

## With a Remarkable Roster of SEC Talent, Debevoise Is Poised to Draw More Cutting-Edge Securities Work

“The practice has gone to a new level in the past five years,” said litigation co-chair Andrew Ceresney.

By Jessie Yount  
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Debevoise & Plimpton has long been recognized for its robust white-collar practice. But in recent years the firm has significantly ramped up its securities enforcement offerings, leading to big-name government hires and high-profile matters for private equity funds and technology companies.

“The practice has gone to a new level in the past five years,” said Andrew Ceresney, who returned to Debevoise as co-chair of litigation in March 2017, after serving for nearly four years as the director of enforcement at the U.S. Securities and Exchange Commission.

Just a month ahead of his arrival, Mary Jo White, the chair of the SEC for nearly four years during the Obama administration, returned as senior chair, a newly created position at the firm.

And a few months later in May, Kara Brockmeyer, the chief of the SEC Enforcement Division’s Foreign Corrupt Practices Act Unit for over five years, joined the growing roster of SEC veterans at the firm.

Brockmeyer noted that while she was attracted to the firm’s lockstep compensation system for the collaboration it encourages among partners, during her time she has come to view it as “a distinguishing feature for our clients,” a sentiment echoed by several of her colleagues.

Those hires kicked the securities enforcement practice into high gear.



Photo: Rick Kopstein/ALM

Just one measure of success: considered apart from the firm’s other enforcement white-collar matters, the practice would rank among Debevoise’s top 10 by revenue in 2021.

And in the last five years, the practice has created nearly 150 new client relationships for the firm, another indication of the practice’s unique position as a business generator for the firm.

“Whereas at some firms existing clients are introduced through the corporate practice to the white-collar practice, at our firm it is a destination practice in that clients come to us with no other connection to the firm,” Ceresney said, noting that is also true of the broader white-collar practice.

## Cutting-Edge Work

While the firm has continued to build a top-notch bench to cater to its more traditional clients, such as banks and private equity players, it has also positioned itself to win work from companies developing cutting-edge technology and financial products.

Just one example of that work is Debevoise's representation of Robinhood relating to SEC and Financial Industry Regulatory Authority investigations into the firm's execution and order for flow practices, as well as statements concerning its sources of revenue.

Robinhood's chief legal officer, Daniel Gallagher, explained that he'd worked closely with Ceresney and White during his time as a commissioner of the SEC, and had previously enlisted the team to handle SEC investigations when he served as the chief legal officer at Mylan Pharmaceuticals.

Ceresney, in particular, "is tenacious, a zealous advocate and extremely well-respected by the entire staff at the SEC," Gallagher said. "As a GC, when you have a tough SEC investigation, you want to hire someone who will be tenacious and get personally involved. That is a rare combination."

Gallagher also noted, from his perspective as general counsel assembling a team of in-house folks and law firm partners, the importance of the firm's collaborative nature and willingness to work with others.

"I hire the best lawyers, and in the SEC enforcement world, Debevoise is amongst the best," Gallagher said.

Robinhood settled with the SEC for \$65 million in late 2020 and subsequently with FINRA for a record \$70 million in mid-2021. Following the settlements, Debevoise's commercial litigation team also won a series of fraud class actions for Robinhood.

But as Ceresney explained, the types of issues that surfaced before the SEC and FINRA, particularly concerning the best execution on customer orders, will likely continue to arise for tech companies in the broker-dealer world.

## Covering the Waterfront

In recent years, Debevoise has amassed a team of experts that covers the waterfront, including FCPA matters, broker-dealer regulation and financial reporting.



**Andrew Ceresney  
of Debevoise.**



**Julie Riewe of  
Debevoise.**



**Jonathan Tuttle of  
Debevoise.**

Courtesy photo

Courtesy photo

Jonathan Tuttle, a partner who has spent nearly his entire career at Debevoise since 1995, explained that the breadth of experience has allowed the firm to capture work through various crises, including the internet bubble burst in the early 2000s and the financial crash in 2011.

"Because our practice covers the entire landscape of the securities-related enforcement field, that helps us avoid suffering from the peaks and valleys of the market," Tuttle said.

