SHULMAN ROGERS

Government Investigations

Government Investigations Attorneys in Maryland, Virginia and Washington DC

The Shulman Rogers team has guided clients to successful conclusions in hundreds of matters. We have represented individuals and companies in government investigations and civil and criminal litigation involving the SEC, FINRA, the DOJ, the PCAOB and other regulatory and criminal authorities. We have the skill, experience and temperament to resolve serious issues, often without recourse to expensive litigation. When intensive litigation is the best approach, we custom-tailor the best defense — and sustain that defense to a final resolution.

Our senior lawyers have experience as federal prosecutors and regulators. We understand the politics, policies, strategies and tactics of the SEC, the DOJ, PCAOB, FINRA, DoD, CFTC, FTC, and other authorities. Regulators and prosecutors know that we will litigate when the situation demands. Corporate boards of directors and officers trust our judgment and recommendations in conducting internal corporate investigations, and appreciate that we defend investigations strategically and, when necessary, litigate – aggressively and effectively.

Our team takes challenging facts, advocates aggressively and secures favorable outcomes – cost-effectively. We consistently resolve matters involving allegations of insider trading, FCPA violations, financial and accounting fraud, FDA violations, bribery, extortion and government contract matters, including investigations, export controls, False Claims Act defenses, Inspector General inquiries, whistleblower protection, and suspension and debarment proceedings. We successfully defend parties in white-collar criminal investigations by federal and state authorities, and civil and regulatory investigations by securities regulators, stock exchanges and capital markets self-regulatory organizations.

Results

White-Collar Criminal Defense

- Won acquittal for the president of a Midwestern company on charges of criminal fraud in a federal district court trial.
- Obtained acquittal for government official in a state court trial.

- Obtained declination of prosecution following investigation of client by joint the Department of Justice and the Department of Homeland Security National Security & Joint Terrorism Task Force.
- Won full reinstatement for graduate student at major university by convincing Title IX investigators that there was insufficient evidence of any violation.
- Negotiated favorable resolution in the criminal prosecution for conflicts of interest and ethics violations of a prominent US Government scientist.

Internal Investigations and Independent Compliance Review

- Served as Counsel to the Special Committee of the Board of Directors on an SEC reporting company, investigating possible conflicts of interest related to the company's SEC reporting requirements.
- Led internal investigation at major private university regarding allegations of misappropriation of funds, misuse of resources, and whistleblower retaliation, and advised audit committee regarding findings and strengthening of internal controls and procedures.
- Retained as independent compliance consultants by several national broker-dealer firms under the terms of SEC orders issued in connection with the SEC's MCDC Initiative.
- Served as independent compliance consultant in connection with a recent SEC settlement involving a "political intelligence" firm.

Financial Services: Broker-Dealers

- Obtained favorable results for several national broker-dealer firms in connection with SEC and FINRA investigations concerning the firms' sales, trading, due diligence and supervisory practices, including matters involving the offer and sale of complex investment products.
- Persuaded the SEC and FINRA to take no action against one of the largest brokerage firms serving independent advisers following the investigation of the failure of a multimillion-dollar REIT.

Financial Services: Investment Advisors, Mutual Funds, and Hedge Funds

- Won summary judgment in a federal district court for a national investment adviser and its officers in a securities class action litigation resulting from an SEC investigation.
- Persuaded the SEC staff to end its investigation of a hedge fund without bringing any charges in the investigation of mortgage-backed securities.
- Achieved a very favorable resolution of an SEC investigation a major investment adviser in connection with the adviser's procedures for valuing securities held in fund portfolios.
- Represented advisers and fund complexes in "market timing" investigations, and several hedge funds and associated persons in investigations of whether the funds

traded on the basis of non-public information.

Securities Enforcement: Public Companies

- Persuaded the SEC not to bring an enforcement action against the CEO and CFO of a New York Stock Exchange-listed company with a billion dollar market cap in a financial fraud investigation.
- Won summary judgment for the directors of a public company in derivative securities litigation resulting from an SEC investigation.
- Convinced the SEC staff to end its investigation without bringing any charges against a public company or its officers in an investigation of alleged financial fraud.
- Defended a major bank in connection with the bank's relationship with an independent brokerage and advisory firm.
- Persuaded SEC to bring no charges against a major food company and its CEO for disseminating corporate information through anonymous postings to a public website.
- Defended a company in an investigation concerning the dissemination of corporate information through a publicly available website.
- Represented several companies and individuals in the government's investigations of corporate options-granting practices and senior corporate officers in connection with internal and SEC investigations relating to the establishment of "special purpose entities" and the conduct of "round-trip" transactions.

International Matters

- Litigated before the World Bank Sanctions Board on behalf of two non-US based international high-tech companies accused of conflict of interest and corruption and achieved the desired objective of the companies, including an unprecedented letter of reprimand instead of debarment.
- Represented founder of Antiguan-based online gambling sportsbook in the appeal of a conviction for violation of U.S. Wire Act, amidst litigation between Antigua and the United States before the World Trade Organization related to the United States' violation of trade agreements through its treatment of Antiguan gambling businesses.

Government Contracts

- Convinced the U. S. Attorney's Office not to intervene in a whistleblower suit, and subsequently obtained dismissal of the private whistleblower action against a government contractor in a civil billing fraud investigation.
- Conducted numerous internal investigations and managed proactive mandatory disclosures to limit parallel proceeding risk, where other similarly-situated entities faced substantial additional inquiries from criminal and civil investigative authorities.

PCAOB

- Our two former assistant directors of enforcement at the **Public Company Accounting Oversight Board** (PCAOB) are well placed to provide insight into the PCAOB process, an assessment of the PCAOB investigations, professionals and guidance in complying with the increasingly complex PCAOB related issues.

Government Investigations – Immigration

- Persuaded the Justice Department and the DHS' National Security & Joint Terrorism Task Force not to prosecute our client, a local Pakistani business owner suspected of conspiring with employees and a local immigration attorney to use his business to illegally sponsor foreign nationals.
- Successfully represented Israeli-national business owners targeted in cross-border immigration fraud conspiracy to bring illegal workers into businesses spread across the United States. We obtained an outcome that kept them out of prison and allowed them to remain in the country. This investigation was jointly operated by the Department of Labor's Office of Racketeering and Fraud Investigations, the Human Rights and Special Prosecutions Section of the Justice Department, and the State Department Diplomatic Security Service.
- Prevailed in a sentencing argument in a federal district court case that caused the judge to not impose severe "Sentencing Guidelines" sanctions that would have punished our client based on the number of undocumented workers he employed in a "smuggle, transport or hire" investigation.