Securities Enforcement and Regulation

Skadden

Skadden's Securities Enforcement and Regulation Group provides comprehensive counsel to public and private companies, financial services firms, audit firms, boards of directors and senior executives across the full range of securities-related matters. Drawing on firsthand experience in senior roles at the SEC, as well as deep capabilities in enforcement defense, internal investigations, SEC reporting and compliance, and regulatory counseling, we provide clients with an integrated team equipped to handle every stage of a matter — from proactive compliance through government investigation and resolution. The practice has a sustained record of achieving favorable resolutions for clients, including resolution of investigations without enforcement action and negotiated settlements that protect clients' business operations and reputations.

Our lawyers advise on high-stakes investigations and enforcement proceedings brought by the SEC, DOJ and other government agencies, as well as self-regulatory proceedings by the PCAOB and FINRA. We also counsel clients on securities offerings, compliance, SEC examinations of financial services and investment firms, disclosure and enforcement matters under federal securities laws, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Sarbanes-Oxley Act and the Dodd-Frank Act, as well as related SEC rules and the listing standards of the New York Stock Exchange, Nasdaq and other exchanges.

Internal and Other Investigations

The team conducts internal investigations on behalf of boards, audit committees and special committees involving accounting irregularities, foreign payment issues and misconduct allegations, and it advises on the establishment and implementation of securities law compliance programs and specific compliance concerns. Together with the firm's Securities Litigation and White Collar Defense and Investigations Groups, the team frequently handles concurrent criminal, civil enforcement and legislative investigations, alongside shareholder and derivative litigation. Our lawyers advise on, investigate and defend whistleblower allegations under the Dodd-Frank Act.

SEC Reporting and Corporate Governance

Skadden advises on the full range of SEC reporting and compliance and corporate governance matters. We prepare, review and advise on current and periodic Exchange Act reports, proxy statements, Securities Act registration statements and other filings made with the SEC. We also advise on Regulation Fair Disclosure policies and compliance, draft no-action and exemptive letter requests to SEC staff, counsel on beneficial ownership and short-swing profit reporting obligations and assist with auditor independence issues and other accounting-related disclosure questions. In addition, our attorneys counsel clients on stock exchange listing requirements, shareholder proposals, board committee charters, transactions with related persons, insider trading policies and director independence.

> "[Skadden] houses an impressive roster of former federal law enforcement officials."
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> *— Chambers USA 2026*

Trading and Markets

Our team provides comprehensive regulatory, compliance and enforcement counsel across the full spectrum of traded products and their related marketplaces — including securities, commodities, derivatives and digital assets. The team advises broker-dealers, market makers, exchanges, alternative trading systems, asset managers and fintech companies on complex matters involving market structure, proprietary trading, short-selling, best execution, algorithmic trading, anti-manipulation rules, unregistered exchanges and over-the-counter trading. Drawing on extensive experience at the SEC's Division of Trading and Markets and Division of Enforcement, as well as deep familiarity with FINRA and exchange self-regulatory frameworks, the team delivers actionable guidance on new product offerings, organizational structuring, registration requirements and the impact of evolving regulations on clients' businesses.

Government Experience

With extensive senior-level experience across key government agencies, our team is exceptionally well-positioned to guide clients through complex regulatory and enforcement matters. Our bench includes former senior officers of the SEC's enforcement division who served during several administrations and oversaw the division's investigations and litigations, including an associate director and unit chief. The team also includes a former deputy director of the SEC's Division of Corporation Finance, former chief of the Office of Mergers and Acquisitions, former director of international affairs, former senior advisers to a prior SEC chairman and special counsel in the Division of Trading and Markets.

In addition, our team includes a former director of the Commodity Futures Trading Commission's (CFTC's) Division of Enforcement, who led record numbers of enforcement actions involving LIBOR manipulation, commodities fraud and the first-ever Dodd-Frank Act charges, as well as a former senior trial attorney who led CFTC investigations into benchmark manipulation, customer fund protection and derivatives market misconduct. Together, they bring firsthand insight into the CFTC's investigative priorities, enforcement strategies and regulatory frameworks.

Industry Recognition

Our work has been repeatedly recognized by leading industry publications, including *Chambers USA*, *Chambers Global*, *Benchmark Litigation* and *Global Investigations Review*.

These honors reflect not only the caliber of our attorneys but also our dedication to client service. As *Chambers USA* and its respondents have observed:

- "Skadden, Arps, Slate, Meagher & Flom LLP & Affiliates covers all the bases for major corporate clients and financial institutions, including enforcement defense."
- "[Skadden] houses an impressive roster of former federal law enforcement officials."
- "The team at Skadden is extraordinarily responsive and highly knowledgeable."
- "The team provides top-notch advice. Its attorneys are very collaborative and extremely responsive."

Integrated Securities Regulatory Counsel

Our integration of enforcement defense, internal investigation and regulatory compliance and disclosure capabilities allows Skadden to provide a seamless and coordinated approach to the full lifecycle of securities regulation matters. The firm has represented clients in some of the most significant SEC and DOJ investigations in recent history and provided market-leading regulatory compliance counsel to many of the world's largest corporations in complex, multijurisdictional matters. Skadden's lawyers have deep experience in the regulatory and enforcement issues confronted by all participants in the securities markets, including issuers of securities, private companies, public accounting firms, broker-dealers, investment companies and investment advisers.

Regulated Entity Representations

- **Canadian Imperial Bank of Commerce** (CIBC) and **two U.S. subsidiaries** in an industrywide investigative sweep regarding off-channel text messaging, reaching favorable parallel settlements with the SEC and CFTC. Both regulators recognized CIBC's significant cooperation and remediation efforts.
- **Crypto.com** in the defense of a multiyear SEC investigation into whether sales of digital assets constituted securities transactions requiring registration. The SEC closed its investigation without pursuing charges, making Crypto.com the only major U.S. cryptocurrency platform not charged by the SEC.
- **eToro USA** in securing a $1.5 million settlement in an SEC enforcement action involving the operation of a crypto trading platform, enabling the client to continue its U.S. business with limited restrictions.

