

## CHARLES D. RIELY, Partner

*Charles D. Riely is a partner in the Investigations, Compliance and Defense Practice. As a lawyer at the US Securities and Exchange Commission (SEC) for more than a decade, he handled a number of significant matters, working extensively with criminal authorities in parallel investigations, and developing deep expertise in all aspects of the federal securities laws. At the SEC, he received the Ferdinand Pecora Award for tenacity, creativity and efficiency. His background enables him to counsel clients on their most complex legal and compliance issues.*

Mr. Riely most recently served as assistant regional director for the Division of Enforcement for the SEC. In that role, he led teams of lawyers in the New York Regional Office and Market Abuse Unit conducting investigations and litigations. Mr. Riely's matters at the SEC generally entailed highly complex issues and included some of the most significant actions filed by the SEC during his tenure. These included matters against large hedge funds for insider trading, valuation fraud and other violations. He was also one of the original members of the Market Abuse Unit and worked on a number of market manipulation cases as well as cases involving dark pools.

While at the SEC, Mr. Riely worked on matters involving disclosure failures by public companies; alleged fraud and regulatory violations by investment advisers and broker-dealers; insider trading; anti-money laundering violations; "spoofing" and other forms of market manipulation; failure-to-supervise violations; the adequacy of firms' cyber-security procedures and protections; and a variety of other fraud and regulatory matters.

Mr. Riely also gained extensive experience coordinating investigations with the US Department of Justice (DOJ) and worked on more than a dozen publicly filed SEC enforcement actions where the criminal authorities filed a parallel case. He also gained extensive experience working with international enforcement officials as well as the Commodity Futures Trading Commission (CFTC), the New York Attorney General's Office, FINRA, the New York Stock Exchange and other domestic agencies. He also consulted extensively with the compliance examiners and other professionals that conduct compliance inspections and examinations of regulated investment advisers and broker-dealers in the New York region.

Before joining the SEC, Mr. Riely was in private practice and focused on general litigation, with an emphasis on government investigations and commercial litigation.

Mr. Riely's work at the firm has included representing and advising corporations and individuals in compliance, criminal defense matters, government enforcement matters, internal investigations and litigations. This includes working on matters relating to accounting fraud, the Federal Corrupt Practices Act (FCPA), the adequacy of public company disclosures, anti-money laundering, and insider trading.

In his 10 years at the SEC, Mr. Riely worked on a wide-range range of investigations and enforcement actions. They include:



## CHARLES D. RIELY Partner

### NEW YORK

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### PRACTICE GROUPS

Financial Services Litigation  
Investigations, Compliance and Defense  
Markets and Trading  
Securities Litigation and Enforcement

### INDUSTRY GROUPS

COVID-19 / Coronavirus Resource Center

### EDUCATION

University of Michigan Law School, JD, 2001;  
Articles editor, *Michigan Journal of  
International Law*

Yale University, BA, 1998; Senior editor, *The  
Yale Herald*

### ADMISSIONS

New York, 2002

### COURT ADMISSIONS

US District Court, Southern District of New  
York

US District Court, Eastern District of New  
York

### JUDICIAL CLERKSHIPS

Hon. Frank Maas, US District Court,  
Southern District of New York, 2001 - 2002

## *Cases Involving Investment Advisers:*

- Insider trading action against hedge fund advisory firm, portfolio manager, and doctor involved in clinical trial.
- Failure to supervise matter against hedge fund adviser's owner and chief executive officer for failures relating to portfolio manager who participated in insider trading scheme;
- Case against a portfolio manager and a hedge fund advisory firm for failure to supervise and failure to maintain adequate policies and procedures to prevent insider trading;
- Case against hedge fund advisory firm for engaging in insider trading scheme and engaging in a separate fraudulent scheme to falsely inflate the value of securities held by the portfolios managed by the hedge fund advisory firm;
- Case against portfolio manager of hedge fund advisory firm that participated in an insider trading scheme and valuation fraud;
- Case against portfolio manager of hedge fund advisory firm that participated in valuation fraud; and
- Case against an investment advisory firm and its owner for fraud based on a misleading press release announcing their offer to purchase a majority stake in retail bookseller.

## *Cases Involving Other Financial Services Firms:*

- Cases against broker-dealers for disclosure and regulatory failures relating to the operation and maintenance of their dark pools;
- Case against a broker-dealer and chief anti-money laundering officer of broker-dealers for failures related to the execution of the firm's anti-money laundering program;
- Case against proprietary trading firm and one of its co-founders for engaging in a market manipulation scheme via a strategy known as "spoofing";
- Case against a broker-dealer for its violation of the market access rule in connection with a trading incident in which the firm sent thousands of mispriced options to the market;
- Case against a broker-dealer for improper securities lending practices in violation of the provisions of Regulation SHO;
- Case against broker for participating in cherry picking scheme by fraudulently allocating winning trades to his own account and a disproportionate part of losing trades to client accounts; and
- Action involving a foreign bank operating in the United States without registering as investment adviser or broker-dealer.

