: New Products and Insight* (2007)
- *CDO Insight* articles republished in following books:
  - *Collateralized Debt Obligations: Structures and Analysis 1st Edition (2002),*
  - *Credit Derivatives: The Definitive Guide (2003),*
  - *Hybrid Products: Instruments, Applications and Modelling (2004),*
  - *Handbook of Fixed Income Securities 7th Edition (2005),*
  - *Global Perspectives on Investment Management, CFA Institute (2006),*
  - *Subprime Mortgage Credit Derivatives (2008),*
  - *Handbook of Finance (2008),*
  - *The Handbook of Municipal Bonds (2008),*
  - *Leveraged Finance: Concepts, Methods, Trading of High-Yield Bonds, Loans, and Derivatives (2009) and*
  - *The Theory and Practice of Investment Management (2011).*
- *CDO Insight* articles republished in following journals:
  - *Journal of Fixed Income* (4 times),
  - *The Journal of Structured Finance* (5 times),
  - *Journal of Trading*,
  - *Journal of Portfolio Management,*
  - *Journal of Financial Transformation,*
  - *CFA Institute Conference Proceedings Quarterly.*
- *CDO Weekly Market Snapshot*. JPMorgan, January 2001-September 2001.
- *CDO Handbook*. JPMorgan, May 2001.
- "The Pursuit of the Credit Analysis Ideal." *Derivative Credit Risk: Further Advances in Measurement and Management*, Risk Publications, 1999.
- "Measuring Credit Risk and Required Capital." *Derivative Credit Risk: Advances in Measurement and Management*, Risk Publications, 1995.
- "The Effectiveness of Downgrade Provisions in Reducing Counterparty Credit Risk." *Journal of Fixed Income*, June 1995.

- "Default Correlation and Credit Analysis." *Journal of Fixed Income*, March 1995 and in The Foundations of Credit Risk Analysis, Edward Elgar Publishing, 2007.
- "Moody's Assessment of Derivative Risk." Moody's Investors Service, June 1993.
- "Changes in Corporate Credit Quality 1970 - 1992." In High Yield Bond Market, Probus, 1993.
- "Moody's Rates the Counterparty Risk of Merrill Lynch Derivative Products." With Paul Stevenson, Esq. Moody's Investors Service, November 1991. Swaps Monitor, December 1991.
- "Changes in Corporate Credit Quality 1970-1990." Moody's Investors Service, February 1991. Journal of Fixed Income, March 1992.
- "Rating Debt Backed by Bank Loans." With Raymond McDaniel, Esq. In the Trading and Securitization of Senior Bank Loans, 1992. Moody's Investors Service, June 1993.
- "Corporate Bond Defaults and Default Rates, 1970-1989." Moody's Investors Service, April 1990. In High-Yield Bonds: Analysis and Risk Assessment, The Institute of Chartered Financial Analysts, 1990. Investing in Bankruptcies & Turnarounds, Harper Business, 1991. In Security Analyst Journal, June 1992.
- "Defaults and Orderly Exits of U.S. and European Commercial Paper Issuers." Moody's Investors Service, November 1989.
- "Rating Cash Flow Transactions Backed by Corporate Debt." Moody's Investors Service, September 1989, March 1991, and April 1995. Institute of Chartered Financial Analysts, 1991. In High Yield Bond Market, Probus, 1993.
- "Historical Default Rates of Corporate Bond Issuers 1970-1988." Moody's Investors Service, July 1989.
- "Moody's Approach to Assessing the Credit Quality of Residential Second-Lien-Backed Securities." With Tracy Decemer, Esq. and Charles Forbes. Moody's Investors Service, June, 1988.
- Theory and Evidence of Capital Structure, MBA Honors Thesis, University of Chicago, December 1985.