

Scott N. Sherman

Partner

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Scott Sherman practices in complex business and securities litigation. He represents public companies, directors, and officers in securities class actions and derivative lawsuits and represents special litigation committees as well as companies and individuals involved in U.S. Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA) informal and formal enforcement proceedings. He also represents companies and individuals in complex commercial and general business litigation matters including professional negligence matters related to the accounting industry, contract disputes, business divorces, and internal disputes among members and partners related to claims of fraud and misrepresentation.

Additionally, Mr. Sherman handles financial services litigation and arbitrations, such as representing banks involved in litigation, representing accounting firms in litigation, representing broker-dealers and registered representatives in FINRA arbitrations and investment advisers in court proceedings, and representing residential mortgage servicers in litigation. Mr. Sherman handles complex commercial matters as well, including representation of private companies, their partners or members in business disputes.

Experience

Following is a selected sampling of matters and is provided for informational purposes only. Past success does not indicate the likelihood of success in any future matter.

Experience

**Financial Services/Investment Management/Securities
Litigation and Counseling**

Education

Emory University School of Law, JD, with honors (2001)

Indiana University, BA (1998)

Admissions

Georgia

District of Columbia

Florida

Virginia

Practice Areas

[Broker Dealers & Investment Management Litigation](#)

[Commercial Litigation & Business Torts](#)

[Directors & Officers Liability Coverage](#)

[Multi-Claim & Class Action Litigation](#)

[Securities & Enforcement](#)

Industries

[Banking & Financial Services](#)

[Insurance](#)

Real Estate

Technology

- Represents corporations and individual officers and directors in securities class actions and derivative litigation, as well as advises special litigation committees in derivative matters
- Assists clients with internal investigations related to financial disclosure matters
- Represents officers and directors of banks, including community banks, related to fiduciary liability matters
- Represents public companies and their officers and directors, broker-dealers, associated persons, private equity firms, and investment banks in informal and formal inquiries and/or investigations before the SEC, FINRA, the Office of the Comptroller for the Currency, the Chicago Mercantile Exchange & Chicago Board of Trade, and state regulatory bodies as well as in associated administrative hearings and court actions. The types of matters range and include, but are not limited to, financial disclosure matters, advertising issues, insider trading, alleged misuse of management fees, violations of SEC rules including the custody rule, etc.
- Represents accounting firms in litigation related to Global Investment Performance Standards compliance associated with hedge fund performance
- Counsels corporate clients in a host of pre-litigation and litigation matters involving hostile takeovers, squeeze-outs of minority shareholders, stock option backdating, stock dilution matters, valuation of shares, Sarbanes Oxley certification issues, Dodd Frank regulatory matters, and merger litigation and pre-merger litigation counseling
- Represents the broker-dealer and investment adviser industry in securities arbitration and litigation matters. Counsels broker-dealers, investment advisors, investment banks and finders regarding securities compliance and regulatory issues. Assists clients regarding FINRA and SEC audits. Represents broker-dealers and registered representatives concerning transition issues (restrictive covenants) and related to forgivable loans. Assists broker-dealers and investment banks with the negotiation of placement agent agreements
- Represents plaintiff and defendant investment banks in pre-litigation and litigation/arbitration matters

Complex Commercial Litigation

- Represents companies and individuals in complex commercial and business litigation, including professional negligence matters related to the accounting industry, contract disputes, business divorces, and internal disputes

among members and partners related to claims of fraud and misrepresentation

- Represents companies in intellectual property-related matters including trade secrets
- Has assisted low-income individuals in general contract disputes and landlord-tenant matters through the Legal Aid Society and the Atlanta Volunteer Lawyers Foundation

Representative Matters

Securities Litigation/Arbitration

- Currently representing Special Litigation Committee in Derivative Action in the Southern District of New York
- Currently representing Demand Review Committee in Derivative litigation in the Northern District of Georgia
- Represented investment bank and broker-dealer in multimillion-dollar state court action regarding allegations of fraud and breach of fiduciary duty related to capital raising activity for technology company
- Represented micro-cap company in securities class action concerning securities fraud claims arising after drop in company stock price after negative news announcements
- Represented officers of a deal-manager in FINRA arbitration whereby the court denied investor plaintiff's Petition to Compel Arbitration and held no customer relationship existed
- Defended officer of insurance company in tag-along litigation filed as a result of a New York Attorney General investigation
- Defended industry-leading specialty pharmaceutical and biopharmaceutical distribution services company and certain of its directors and officers in federal class action and derivative lawsuits alleging violations of the Securities Exchange Act
- Represented one of Georgia's largest public companies in relation to merger with world-renowned telecommunications company
- Represented the Special Litigation Committee of one of New York's largest cable provider on allegations of options backdating
- Represented billion-dollar public company in injunction action against hostile tender offeror and separately filed litigation against purported shareholder class actions

