

White Collar Group Of The Year: Levine Lee

By **Chris Villani**

Law360 (March 6, 2023, 2:03 PM EST) -- Levine Lee LLP's landmark win in a Libor-rigging case and a knack for fending off prosecutions before they wind up in the news are among the achievements that helped the boutique firm earn a spot among Law360's 2022 White Collar Groups of the Year.

The 10-attorney firm located in the heart of Manhattan has been at the center of some of the most consequential white collar litigation of the past year.

Firm partner Kenneth Lee said the firm's size and culture are an advantage, not a hindrance, as its lawyers frequently match up with some of the biggest names in the industry.

"Our teams operate with a cohesiveness, nimbleness and efficiency that are much more difficult to achieve in larger firms," Lee said. "In addition, our independence allows us to take on complex challenges without many of the concerns that larger firms may have."

Perhaps the most significant victory of the past year came in January 2022 in the Second Circuit, which acquitted two former Deutsche Bank traders who were convicted of Libor-rigging in 2018, including Levine Lee client Gavin Black.

Libor, or the London Interbank Offered Rate, is a benchmark interest rate calculated by the British Bankers' Association based on estimates from more than a dozen global banks of what it would cost to borrow from one another.

Prosecutors claimed that Black and his co-conspirator illegally pressured Deutsche Bank's Libor submitters to falsify their computer-generated daily estimates in order to boost the bank's derivatives trades tied to the benchmark.

Levine Lee co-founder Seth Levine offered 40 minutes of oral argument before the Second Circuit panel, which ultimately nixed the convictions and rejected prosecutors' theory of Libor manipulation as being inconsistent with the Libor rules, which had underpinned past cases.

He said a major takeaway from the case is the idea of prosecutorial overreach and the risk that a



meritless theory of prosecution will not be fully vetted unless a client and their attorneys are willing to go to the mat to fight it.

"In Libor, many institutions and individuals pled guilty and paid billions in fines. Yet, as we demonstrated — and the Second Circuit held — there was no underlying crime," Levine said. "Any fair-thinking person should be concerned about the enormous legal, ethical and economic costs from misguided prosecutions like Libor — and why the system worked to dissuade anyone from putting a stop to them sooner."

Levine Lee's approach has led other white collar defendants to turn to the firm in high-stakes matters.

Last summer, Levine Lee represented former Platinum Partners managing director Daniel Small against charges stemming from the U.S. Department of Justice's investigation into the hedge fund and secured an acquittal on the central charge against him. While Small was convicted on some counts, the presiding judge has expressed doubt as to whether he acted with criminal intent, and a post-trial acquittal motion is pending.

Gregoire Tournant, the former chief investment officer at Germany's Allianz SE, tapped Levine Lee after the company agreed to a \$6 billion investor fraud settlement last May. The matter has received worldwide attention, and Levine Lee moved to have Tournant's case dismissed in January. Levine said it's an example of the kind of case in which the firm thrives.

"We are always seeking to level the playing field to allow individuals a fair chance to defend themselves in the face of the enormous power of the government supplemented by the aid of substantial corporate resources," Levine said.

Sometimes, the most significant victories are the ones that don't make headlines because they never make it to the courtroom.

In November 2021, Levine Lee attorneys were able to convince the U.S. Securities and Exchange Commission to pass on the prosecution of a former chief financial officer and current executive of a publicly traded company. The client had received a Wells Notice from the SEC, which typically indicates an enforcement action is coming.

In September, the SEC agreed to a settlement with the client's company, in which the company admitted to no wrongdoing and passed on any claims against the client.

Last year also saw Levine Lee achieve a major declination of prosecution for a chief compliance officer, following a DOJ criminal investigation that lasted seven years and was challenged by the firm every step of the way.

Lee said results like that are part of Levine Lee's "record of achieving favorable outcomes for clients in cases considered to be unwinnable according to conventional wisdom."

Both partners said they are hoping for more strong results and victories in the years to come.

"We have been extremely fortunate to have many individual and corporate clients entrust us with their

most challenging criminal, regulatory, and civil matters and crises, and we look forward to the privilege of continuing to do this type of work," Levine said. "Our boutique structure allows us to be selective about the clients and matters we choose to take on, enables us to provide the most personalized service to our clients and fosters a close-knit and supportive firm culture for our attorneys."

--Editing by Steven Edelstone.

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