

Financial Markets and Products

Key Contacts

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Overview

Our Financial Markets and Products Group solves the legal and regulatory challenges confronting clients who participate in the U.S. securities and futures markets. With deep experience inside the federal agencies that regulate the financial markets, we offer effective compliance advice to help clients avoid regulatory pitfalls. And when regulators or private litigants come against a client, we help navigate the legal thicket, either by taking the case to trial or by negotiating a solution that protects the client's larger interests.

We represent broker-dealers, proprietary trading firms, financial exchanges, alternate trading systems, futures commission merchants, investment advisers, clearing agencies, transfer agents, accounting firms, and public companies. Our lawyers are active in all U.S. regulatory and financial centers.

Knowing the Regulators

As counsel for securities and futures exchanges, we assist exchanges in enforcing rules and disciplining members. This work requires that we think and act as regulators, a perspective that gives us special insights when representing regulated entities on compliance or enforcement matters.

If enforcement issues arise, we know what will work and what will not, putting us in the best position to negotiate a legal or regulatory solution that meets our client's goal.

Knowing Our Clients

When we work with clients, we make sure to know their business goals so that legal strategy advances those goals. We also strive to understand the individual goals and pressure points facing the client's inside counsel and key representatives. Our job is to support and help the inside counsel succeed as the client's primary legal advisor.

This deep understanding of our clients leads to enduring relationships. For example, we were instrumental in 1973 in creating the Chicago Board Options Exchange (Cboe) and the regulatory framework that enabled the exchange-traded options industry to grow and flourish. Forty years later, we remain a trusted advisor highly involved in helping Cboe confront the regulatory and legal issues it faces. Our relationships with clients last because we are dedicated to them — both at the corporate and the individual level — and they know it.

Attention at the Highest Levels

Our clients receive the full attention of our most experienced lawyers whenever they need it. Of course, we work with our junior colleagues in order to solve problems in an efficient and cost-effective manner. However, we believe our most experienced lawyers should be directly involved in all appropriate aspects of addressing our clients' challenges. Consistent with our commitment to creating enduring relationships, our senior lawyers are a constant and direct presence, not a remote presence in the background.

Core Strengths

Schiff Hardin is nationally known for its work concerning the regulation of the U.S. financial markets and products. Our core strengths include the following areas:

Derivatives and Trading

Our experience embraces both principal types of exchange-traded derivatives (i.e. options and futures). As counsel to Cboe since its creation and the corresponding birth of the exchange-traded option industry, we have been actively involved in options and options trading for longer than any other law firm in the world. Our lawyers have also been at the cutting edge of the regulation of futures markets, frequently representing some of the largest futures commission merchants in the country. Moreover, we have represented proprietary trading firms that regularly engage in sophisticated, and often novel, trading strategies employing options and futures, among other

contracts. We have litigated when and whether these derivatives trading strategies may test legal limits. That same expertise is invaluable when complex trading strategies are challenged, particularly those that involve options or futures.

Enforcement and Litigation

Enforcement proceedings by federal and industry regulators, and the class actions they trigger, can represent a fundamental threat to firms and individuals participating in the securities and futures markets. We have a long track record of successfully dealing with these challenges. Success comes from our deep understanding of the markets, the activities being challenged, and the regulators and their goals. We succeed also because we work hard to fully understand the client and its needs. We also are attentive to the effect an enforcement action will have on the private litigation that so often follows. Our enforcement and litigation experience covers a broad area of regulatory issues, including market manipulation, disruptive trading, insider trading, spoofing, false statement liability, improper sales practices, failure to segregate customer funds, failure to supervise, and anti-money laundering and anti-corruption (Foreign Corrupt Practices Act).

Financial Markets Intellectual Property

We have been advising clients about intellectual property since the earliest disputes over electronic trading in the 1990s, helping brokerage firms, financial exchanges, and proprietary trading firms protect and monetize their intellectual property and defend against IP challenges. Our lawyers are known nationwide for their skill and strategy in navigating the challenges at the intersection of financial markets and intellectual property — litigating the most complex patent issues over electronic trading systems; advising clients about protecting their valuable licenses, trading strategies and algorithms, and market data; and using trade secrets, copyrights, and patents to protect our clients' technological innovations. We advise our clients on ways to maximize the opportunities afforded by intellectual property while preventing IP entanglements that can block the path to business success.

AWARDS & HONORS

- **BTI “Innovation Builder”**

We were singled out by corporate counsel as one of only 28 percent of law firms clients view as a BTI “Innovation Builder,” which recognizes firms that bring change to the legal market through new technology, services, strategies, or structures.

- **Metropolitan Tier 1 Ranking (2018)**

U.S. News – Best Lawyers® “Best Law Firms”

- **Metropolitan Tier 1 Ranking**

U.S. News & World Report's *U.S. News – Best Lawyers* “Best Law Firms” (2014)