

## SECURITIES REGULATION AND LITIGATION

Perhaps no other area of the law holds a greater potential for substantial risks and significant rewards as securities law. In today's dynamic, rapidly evolving and heavily regulated financial services industry, brokerage and advisory firms need sophisticated, creative counsel to navigate increasingly complex regulations and mitigate compliance risks. While Armstrong Teasdale is well equipped to assist its corporate clients with the less-adversarial side of the securities industry – for example public reporting, securities issuances, corporate governance – we also have the experience and depth to help our industry clients mount strong defenses in the face of regulatory investigations, customer complaints and compliance challenges. In these events, we help our clients navigate parallel internal and external complexities, dealing with state and federal regulators including the Securities and Exchange Commission (SEC), Department of Justice (DOJ), Commodity Futures Trading Commission (CFTC), Financial Industry Regulatory Authority (FINRA) and state securities regulators. Our wide-ranging representations also include hedge funds and financial institutions, as well as public companies, including mining and technology corporations.

Lawyers in the Securities Regulation and Litigation practice area stand ready to lead our clients' responses to the time-sensitive, delicate issues which arise in regulatory inquiries and investigations. Our team includes a former Missouri Securities Commissioner, a former SEC Division of Enforcement lawyer, and a Missouri Securities Division Investigations Manager. We have extensive experience with state, federal and SRO regulatory regimes, investigations and litigation. Our familiarity with the priorities and concerns of those agencies, as well as our broad range of connections to current and former regulators at all levels, is invaluable to our clients.

### COMPLIANCE

Armstrong Teasdale knows that the best defense against regulatory actions is to avoid issues in the first place – which is why we focus much of our efforts on working with broker-dealers and investment advisers on proactive compliance and consulting. Our firm works through its subsidiary [ATGS Compliance Solutions](#), which was recently recognized with a Top Legal Innovation Award, to provide its clients a wide range of efficient services, including:

- performing mock audits;
- providing regulatory risk assessments;
- reviewing and enhancing written supervisory procedures and related documents;
- preparing new and amended Form BDs, Form ADVs, Form U4s and Form U5s;
- preparing the latest in new customer account agreements, registered representative agreements, sub-adviser agreements and solicitor agreements; and
- assisting with routine regulatory exam questions and findings.

In addition, our team has performed branch office and non-branch office inspections for our clients, and has prepared responses to findings and deficiency letters following examinations by the SEC, FINRA and various state securities commissioners.

We have been successful in helping our clients head off regulatory actions with thorough, practical responses to and interactions with regulators. It is our goal to resolve all regulatory interactions short of a disclosable event. But in circumstances involving the most serious of allegations that are likely to involve some type of formal action and disclosable event, our team relies on decades of experience to secure reasonable, manageable resolutions that keep non-affected

business lines as separate from the issue as possible while allowing our clients to continue their other operations without interruption.

## **REGULATORY ACTIONS**

The Securities Regulation and Litigation team has handled and negotiated resolutions in formal actions before government and self-regulatory agencies at every level. In the past five years, Armstrong Teasdale has handled and secured resolutions for clients in multiple SEC actions, and has also handled investigations and resolutions of FINRA actions out of multiple District Offices and in Rockville, Maryland. We have defended on-the-record statements, negotiated settlement agreements, managed multijurisdictional inquiries, and secured disqualification waivers for our clients related to alleged violations involving suitability, fiduciary duties, supervision, broker fraud and/or licensing issues. Our services also include work to secure registration for representatives in pending status or with disclosures to address, and to finalize special supervision plans or other arrangements allowing our clients to continue with their business.

Our team is also among the most experienced and successful in handling state securities regulatory matters, and in just the past few years has resolved issues for our clients in more than 25 states. Armstrong Teasdale has also assisted its securities industry clients with matters before various state insurance departments, the U.S. Commodity Futures Trading Commission, the Office of the Comptroller of the Currency and the Certified Financial Planner Board of Standards.

## **ARBITRATION AND LITIGATION**

The practice area also includes lawyers with significant litigation experience handling industry matters across the spectrum, from class actions to civil litigation to white-collar criminal defense and government investigations. Our experience includes:

- FINRA arbitrations related to customer claims;
- FINRA arbitrations and employment claims related to discharged or terminated associated persons;
- private securities litigation, securities class actions and other fraud claims;
- mediation of arbitration claims;
- civil litigation with industry competitors regarding restrictive covenants, Reg S-P, failed business combination and other issues;
- departures of key executives and personnel; and
- contract disputes with carrying firms, introducing brokers and industry vendors.

We have represented industry actors – and in many instances, insurance carriers – of all sizes in business litigation, ranging from small, single-broker offices to publicly traded, international wirehouses. For each of our clients, we do everything possible to isolate litigation matters from the client's normal operations to ensure its ongoing business is not disrupted or otherwise adversely affected.