Securities Enforcement Defense

Our seasoned securities enforcement attorneys provide sound insights and effective strategies gleaned through on-hands experience dealing with agency investigations and private litigation.

The Securities Enforcement Defense Group represents investment advisers, hedge funds, private equity funds, venture capital funds, public companies, private companies, boards, auditors, officers, directors, broker-dealers, other financial service professionals, investors and others facing government investigations, regulatory matters, and internal investigations, as well as government and private litigation. The group routinely handles a range of mattes from Securities and Exchange Commission investigations to securities class actions.

Substantial Experience with SEC Enforcement Actions

The attorneys practicing in Shartsis Friese's Securities Enforcement Defense Group are seasoned professionals with substantial experience in securities-related matters. Heading the group is a former Securities and Exchange Commission (SEC) enforcement attorney, providing invaluable insights and familiarity with agency practices, as well as familiarity with all aspects of the capital markets.

Encompassing a broad spectrum of proceedings, the group boasts an enviable record of superior results. On the regulatory side, we routinely handle investigations and defend enforcement actions initiated by agencies such as the SEC, state regulators, and FINRA. We also regularly represent clients involved in matters with the Department of Justice, State Attorneys General, and foreign regulators. We regularly conduct internal investigations for companies and boards. In addition, we represent individuals in internal investigations. In court, we litigate

RELATED ATTORNEYS

Alexander Morrow, Associate

Jahan P. Raissi, Partner

Charles R. Rice, Senior Counsel

Kevin J. White, Counsel

© 2026 Shartsis Friese LLP | All Rights Reserved | 425 Market Street, 11th Floor, San Francisco, CA 94105-2496

matters against the government, securities class actions, investor claims, and all manner of litigation touching upon the capital markets. Our practice includes regulatory investigations and litigation, securities industry litigation, and securities counseling on behalf our clients.

Working closely with the firm's business attorneys, particularly those in our Investment Funds and Advisers practice, members of the Securities Enforcement Defense Group draw on their experience in enforcement actions and with the agencies involved to help clients avoid regulatory problems before they begin. In addition to counseling clients on the broad array of enforcement issues under federal and state securities laws and Self-Regulatory Organization (SRO) rules, the group's attorneys conduct internal investigations for companies and boards and assist clients in responding to regulatory inspections of investment advisers and broker-dealers.

Government Investigations

The Securities Enforcement Defense Group represents clients in government investigations and actions brought by the Securities and Exchange Commission, the Department of Justice, state regulators and Attorneys General, FINRA, the PCAOB, and overseas agencies. The group's extensive capital markets and public company experience is invaluable to clients in an environment where the number, scope and severity of government investigations and actions is expanding. Our experience in defending securities enforcement actions encompasses a broad spectrum of subjects, including:

- insider trading
- private fund issues
- financial statement reporting and Foreign Corrupt Practices Act (FCPA) violations by public companies
- disclosure obligations of public companies in registration statements, proxy statements, press releases and communications with analysts
- accountant and auditor liability
- private company fraud and disclosure issues
- disclosures and conflicts of interest involving investment advisers
- research practices by market professionals
- failure to supervise

© 2026 Shartsis Friese LLP | All Rights Reserved |

- registration violations by issuers of securities, broker-dealers or investment advisers
- breach of fiduciary duty
- improper exercise of discretionary authority
- foreign regulatory matters

While many attorneys defend government investigations in an adversarial manner, as they would any civil litigation matter, we know that such an approach may be counter-productive in the regulatory context. We generally favor an initial approach of cooperation and negotiation with the investigating agency, but we also have the experience to know when a different approach is more appropriate. Our goal in defending any investigation is to avoid public proceedings when possible, and the Group is frequently successful in helping our clients avoid charges altogether. We also seek to minimize or avoid the collateral consequences of enforcement actions, such as the disclosure obligations of company insiders and market professionals, as well as the risk of private claims for damages based on government proceedings that may be brought by shareholders, investors, clients and others.

Litigation

The firm's Securities Enforcement Defense attorneys represent clients in securities and investment-related civil and commercial disputes. The group's attorneys bring their extensive knowledge of the securities industry to these matters, as well as their experience in handling the complex issues that arise in such disputes. We are always mindful of the possibility of regulatory proceedings that may develop out of private litigation, as well as the disclosure obligations that private litigation might require for regulated entities.

We have extensive trial experience, and our skill and reputation as trial lawyers provide strategic advantages at all stages of the litigation process and in government investigations. We also take care to staff matters leanly and to focus our efforts on activities that will lead directly to an efficient and favorable resolution. Examples of securities litigation we have handled are:

- disputes involving investments in private companies
- disputes involving activist short sellers
- disputes between market participants

© 2026 Shartsis Friese LLP | All Rights Reserved |

- defending private fund investor claims against investment advisers
- trading disputes and trading errors, including complex instruments such as derivatives and swaps
- private fund and investment adviser litigation
- fiduciary litigation
- class action defense
- derivative action defense

Experience

Private Funds and Investment Advisers

- investigations relating to insider trading
- investigations relating to asset values and fee calculations
- investigations relating to marketing practices
- investigations relating to custody rule violations
- investigations relating to short selling (including Rule 105 of Regulation M)
- investigations relating to activist investors
- investigations relating to required policies and records
- investigations relating to breaches of fiduciary duty
- investigations relating to crypto investments
- defending litigation brought by investors
- litigation with counterparties and other market participants
- litigation on behalf of short activists

Public Companies

- investigations related to disclosures
- investigations related to financial accounting
- investigations related to insider trading
- investigations related to whistleblowers

© 2026 Shartsis Friese LLP | All Rights Reserved | 425 Market Street, 11th Floor, San Francisco, CA 94105-2496

- representation of boards and committees
- internal investigations

Insider Trading

- investigations involving investment advisers and private funds
- investigations involving public companies and public company officers
- investigations and litigation involving individuals

© 2026 Shartsis Friese LLP | All Rights Reserved |