

King & Spalding Securities Practices



Celebrating more than 130 years of service, King & Spalding is an international law firm that represents a broad array of clients, including half of the Fortune Global 100. With more than 1,000 lawyers in 20 offices in the United States, Europe, the Middle East and Asia, the firm has handled matters in over 160 countries on six continents. Our lawyers are consistently recognized for the results they obtain, their uncompromising commitment to quality, and their dedication to understanding the businesses and cultures of our clients.

King & Spalding's cross-discipline Securities Practices span the full range of our clients' needs, with substantial expertise in securities litigation, regulatory and enforcement matters, alternative investments, compliance, and international trade.

Securities Regulation & Enforcement Practice

King & Spalding's Securities Regulation & Enforcement practice includes seasoned lawyers who have devoted their careers to government and internal investigations, including over 40 former federal prosecutors and other former senior government enforcement officials from the SEC, DOJ and other federal and state government agencies, including the only person to have served as both Director of Enforcement and General Counsel of the SEC.

Our team includes over 40 federal prosecutors and other senior enforcement officials from the SEC and DOJ.

The team has handled matters involving a wide range of legal challenges impacting SEC-regulated entities, including:

- Bank, wire, and accounting fraud
- Market manipulation, insider trading and other trading abuses
- Regulation of broker-dealers, investment advisers, investment funds, and credit rating agencies
- Bank Secrecy Act and anti-money laundering
- Risk management and valuation
- Tax evasion involving offshore accounts
- Financial Institutions Reform, Recovery, and Enforcement Act
- Data privacy, security, and breach response
- Anti-bribery and corruption, including the Foreign Corrupt Practices Act
- Whistleblowers

King & Spalding represents companies and individuals in all aspects of securities and commodities law enforcement and regulatory examinations. We appear regularly before:

- Securities and Exchange Commission
- Commodity Futures Trading Commission
- Department of Justice
- Financial Industry Regulatory Authority
- Public Company Accounting Oversight Board
- Financial Conduct Authority
- Numerous other federal, state, and international enforcement organizations

We also conduct independent internal investigations and transactional due diligence, and we help our clients strengthen their policies and procedures to minimize the risk of non-compliance. King & Spalding is uniquely positioned with extensive experience in each of the priority areas highlighted by current SEC leadership as well as in each of the subject areas covered by the Enforcement Division's specialized units.

We have handled many of the most challenging securities enforcement matters in recent decades. Often, our matters do not become known to the public because they are resolved without government action against our clients.

Law360 named King & Spalding's white collar practice a "White Collar Group of the Year" in 2017.

Securities Litigation Practice

King & Spalding has one of the broadest and deepest securities and shareholder litigation practices in the country, spread across eight domestic offices. We represent a wide variety of national and international public companies, investment banks, accounting firms, and their executives and directors in securities class actions and other related shareholder litigation in courts throughout the United States.

- The firm has acted as lead defense counsel in hundreds of securities class actions and derivative lawsuits, including some of the largest and most complex securities class actions ever filed.
- We have won scores of cases on motions to dismiss, class certification, summary judgment, and trial.

King & Spalding is well known for taking difficult securities class action cases to trial – itself a very rare occurrence in this area of the law – and winning. King & Spalding securities litigators secured a trial victory for the former CEO of Vivendi in the largest securities class action trial in history. In a similar case, King & Spalding won a criminal trial victory in a case against the senior financial executives of Qwest Communications International, the first acquittal of a corporate officer in the wave of prosecutions that followed the demise of Enron.