- Represented national and regional broker-dealers in numerous FINRA customer arbitrations seeking multimillion-dollar awards involving selling away, suitability, unauthorized trading, securities fraud, negligent supervision, and investment banking/retail sales conflicts of interest

Securities Regulatory

- Defended investment company in formal investigation conducted by the SEC
- Defended financial institution in formal investigation by the SEC
- Defended investment advisor and its officers in formal investigation conducted by the SEC
- Defended broker-dealer in regulatory action conducted by FINRA concerning investment banking activities

Business Litigation

- Represented majority shareholder in action in Delaware Chancery Court and obtained appointment of receiver under 8 Del. C. § 291. *Badii v. Metropolitan Hospice, Inc.*
- Represented Fortune 100 financial services company in interpleader actions involving distribution of retirement assets
- Represented technology company seeking temporary restraining order and permanent injunction after business separation and concerns related to misappropriation of business assets

Corporate Securities

- Counsels investment banking clients related to placement agent agreements and resolving disputes with third parties pre-litigation
- Represented lender in mezzanine loan transaction concerning local pre-development commercial real estate
- Oversee securities offerings concerning multi-million dollar syndication of real estate interests.

Recognitions

The bar rules of some states require that the standards for an attorney's inclusion in certain public accolades or recognitions be provided. When such accolades or recognitions are listed,

a hyperlink is provided that leads to a description of the respective selection methodology.

- [Super Lawyers Rising Stars – Securities Litigation \(2010-2016\)](#)

Articles & Speeches

Insights

- [The Ever-Changing Landscape of Elder Financial Abuse Regulations](#), *National Society of Compliance Professionals' Currents* - Author (May 2018)
- [Office of Compliance Inspections and Examinations Identifies Common Weaknesses in Cybersecurity Compliance](#), *National Society of Compliance Professionals' Currents* - Co-Author (December 1, 2017)
- Insurance Product Innovation And Suitability, *NSCP Currents* - Co-Author (November/December 2011)
- SEC Adopts New Measures to Curtail 'Pay to Play', *NSCP Hotline Memo* - Co-Author (June 2010)
- White House Proposes Harmonization of Duties for Broker-Dealers and Investment Advisers, *NSCP Currents* - Author (September/October 2009)
- Ensuring You Are Insured, *SmartBusiness Atlanta* - Author (August 2009)
- When the Baby Boom Era Becomes the Retirement Explosion: A Securities Compliance Professional's Guide to Protecting Her Firm and Senior Customers, *The National Society of Compliance Professionals, Inc.* - Author (September 2007)
- The NASD Revises Code of Arbitration Procedure, *27 Securities Litigation Forms & Analysis §1:10* - Author (2007)
- Your Company's D&O Policy: Will the Insured v. Insured Exclusion Surprise You?, *ACC Docket 24, No. 8* - Author (September 2006)
- Private Securities Litigation Reform Act at Ten Years – Major Developments and Issues, *Securities Litigation Forms & Analysis* - Author (2006)

Events/Speaking Engagements

- Considerations and strategy for broker-dealers in conducting internal investigations, *2018 IBDC Conference* - Speaker (October 16, 2018)
- How Not to Be the One Who Turns Out the Lights if the Ship is Sinking: Helping Protect Yourself and the Company You Serve, *National Association of Corporate Directors (NACD), Atlanta Chapter* - Presenter (June 19, 2013)
- What's Keeping Your Insureds Up At Night, *D&O and E&O issues: Securities Litigation And Arbitration Update, New York, NY* - Speaker (September 2012)
- Confronting Regulatory Reform, *Advisors Asset Management 2010 Executive Symposium* - Presenter (May 2010)
- Securities Broker-Dealer Arbitrations from the Claimant's and Respondent's Perspectives, *Securities and Corporate Subsection of the Atlanta Bar Association's Litigation Section* - Presenter (January 2010)
- Fiduciary Duties for Broker-Dealers and Investment Advisers In Light of Proposed Legislation for Uniform Fiduciary Duty Standards, *Atlanta Broker-Dealer/Investment Adviser Continuity Group* - Presenter (December 2009)
- Regional and National Membership Meeting for the National Society of Compliance Professionals - Speaker (2008-2015)