In the mid-2000s, for instance, Tuttle represented a former executive at AOL Time Warner in an SEC investigation relating to the company's restatement. The firm also handled a two-year investigation at Siemens connected to a bribes-for-business scandal that resulted in a \$1.34 billion settlement.

Since that time, the market for securities enforcement has only grown, as the government has added to its resources, according to Tuttle.

In 2012, Debevoise brought on board Robert Kaplan, the former co-chief of the SEC Enforcement Division's Asset Management Unit, just as the agency began taking a hard look at private equity and hedge funds and the treatment of their limited partners.

Debevoise was a great fit, according to Kaplan, not only because of its securities enforcement expertise but because of its long-standing connections to private equity.

It was a similar attraction that brought Julie Riewe to the firm in 2016. Riewe worked with Kaplan within the Asset Management Unit and served as the co-chief of the unit from 2013 until her departure.

And Riewe said that because Debevoise has "amassed a large contingent of former senior SEC staff ... that

is a tremendously fun way to practice law at a private law firm.”

The firm’s roster of clients includes heavyweights KKR & Co. and PIMCO. And increasingly so, it is the leading financial executives at these firms that have taken an interest in compliance related to the securities world.

“In the practice, we frequently present on enforcement issues to not only compliance and legal teams,” Kaplan said, “but also to senior business leadership, who believe they need to be able to demonstrate what the commission calls a ‘culture of compliance.’”

He continued, “Business leaders want to be aware of enforcement and compliance risks and are on the front line as culture carriers on those issues. We find that we routinely talk to and partner with the business leadership of our clients in a way that is probably not true for most legal practices.”

In the past two years, growth continued as Debevoise has brought on an additional five veterans of the SEC, including Kristin Snyder, the former deputy director of the SEC Division of Examinations and the first lateral partner hire in the firm’s new office in San Francisco.

### **Around the Corner**

No doubt, securities enforcement actions have already ticked up under the Biden administration.

Speaking broadly, the team agreed that the enforcement landscape is poised to take off after a surprisingly slower pace of activity under the Trump administration.

“It’s become even more important for clients to have counsel who have credibility in front of the SEC, so when you invariably have a run-in, you have a team that knows how to approach the staff with the right set of creative resolutions,” Brockmeyer said.

The explosive growth of registered advisers, who continue to fundraise at a massive clip, will likely fuel more work on the asset management side of the practice, Riewe added.

Some key issues in front of Debevoise’s client base are related to de-special purpose acquisition company disclosures and environmental, social and governance compliance, as well as cybersecurity and emerging technology regulation, according to the team.

Courtesy photo



**Robert Kaplan of Debevoise.**



**Daniel Gallagher, CLO of Robinhood.**



**Kara Brockmeyer of Debevoise.**

Courtesy photo

Several partners interviewed for this report highlighted ESG as an emerging priority, and Kaplan went as far as to compare how clients are thinking about ESG today to the way clients prioritized anti-corruption five to 10 years ago.

Just a sample of some of Debevoise’s more recent work catering to demand has included representing WeWork in investigations by the SEC, New York Attorney General’s Office and other regulators concerning its disclosures to investors in the weeks ahead of its initial public offering, with no charges brought against the company thus far.

And Ceresney is currently leading a team representing Ripple, a technology and payment company, in a high-profile case regarding the legal and regulatory status of XRP, which the SEC argues is a security, while company calls it a digital currency.

“We’re viewed as being on the cutting-edge of technology developments,” Ceresney said of the firm’s ability to win work from innovative tech clients. “We’re able to understand those businesses and master the facts, but also develop creative legal arguments in emerging areas.”

With the breadth and depth of practice, and demand that is forecasted to only increase in the next three years, the firm is well-positioned for the future, even in the event of an economic downturn.

“We’ve grown thoughtfully in areas that round out our experience across the full spectrum of securities laws,” Ceresney said. “Collectively, we have [over] 100 years of SEC experience, and that enables us to bring tremendous knowledge and expertise to bear for our clients.”