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Selected recent representations from our Securities Litigation practice:

- *Hanger, Inc. Securities Litigation* – On April 1, 2016, King & Spalding won dismissal for Hanger, Inc. and its officers in the Western District of Texas in a case involving GAAP allegations and a substantial restatement.
- *Li v. Aeterna Zentaris Inc. et al.* – On September 14, 2015, the firm won a motion to dismiss a putative securities fraud class action lawsuit filed against Aeterna Zentaris Inc. and certain of its current and former directors and officers in the U.S. District Court for the Eastern District of Pennsylvania.
- *Firefighters Pension & Relief Fund v. Bulmahn* – In August 2015, the firm persuaded the U.S. District Court for the Eastern District of Louisiana to dismiss with prejudice claims under Section 11 of the Securities Act of 1933, brought by a putative class that had purchased \$1.5 billion in notes from ATP Oil & Gas Corp. And in April 2017, the firm won a Fifth Circuit appeal affirming dismissal of a related securities class action under Section 10(b) of the Securities Exchange Act of 1934.
- *In re SemCrude L.P.* – On August 5, 2015, the firm won a permanent injunction in the U.S. Court of Appeals for the Third Circuit on behalf of Thomas L. Kivisto, the former CEO of SemGroup, L.P.
- *Mary Ann Digan, et al. v. Linger Longer Development Company, et al.* – On February 3, 2015, the firm prevailed before the Georgia Court of Appeals, which affirmed the dismissal of all claims against the former owners of the well-known Reynolds Plantation Golf Club and resort community near Atlanta.



Asset Management & Private Funds Practice

King & Spalding's Asset Management & Private Funds practice brings an unparalleled level of innovation, expertise, experience, client focus, and intensity in all matters related to representing private investment funds. Our commercially savvy team understands the points of sensitivity in the alternative investments industry and provides practical insight into achieving clients' objectives. From assisting clients with their most important and sensitive matters to helping run their everyday business, King & Spalding brings a multi-disciplinary, global approach to our representation of alternative investment clients.

The firm's combination of regulatory and industry experience, detailed knowledge of private funds, and depth in practice areas critical to private fund managers makes King & Spalding uniquely qualified to assist with the formation, distribution, and management of, and investment in, private funds.

Selected recent representations from our Asset Management & Private Funds Practice:

- Represent the founder of a segment leading credit hedge fund in the spin-out from a private equity firm.
- Represent the management company/ GP of a credit hedge fund in connection with a minority investment by a private equity firm into the management company/ GP entities
- Advised a commodities fund manager in connection with the formation of a special situations hybrid fund.
- A large multi-strategy fund in the sale of approximately \$1.1 billion of assets in a secondary transaction.
- A founding member of one of the world's largest hedge funds in the sale of its interest in the management entities to the other founding member. Numerous hedge fund complexes through crises and complex restructurings in the wake of significant liquidity issues and investor discontent.
- A U.S. bank in the spin-off of its collective investment trust business.
- One of the largest UK-based hedge fund managers in the formation of multiple hedge fund vehicles.
- A multi-billion-dollar emerging market hedge fund in the formation of a unique hybrid emerging market sovereign debt vehicle with interests registered in Euroclear to provide OTC liquidity in the secondary market.
- A Japanese-based hedge fund manager in the formation of a Japanese-focused hedge fund.
- A credit fund in the formation of a closed-end fund structure to acquire NPLs secured by residential real estate, as well as to acquire large, residential real estate parcels.

SEC Compliance Practice

We regularly advise sector-leading and emerging growth companies on SEC reporting, corporate governance, and compliance issues. Our deep bench of public company experts includes lawyers who are known to senior staff members of the SEC, senior lawyers at the leading brokerage firms, and stock exchange officials. Our clients benefit from our reputation for integrity, effectiveness, and thorough knowledge of the applicable securities laws and listing standards.

We work with public companies to develop a framework for their reporting under the Securities Exchange Act and other applicable requirements, including disclosure of executive compensation; to assist them in analyzing difficult disclosure issues as they arise; and to collaborate in their preparation of periodic reports, proxy statements, and other public disclosures.

We represent clients ranging from small- and mid-cap companies to Fortune 50 companies spanning a wide variety of industries, including pharma and biotechnology, medical technology and healthcare, telecommunications, real estate, energy, technology, financial services, entertainment, manufacturing, retail, consumer products, transportation, and logistics.

