

## Vita of Jaime Cuevas Dermody

Jaime Cuevas Dermody is the managing member of Financial Engineering LLC (“FE”). It operates the Sapiens family of managed accounts in foreign currencies and commodity futures. He is also the managing principal of Financial Engineering 1 LLC (“FE1”). It creates intellectual property of a financial nature, and provides mathematical-finance services. They are located in Delray Beach, Florida.

Clients include hedge funds, banks, family offices, financial companies, real-estate investment trusts, law firms, professional trade organization and institutes, and governments.

Work is divided between overseeing the development of “black-box” mathematical trading systems at FE, and the analysis of complex structured-finance and financial-product taxation at FE1. FE runs five trading systems. In FE1: (i.) taught courses on such to investment bankers and to financial-product specialists of the U.S. Internal Revenue Service Large and Midsize Business Division; (ii.) provided expert advice on major trials (KPMG Criminal tax trials in 2006 - 2008, Cemco v. U.S. civil appeal to the Supreme Court in 2008); and (iii.) developed Sharia-compliant financial products (leases that can replace U.S. Treasury bonds, and instruments to privatize Malaysian Government-Employee Pension Plan).

B.S. degree with honors in mathematics from the University of Maryland at College Park. M.B.A in operations management and Ph.D. in Economics from the University of Pennsylvania.

Previously: (i.) financial analyst at Ford Motor Company Car Engineering Group; (ii.) finance professor at University of Texas at Austin, University of California at Berkeley, Arizona State University, University of Illinois at Chicago, New York University, and University of Strathclyde; and (iii.) managing director of quantitative research at AVM LLP (that managed one of the largest family of fixed-income hedge funds).

Wrote: articles extending the fundamental theorem of valuation theory to markets with nonlinear transaction costs and taxes; and the seminal monograph in the mathematization of financial-product taxation. Publications include those in: *Journal of Finance*, *Journal of Financial and Quantitative Analysis*, *Mathematical Finance*, and in *Financial Markets, Institutions & Instruments*.