
Securities Enforcement

WilmerHale has a record of success at all stages of enforcement proceedings—from informal inquiries to litigation.

WilmerHale is among the leading securities enforcement defense firms in the world. We represent clients in a wide range of investigations initiated by the US Securities and Exchange Commission (SEC), the Department of Justice (DOJ), the Financial Industry Regulatory Authority (FINRA), the Commodity Futures Trading Commission (CFTC), the Public Company Accounting Oversight Board (PCAOB), the Consumer Financial Protection Bureau (CFPB), the UK Financial Conduct Authority (FCA), the UK Serious Fraud Office (SFO), the United States Congress, state securities regulators and attorneys general, state insurance regulators, and other government agencies. Our team has guided major financial institutions, public and private companies, hedge funds, accounting firms, investment advisers, and individuals through the nuances of investigations, hearings, litigation and the enforcement process. We have achieved favorable resolutions at every stage—in informal inquiries, advocacy before agency decisionmakers, and cases that have gone to trial.

Our Practice

Enforcement of the securities laws and related statutory and common law touches public and private companies, financial institutions and financial advisory businesses, accounting firms, and all those who participate in the securities markets. WilmerHale draws on its deep experience in government investigations to help clients navigate these inquiries; evaluate legal, regulatory and reputational risks; and engage strategically with relevant stakeholders.

We work pragmatically with our clients, mindful of their business objectives. We have resolved a significant number of investigations confidentially, without any action being taken against our clients. In some cases, resolutions occur quickly, following our swift response to an informal government inquiry, while in others we may convince a regulator to close a matter after a complex formal investigation.

We have extensive experience negotiating favorable settled resolutions, but—in circumstances calling for a strong litigation defense—our lawyers are courtroom-ready, and have achieved high-profile victories in litigation brought by the SEC, DOJ and self-regulatory bodies.

Over the past year, we have represented entities and individuals before US federal and state financial and securities regulators in administrative, civil and criminal matters. We have also appeared on behalf of clients in investigations and litigation before self-regulatory bodies, such as FINRA and the NYSE.

In the United Kingdom, our white-collar investigations lawyers represent clients facing investigations by a wide range of agencies and prosecution authorities, including the FCA, the SFO and HM Revenue and Customs, among others.

Our securities enforcement team and our leading Foreign Corrupt Practices Act and Anti-Corruption Practice advise companies and individuals facing high-stakes government and internal investigations around the world. WilmerHale consistently ranks among the top leading investigations and compliance practices in the world, according to *Global Investigations Review*.

Our Team

Our clients can rely on the insights of a team that includes many of the most experienced lawyers in the field of securities enforcement, a number of whom have held senior government positions. This first-hand knowledge of the government's priorities and processes is pivotal in helping clients resolve complex securities enforcement actions.

Our legal teams often counsel clients in areas of law that are complex and unsettled, calling on the deep experience of the firm's respected regulatory practices, including those that advise broker-dealers, investment companies and investment advisers.

Our ranks include lawyers who have served in the following senior positions at the SEC:

- Director of the Division of Enforcement
- Director of the Division of Corporation Finance
- General Counsel
- Chief Counsel of the Division of Enforcement
- Chief Litigation Counsel of the Division of Enforcement
- Associate Regional Director of the Los Angeles Office

FINRA's most recent Director of Enforcement is now a partner at the firm.

In addition, we are lucky to have many lawyers with experience in other financial regulatory and law enforcement roles, including the former Deputy Secretary of the Treasury and Undersecretary of the Treasury for Terrorism Finance and Intelligence. Moreover, a number of our partners have held senior positions in the Department of Justice, including:

- Deputy Attorney General
- Solicitor General
- General Counsel of the Federal Bureau of Investigation

- Principal Associate Deputy Attorney General
- United States Attorney and Assistant United States Attorneys

Key Contacts



Stephanie Avakian

PARTNER

✉ stephanie.avakian@wilmerhale.com

📍 WASHINGTON DC

☎ + 1 202 663 6471



Christopher Davies

PARTNER

✉ christopher.davies@wilmerhale.com

📍 WASHINGTON DC

☎ + 1 202 663 6187



Lorraine B. Echavarria

PARTNER

✉ lori.echavarria@wilmerhale.com

📍 LOS ANGELES

☎ + 1 213 443 5325



William R. McLucas

PARTNER

✉ william.mclucas@wilmerhale.com

📍 WASHINGTON DC

☎ + 1 202 663 6622



William H. Paine

PARTNER

✉ william.paine@wilmerhale.com

📍 BOSTON

☎ + 1 617 526 6134



Susan Schroeder

PARTNER

✉ susan.schroeder@wilmerhale.com

📍 NEW YORK

☎ + 1 212 230 8865

Areas of Focus

Financial Reporting,
Disclosures and Restatements

Financial Products and Retail

Anti-Corruption Advisory and
Investigations

Market Structure, Algorithmic
Trading and Market Access

Exchanges and Clearing
Agencies

Data Breaches and
Cybersecurity

Internal Investigations

Insider Trading

Accounting Firms

Related Solutions

Antitrust and Competition

Broker-Dealer Compliance and
Regulation

Congressional Investigations

Cross-Border Investigations
and Compliance

False Claims Act

FinTech

Government and Regulatory
Litigation

Investment Management

Professional Services

Technology

White Collar Defense and
Investigations

Artificial Intelligence

Business and Financial
Integrity

Corporate Governance and
Disclosure

Cybersecurity and Privacy

Federal Inspector General
Investigations

Foreign Corrupt Practices Act
and Anti-Corruption

Healthcare

Insurance, Annuities and
Retirement

Securities Litigation

Trials

Blockchain and
Cryptocurrency

Class Actions

Crisis Management and
Strategic Response

Environmental, Social and
Corporate Governance (ESG)

Financial Services

Futures and Derivatives

Investigations

Life Sciences

State Attorneys General

UK White Collar Defense and
Investigations

Experience

HIGH-FREQUENCY TRADING

Represented a prominent global hedge fund in parallel SEC and DOJ inquiries regarding customer order flow and execution quality, including in the client's "dark pool." Secured declination in the DOJ proceeding and a favorable settlement with the SEC.