## *Cases Involving Corporate Issuers or Conduct of Employees of Corporate Issuers:*

- Case against Israeli-based company for violating internal controls and books and records provisions of Foreign Corrupt Practices Act;
- Case against an issuer for disclosure failures in connection with the defense of a hostile tender offer;
- Case against a former vice president of a major pharmaceutical company for insider trading;
- Case against a financial analyst working at major pharmaceutical company and his former business school classmate for insider trading; and

- Case against a director of statistical programming for a biopharmaceutical company for insider trading.

## Awards

- *Legal 500*  
Corporate Investigations and White-Collar Criminal Defense - 2020
- Ferdinand Pecora Award
- Member of Team that received Arthur F. Mathews Award

## Publications

- Co-Author, Client Alert: Practical Implications of Supreme Court's Decision Related to SEC's Disgorgement Remedy, June 30, 2020
- Co-Author, "How COVID-19 May Influence SEC's Enforcement Analysis," *Law360*, June 22, 2020
- Co-Author, "How to Stay SEC-Compliant after Virus Brings Bad Market News," *Bloomberg*, April 14, 2020
- Co-Author, "SEC Investigation Shows Maturation of Cannabis Scrutiny," *Law360*, April 1, 2020
- *Anti-Corruption Enforcement 2019-2020: A Guide to the FCPA, UK Bribery Act and International Anti-Corruption Laws*, Jenner & Block, March 25, 2020
- Co-Author, Client Alert: Insider Trading Issues Raised by News of Senators' Reported Trades, March 24, 2020
- Co-Author, Client Alert: "SEC Reacts to COVID-19 Crisis and Issues Relief Relevant to Public Companies and Regulated Entities", March 16, 2020
- Co-Author, "Data Analytics in Corporate Compliance – Part Two," *Corporate Counsel*, March 12, 2020
- Co-Author, "Data Analytics in Corporate Compliance – Part One," *Corporate Counsel*, March 11, 2020
- Co-Author, "The SEC's Continued Focus on Non-GAAP Financial Metrics," *New York Law Journal*, March 3, 2020
- Co-Author, "Fines, Disgorgement, Injunctions, Debarment: The US Perspective," *GIR's The Practitioner's Guide to Global Investigations*, February 4, 2020
- Co-Author, Client Alert: Second Circuit Allows Insider Trading to Be Proven Without Personal Benefit, January 10, 2020
- Co-Author, Client Alert: H.R. 2534 Insider Trading Prohibition Act Passes House, December 13, 2019
- Co-Author, "Big Data, Hedge Funds, Securities Regulation, and Privacy: Mitigating Liability in a Changing Legal Landscape," *Westlaw Journal Securities Litigation & Regulation*, November 20, 2019
- Co-Author, "Deciphering Deer Park: Lessons for Fund Managers from a Recent SEC Valuation Settlement," *Hedge Fund Law Report*, August 15, 2019
- Co-Author, "Anti-Money Laundering For Registered Broker-Dealers," *Fraud Magazine*, July/August 2019
- Co-Author, "Insight: SEC's Tesla Experience May Lead to Refinements in Remedies Approach," *Bloomberg*, June 26, 2019
- Co-Author, "What Securities Pros Need to Know About SEC Data Analytics," *Law360*, June 7, 2019

## Speaking Engagements

- Panelist, “Leveraging Technology in Compliance & Legal: Artificial Intelligence, Data Analytics, Machine Learning and More,” SIFMA C&L Annual Seminar, March 17, 2020
- Panelist, “Data Analytics and Financial Services Compliance Programs,” Practising Law Institute’s Financial Services RegTech and Regulatory Compliance Forum 2019, November 21, 2019
- Speaker, “SEC Data Analytics,” SIFMA, September 10, 2019
- “The Basics of an Anti-Money Laundering (AML) Compliance Program: Practical Tips and Common Pitfalls to Avoid,” Association of Corporate Counsel, New York City Compliance Institute, Fordham Law School, September 05, 2019
- Speaker, “Global Regulatory Outlook 2019 Luncheon”, June 27, 2019
- Panelist, “Insider Trading Law 2018,” Practising Law Institute, September 20, 2018
- Panelist, “Insider Trading Law 2017,” Practising Law Institute, July 21, 2017
- Panelist, “Insider Trading: New Developments in Investigating, Prosecuting & Defending Cases,” New York City Bar Association, December 02, 2015
- Panelist, “Securities and Shareholder Litigation 2015: Cutting-Edge Developments, Planning and Strategy,” American Law Institute Continuing Legal Education, January 29, 2015