- **Western Asset Management Company** in parallel SEC, DOJ and CFTC investigations into allegations that the firm's former chief investment officer engaged in cherry-picking through improper trade allocation. Also represented Western in a parallel CFTC investigation, which the CFTC closed without action.
- **The audit committee of an insurance company**, as independent counsel, in an SEC investigation focused on accounting issues and internal controls stemming from the company's decision to restate its financials — reaching a conclusion with no recommended enforcement proceeding.
- **A European bank** in an SEC investigation relating to the European bond market, securing closure without a recommended enforcement action.
- **A financial institution** in the successful resolution of a two-year SEC investigation focused on the company's role as a dealer in credit derivative swap auctions and its handling of customer orders, convincing the SEC to close the investigation with no action after it made a settlement demand.
- **A financial services firm** in successfully resolving a long-running FINRA investigation focused on political contributions in its municipal securities business, moving FINRA away from its most severe charges and negotiating a low penalty relating to the client's policies and procedures.
- **A financial services institution** in an ongoing SEC investigation focused on disclosure and disclosure controls relating to a cyber incident.
- **A former executive** of a financial institution in an ongoing investigation conducted by the SEC. The financial institution has subsequently entered bankruptcy proceedings.
- **A global financial institution** in a nearly two-year, high-stakes SEC investigation focused on the adequacy of the company's disclosures and controls surrounding fees charged to its funds, resulting in no charges brought.
- **An international financial institution** in an SEC investigation into whether the firm's policies and procedures governing certain derivative auction markets were adequate to prevent misuse of material nonpublic information, resulting in closure of the investigation without action.
- **A large financial institution** in an SEC investigation that initially focused on cash sweep accounts. After Skadden demonstrated no securities law violations, the SEC shifted its focus to alleged undisclosed conflicts of interest, which Skadden successfully refuted, resulting in a formal closure of the investigation with no enforcement action.
- **A roster of leading public companies** as ongoing SEC reporting and compliance counsel.

Public Company Representations

- **Canpoy Growth** in an internal investigation at the direction of the audit committee, uncovering revenue-related issues that resulted in a financial restatement of several years, and serving as lead counsel in an ongoing SEC investigation.
- **Clear Channel Outdoor Holdings** in a DOJ and SEC investigation into FCPA issues involving a former Chinese subsidiary, securing a favorable SEC settlement while the DOJ declined to pursue charges.
- **Flagstar Bank**, a publicly traded financial institution, in an investigation and favorable settlement with the SEC for allegedly misleading disclosures and disclosure controls arising from a prominent ransomware attack.
- **International Paper Company** in the SEC reporting and compliance aspects of its $9.9 billion competitive takeover of DS Smith Plc, creating a global player in sustainable packaging solutions.
- **Netflix, Inc.** in the SEC reporting and compliance aspects of its $82.7 billion acquisition of Warner Bros. Discovery, Inc.
- **Six Flags** in the termination of a multiyear SEC investigation involving complex disclosure and accounting issues related to the company's China expansion, with no enforcement proceedings pursued — the most favorable outcome achievable in an SEC investigation.
- **Union Pacific** in the SEC reporting and compliance aspects of its $85 billion acquisition of Norfolk Southern Corporation to create America's first transcontinental railroad, resulting in a combined enterprise value of more than $250 billion.
- **Waldencast** in securing closure of an ongoing SEC investigation involving revenue recognition practices and other accounting issues.
- **The board of a transportation and technology company** in the SEC compliance aspects of a related-party transaction and other disclosure issues.
- **A global industry-leading supplier of high-quality aviation materials** in counseling management and the audit committee through internal investigations, ensuring the investigations did not delay the company's ability to meet SEC reporting deadlines or trigger regulatory inquiry.
- **A large apparel retailer** in an SEC investigation into its inventory management and accounting practices, focusing on controls

around inventory shortage and shrinkage in distribution centers — securing closure of the investigation with no enforcement action. Also conducted an internal investigation at the direction of the audit committee, clearing the way for the company to make its SEC filings on time and establishing credibility with the company's outside auditor based on the results and integrity of the investigation.

- **A large real estate investment trust** in an SEC investigation focused on the company's disclosures and financial accounting and valuation in connection with certain commercial real estate sales transactions, securing closure of the investigation without action.
- **A multinational advertising company** in the favorable settlement of an FCPA investigation by the SEC, as well as the declination of criminal charges by the DOJ in connection with operations in China.
- **A multinational manufacturer** in a nine-month enforcement investigation focused on the securities trading of a former executive of an entity acquired by the company.
- **A multinational toy manufacturing and entertainment company** in an internal investigation concerning issues raised by the company's external auditor in connection with pending SEC filings. The investigation addressed the auditor's concerns, enabled the company to resolve the outstanding issues and cleared the way for the company's SEC filings to proceed.
- **A pharmaceutical company** in securing the closure of an SEC investigation relating to disclosure, accounting and internal controls issues, with no enforcement action pursued.
- **A professional services firm** in an ongoing SEC investigation.
- **A senior executive of a public company** in an SEC investigation into revenue recognition and disclosure issues related to the pandemic. The SEC closed its long, hotly contested investigation without charging the client.
- Monitoring rapidly changing ESG rules and trends and advising companies on potential impacts to their businesses, including California climate legislation, EU ESG requirements, board and committee oversight, cybersecurity and data resilience and shareholder proposals on ESG matters.