

L. Andrew Brehm

SHAREHOLDER

Andrew Brehm's most outstanding characteristic is his unwavering commitment to clients, colleagues and Schuyler, Roche & Crisham, P.C. – dedication that has won him respect from opposing counsel and results in court. Drew joined Schuyler, Roche & Crisham, P.C. after graduating from the University of Michigan Law School more than 30 years ago, attracted by the opportunity to work on complex cases within the more personal and collegial atmosphere of a midsize firm. Becoming a shareholder seven years later, Drew has remained loyal to Schuyler, Roche & Crisham, P.C., serving securities brokers, various commercial enterprises and insurance companies with respect to a wide range of issues. Drew works primarily on complex commercial matters in diverse areas including ERISA cases, securities fraud actions, securities and insurance industry regulatory proceedings, employment-related issues and contract disputes. He is friendly and professional, described by clients as conscientious, dedicated and committed to their cause.

The chance to participate in dispute resolution, a societal tool of increasing value, compelled Drew to study law; his background in economics and fascination with the stock market led to his early concentration in securities litigation, which has evolved into a diverse practice which now also encompasses a panoply of matters whose numerous intellectual challenges continue to fuel his interest.



CONTACT INFO

DIRECT 312 565.8417
FAX 312 565.8300
E-MAIL lbrehm@SRCattorneys.com

PRACTICE AREAS

Securities and Commodities Litigation
Commercial and Employment Litigation



AREAS OF PRACTICE

Recently, Drew has devoted substantial attention to representation of an SRC client in a major ERISA matter involving securities-related issues, and has devoted significant attention to cases challenging administrative actions taken by regulators with respect to several insurance companies. Over the years, he has represented both investors and broker-dealers in numerous securities law claims brought by public customers against brokerage firms. He has handled many regulatory proceedings brought by the Securities and Exchange Commission (SEC), the National Association of Securities Dealers (NASD) and the Chicago Board Options Exchange (CBOE) against securities brokerage firms, registered representatives, market makers and other personnel. He also has pursued and defended claims under the Racketeer Influenced and Corrupt Organizations Act (RICO). Drew has participated in hundreds of matters involving disputes arising when securities brokerage firms hire registered representatives away from their competitors, and has litigated similar "raiding" disputes arising in other industries as well.

Typical examples of his work include:

- Defense of a privately-held, employee owned corporation against allegations of ERISA violations stemming from the investment of that company's profit-sharing plan in employer securities;
- Representation of an insurance company, resulting in a stay of an administrative order seeking to suspend that company's authority to conduct business in Illinois (*Professional Liability Insurance Company of America v. McRaith*, 2009);
- Representation of an insurer against claims for rescission and other relief in an action arising from its sale of certificates of beneficial interest in various aircraft leasing trusts (*Lehman Brothers, Inc. v. Piper Jaffrey & Co. v. Nationwide Life Insurance Company of America*, 2007-2009);
- Litigation of federal and state court claims arising from a tender offer for stock of an insurance company (*State Auto Financial Corp. v. Gregory Shepard and State Auto Mutual Insurance Co. v. Gregory Shepard*, 2003-2004);
- Pursuit of claims by a former director of a publicly-traded company alleging that his ouster from the company's Board was the result of an election tainted by a violation of federal securities law (*Edelson v. Ch'ien et al.*, 2004-2005);

EXPERIENCE

Schuyler, Roche & Crisham, P.C.
Chicago, Illinois

Shareholder
1986 to Present

Associate
1979 to 1986

EDUCATION AND DISTINCTIONS

J.D., Cum Laude, University of Michigan Law
School, Ann Arbor, Michigan, 1979.

A.B. in Economics, High Honors, University of
Notre Dame, South Bend, Indiana, 1976.

PEER RECOGNITION

Illinois Super Lawyers, *Law & Politics*, 2005 and
2006.

Leading Lawyers Network, Law Bulletin
Publishing Company, 2006.

Martindale-Hubbell, "peer review rated for
ethical standards and legal ability," since 1997.

- The pursuit and defense of numerous claims arising from the en masse resignation of employees of one business to join a competitor, principally in the securities brokerage industry (many of which arose from the 2000 acquisition of J.C. Bradford & Company by PaineWebber Incorporated);
- The defense of securities trading firms and its principals against SEC disciplinary charges that they had violated various provisions of the Federal Reserve Board's margin rules and against charges by the NASD alleging violations of the rule prohibiting practices inconsistent with "just and equitable principles of trade" arising from the operation of the firms' principal proprietary trading programs.

In addition, Drew has represented clients in commercial and intellectual property disputes differentiated by their depth and variety.