PARALLEL INVESTIGATIONS AND LITIGATION

Took over as counsel to a Palo Alto-based health technology and medical laboratory services company in federal and state law enforcement and regulatory investigations, private civil litigation in federal and state courts, and corporate restructurings, following explosive media exposés about the company in national publications.

DATA BREACH INVESTIGATION

Represented the board of a financial industry company in a highly publicized data breach. Conducted an internal review and provided advice not only about the legal framework around data privacy and security but also about the related governance, securities and liability regimes. Our work for the client built on our representation of one of the largest retailers in investigations and litigation arising from an analogous breach.

INTERNAL GOVERNANCE INVESTIGATIONS

Represented the board of a confectionary products producer in successive internal investigations concerning potential insider transactions by board members and a failed acquisition of a Chinese confectionary brand. We worked with senior management and board committees to review and enhance governance practices.

ENFORCEMENT PROCEEDINGS AND TRIALS ARISING FROM PUERTO RICO FINANCIAL CRISIS

Successfully represented a corporate and investment bank in Puerto Rico Office of the Commissioner of Financial Institutions, FINRA and SEC proceedings in connection with FINRA's actions against prominent financial services firms for allegedly failing to supervise the sale, concentration and leverage involved in selling Puerto Rico closed-end funds prior to the financial collapse of the Puerto Rico fixed income market in 2013. Following resolution of the regulatory inquiries, we have continued to represent the client in multiple class actions and client arbitrations arising from the same events.

PCAOB AND SEC CLOSING LETTERS

Obtained closing letter from the SEC and PCAOB following a multi-year investigation into a major accounting firm's relationship with its largest client. Allegations included embezzlement by a company employee facilitated by a junior member of the audit team, as well as potential violations of auditor independence rules by the auditor.

INTERNAL INVESTIGATION OF CORPORATE CONDUCT

Conducted an independent review of a client's competitive intelligence and data-gathering practices. We reported results to the board and new senior management, and coordinated our work with ongoing criminal and civil inquiries.

INVESTIGATION OF ACCOUNTING FOR GOVERNMENT CONTRACT

Represented a client in a 16-month SEC investigation concerning accounting treatment of a multi-year, multi-billion-dollar defense contract. After presentation to senior enforcement staff, the SEC closed its investigation.

DEFENSE OF CEO THROUGH TRIAL

Successfully defended a financial company CEO in SEC proceedings, including through trial and then potential retrial. In the first trial, the jury cleared our client of half the SEC's counts. When the SEC opted to proceed on the remaining counts (despite a jury having deadlocked 11–1 in the defendants' favor on the remaining counts), we convinced the court to severely limit the SEC's ability to present evidence in the retrial, based on the earlier judgment. The SEC then dropped all remaining charges.

DOJ AND SEC FCPA INVESTIGATION, WITH FOLLOW-ON COMPLIANCE REVIEW

Represented a Fortune 100 global manufacturer in a parallel DOJ and SEC investigation into violations of the FCPA and other securities laws. The inquiry focused on the use of consultants and sales agents in the Middle East and Asia, as well as the company's revenue recognition practices over a decade. We successfully resolved the government inquiries and advised the company on a comprehensive overhaul of its compliance programs and financial controls.

REPRESENTATION OF AUDIT COMMITTEE IN MULTI-YEAR RESTATEMENT

Represented the audit committee of public company in its investigation of a significant, multi-year restatement of its audited financials. At the same time, we are handling related DOJ and SEC investigations. We have coordinated extensively with company auditors, to permit completion of the restatement of the company's financials in a timely manner.

Recognition



***Ranked Band 1 for Securities
Regulation:
Nationwide***

Chambers USA

2020-2023



***National Tier 1 Firm for Litigation:
Regulatory Enforcement***

***U.S. News-Best Lawyers® “Best
Law Firms” List***

2023-2024



***Metropolitan Tier 1
Firm – Washington
DC for Litigation:
Regulatory
Enforcement***

***U.S. News-Best
Lawyers® “Best
Law Firms” List***

2021-2024

- *Chambers USA Guide* (2023) – Describes our “market-leading practice in the securities regulatory space” and our “deep bench of former SEC and government agency officials.” Clients describe us as “very responsive and dedicated” with the ability to “see things from the clients' perspective and know what is needed internally,” adding, “They have the ability to bring client service, serious experience and a broad team to bear on matters.”
- *Chambers USA: America’s Leading Lawyers for Business* (2023) – Individually recognizes seven WilmerHale attorneys to its regulation enforcement and advisory tables, including “a luminary in the securities space,” “an insightful lawyer who is terrific on disclosure issues,” and a lawyer described as “absolutely a star.”
- *Global Investigations Review* – Named WilmerHale a finalist in its 2021 “Most Impressive Investigations Practice of the Year,” “Most Important Court Case of the Year” and “Most Important Development of the Year” contests. Since 2015, the firm has been ranked at the top of *GIR*’s list of the world’s most accomplished investigations practices. *GIR* also gave WilmerHale a 2016 nod as “Most Impressive Investigations Practice of the Year” for its cross-border work in both high-profile internal and government-led investigations.