

# Daily Journal

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## TOP 100 LAWYERS IN CALIFORNIA 2017

### SECURITIES

## RANDALL R. LEE

WILMER CUTLER PICKERING HALE AND DORR LLP | LOS ANGELES

**SPECIALTY:** LITIGATION, WHITE COLLAR CRIMINAL DEFENSE, INTERNAL INVESTIGATIONS, CORPORATE COMPLIANCE

**R**andall Lee, who spent six years as regional director of the Securities and Exchange Commission's Pacific regional office, defends companies and individuals targeted by high-stakes SEC investigations.

In *Securities and Exchange Commission v. Goldstone et al.*, 1:12-cv-00257 (D. N.M., filed March 13, 2012), Lee defeated the SEC in a trial involving executives from what had been the country's second-largest mortgage company. The SEC claimed the executives overstated Thornburg Mortgage's income by \$428 million in the lead-up to the mortgage crisis. After an investigation that began in 2008, the executives, former CEO Larry Goldstone and former chief financial officer Clarence Simmons III, faced 10 charges, including a claim they schemed to defraud investors by misrepresenting the company's income in an annual report, hiding a fourth quarter loss in 2007.

In June 2016, Lee successfully defended the executives at trial. The jury returned not guilty verdicts on five of the 10 charges and deadlocked 11-1 in favor of his clients on the remaining counts, according to WilmerHale. The three-

week jury trial was the SEC's fifth in 2016, and its first loss of the year, WilmerHale said. Shortly thereafter, Lee persuaded the SEC to drop its centerpiece charge that the executives schemed to defraud investors. All remaining charges were dropped this February.

"It was sort of the most challenging and most rewarding matter I've ever had," Lee said. "Our clients were, after nine years, fully vindicated. The complaint against my clients had a tremendous impact on their reputations and livelihoods. That's a long time. Time they can never regain."

Also last summer, Lee convinced the Department of Justice and the SEC not to prosecute Cisco Systems over alleged bribery of officials in Russia and the Commonwealth of Independent States, according to WilmerHale. The Foreign Corrupt Practices Act investigation involved resellers of the company's products in those countries. The dismissal was a major win because several firms, including Analogic Corp. and Latam Airlines paid out millions that same summer to the DOJ and SEC to settle corrupt practices investigations, WilmerHale said.



The investigation of Cisco also spanned Bangladesh, Brazil, Hungary, India, Saudi Arabia and Thailand. Lee led the large internal investigation, working with the DOJ and the SEC to allay their concerns and avoid charges.

— Matthew Sanderson