ACHIEVEMENTS

One celebrated case in particular provides a good example of the challenges inherent in Drew's securities and commodities work and his skill in confronting them. In a jury trial, he successfully helped defend a brokerage firm that innocently sold stock stolen from the safety deposit box of a deceased individual by an inheritance tax examiner employed by the Treasurer's Office of the State of Illinois. An outgrowth of a broad criminal conspiracy, the case spawned additional civil litigation, including claims against (a) the criminal conspirators engaged in stealing the decedent's stock, in selling it through various brokerage firms and in cashing the checks from the proceeds; (b) the bank whose teller, a conspiracy member, accepted checks bearing forged signatures; and (c) the State of Illinois – based on its alleged negligent hiring of a person recently released from a penitentiary in Massachusetts – for employing a felon as an inheritance tax examiner (*Estate of John Krasa v. Paine, Webber, Jackson & Curtis, Inc.*, 1980 to 1982).

Two noteworthy cases best illustrate Drew's representation of securities brokers against claims involving diverse and unique financial instruments, including options, derivatives and hedge funds. In the first he (along with Mike Roche) successfully represented a major broker-dealer against allegations of securities trader following losses incurred on the trader's investment in a derivative security – an "inverse interest only" tranche of a collateralized mortgage obligation (*Birger Nyborg v. PaineWebber, Inc.*, 1999). In the second case he secured the dismissal of federal securities law and other claims made by a wealthy speculator into a hedge fund (*Weis v. Ganz*, 1998).

LECTURES

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"Keeping It Under Lock and Key: Restrictive Covenants, Trade Secrets and Employee Duty of Loyalty," the Plaza Club, 2006.

BAR AND COURT ADMISSIONS

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Illinois, 1979

Supreme Court of Illinois, 1979

United States District Court for the Northern District of Illinois, General Bar, 1979

United States Court of Appeals for the Seventh Circuit, 1982

United States District Court for the Northern District of Illinois, Trial Bar, 1985

United States District Court for the Eastern District of Wisconsin, 1994

In other critical matters, Drew:

- successfully argued the first federal appellate case involving the time limits during which a customer's securities fraud claim is eligible for arbitration [*PaineWebber v. Farnam*, 870 F.2d 1286 (7th Cir. 1989)]
- obtained an appellate court decision that the operator of a marketplace was not liable as a "contributor infringer" for the sale in its markets of counterfeit goods bearing the plaintiff's trademark [*Hard Rock Cafe Licensing Corp. v. Concession Services, Inc.*, 955 F.2d 1143 (7th Cir. 1992)]
- participated in the successful defense of a major corporation liable for raiding personnel from one of its competitors [*Lawson Products, Inc., et al. v. Avnet, Inc.*, 782 F.2d 1429 (7th Cir. 1986)]
- represented a major distributor of computer equipment against breach of contract and claims of fraud made by a supplier, resulting in a pretrial grant of summary judgment on the distributor's counterclaims, a favorable jury verdict on the supplier's fraud claim and a successful post-trial motion significantly reducing the damages awarded on a breach of contract claim {*Genroco International, Inc., v. Avnet, Inc., U.S.D.C., E.D. Wisc.*, Case No. 94 C 1052 (1997) [Jury Trial]}
- obtained restraining orders in favor of the licensee of various rock bands to sell tee-shirts and other authorized merchandise at the concerts of those bands, participated in enforcing those orders through the seizure of counterfeit goods at concert sites and handled follow-up court proceedings [*Winterland Concessions Company, d/b/a Winterland Productions, Raindrop Products, Inc., d/b/a Rolling Stones, et al. v. Sileo, et al.*, 528 F.Supp. 1201 (N.D. Ill. 1981); *Winterland Concessions Co. v. Creative Screen*, 214 U.S.P.Q. 188; 1981 WL 59411 (N.D. Ill.); decided November 16, 1981]. Other cases of interest include:
- defended a securities brokerage firm against a claim involving multiple alleged violations of federal and state securities laws [*Capalbo v. PaineWebber, Inc.*, 694 F.Supp. 1315 (N.D. Ill. 1988) and 672 F.Supp. 1048 (N.D. Ill. 1987)]
- represented the seller of a going business against allegations of breach of contract, fraud and breaches of warranty levied by the acquirer of that business [*Wabash, Inc., v. Avnet, Inc.*, 516 F.Supp. 995 (N.D. Ill. 1981)].

If seeking an attorney knowledgeable about and sensitive to the nuances of securities litigation and arbitration, and other forms of commercial litigation please give Drew a call.

PROFESSIONAL MEMBERSHIP

Chicago Bar Association

Illinois State Bar Association

American Bar Association

American Arbitration Association (Panel of Arbitrators, 1987 to present)

National Association of Securities Dealers, Inc. (1987 to 1998)

CIVIC AFFILIATIONS

Notre Dame Club of Chicago, Board of Governors, 1985 to 1988.

IN-FLIGHT AUDIO

Steve Forbes' *Business Network* interview with L. Andrew Brehm on the Sky Radio Network (as broadcast on American Airlines and United Airlines): "Restrictive Covenants: Are They Worth the Paper They're Written On?"