We have broad experience addressing the full range of our clients' SEC compliance issues:

- Periodic and current reporting on Forms 10-K, 10-Q and 8-K.
- Stockholder matters, including proxy preparation and responding to shareholder proposals and proxy contests.
- Executive and equity compensation and related disclosure issues.
- Compliance with NYSE and Nasdaq listing requirements.
- Compliance with Sarbanes-Oxley and Dodd-Frank.
- Stockholder reporting, including Section 16 reporting of insider transactions and Schedule 13D/13G reporting for 5% stockholders.

- Compliance with insider trading laws and development of insider trading programs and Rule 10b5-1 plans.
- Managing restatements, internal investigations, and inquiries from the SEC and stock exchanges.
- Resale shelf registration statements, registration of securities issued pursuant to benefit plans and dividend reinvestment plans.
- Responding to comments from the staff of the SEC relating to both regular reviews of Exchange Act filings and review of registration statements under the Securities Act.
- Confidential treatment requests.
- Stock repurchase programs.
- Stockholder rights plans and anti-takeover trends and practices.
- Corporate communication and disclosure matters, including counseling related to Rule 10b-5, Regulation FD, and Regulation G.
- Corporate governance matters, including advising boards of directors and board committees and developing and reviewing appropriate governance guidelines, policies, charters, codes, and corporate governance best practices.



International Trade Practice

King & Spalding's international trade lawyers are among the world's most experienced in matters involving international market access, World Trade Organization regulations, and compliance with sanctions and anti-money laundering programs. Based in Geneva and Washington, D.C., our team leverages its expertise to craft innovative solutions that protect client interests and investments and maximize access to global opportunities.

Economic Sanctions – The United States and other United Nations member countries are increasingly turning to economic sanctions and trade embargoes as tools to influence the behavior of countries and governments on foreign policy matters, humanitarian issues, and security concerns, as well as to combat the financing of terrorists, arms dealers, and narcotics traffickers. King & Spalding has substantial experience in assisting clients to ensure compliance with economic sanctions. Many of the economic sanctions imposed by the Office of Foreign Assets Control (OFAC) in recent years directly impact the financial services sector, from placing restrictions on the opening and maintaining of correspondent and payable-through accounts by sanctioned foreign financial institutions to the recent sectoral sanctions against certain Russian individuals and entities with respect to capital-raising activities.

Anti-Money Laundering – Financial institutions, including many nonbank financial institutions, must comply with a broad range of laws regulating anti-money laundering (AML), including the Bank Secrecy Act, the PATRIOT Act, and the Money Laundering Control Act. Under these laws and regulations, financial institutions have a duty to implement AML and customer identification compliance programs, report suspicious activity, and comply with various other reporting and record-keeping requirements. AML compliance is strictly regulated, and violation of AML regulations can result in administrative, civil, and even criminal penalties. King & Spalding's international trade lawyers have experience designing, implementing, and maintaining tailored AML and customer identification programs for a variety of financial institutions, and litigating money laundering-based seizures and forfeitures.

Selected recent representations from our International Trade practice:

- Advised numerous financial institutions on their OFAC compliance obligations in connection with transactions and investments.
- Conducted an internal investigation of a large U.S. media company's business activities in Iran, by helping the company prepare voluntary disclosures of violations of the Iranian Transaction Regulations that resulted in OFAC issuing a no-action letter to the company. We also helped the company obtain approvals from OFAC to engage in activities in Iran and Cuba that required significant input from, and interaction with, policy personnel at OFAC, the Department of State, and the Department of Commerce.
- Helped a large services contractor conduct an internal investigation of its subsidiary's activities in U.S.-embargoed countries and prepare a voluntary disclosure of such activities for filing with OFAC.
- Advised numerous U.S. and Middle Eastern investors in U.S. REITs on their OFAC and PATRIOT Act obligations.
- Advised two major captive loan and finance companies on their OFAC and PATRIOT Act obligations and on implementing compliance programs.

Our team won *Law360's* “International Trade Group of the Year” in 2017.