



## David M. Cheifetz

### Partner

David Cheifetz is a seasoned commercial litigator with nearly fifteen years of experience advising businesses and individuals on litigation strategy from inception through trial and appeal. Mr. Cheifetz regularly appears in matters throughout the country in state and federal courts, including for motion practice, jury and bench trials, and appellate arguments. Mr. Cheifetz also represents clients in administrative proceedings, arbitrations, and mediations.

While Mr. Cheifetz has represented a diverse array of clients in various commercial matters, his practice focuses on defending major accounting organizations facing claims of professional malpractice, securities fraud, and other alleged misconduct. Additionally, Mr. Cheifetz assists accountants and auditors in responding to regulatory subpoenas and inquiries, complying with professional standards, and mitigating risk.

Of particular note, Mr. Cheifetz frequently defends claims brought against his accounting firm clients by trustees, foreign liquidators, and receivers following large-scale corporate frauds or bankruptcies. These complex, high-profile cases, which sometimes seek hundreds of millions of dollars or more in damages, often involve the defense of *in pari delicto*, which precludes a corporation or its insolvency representatives from suing its outside professional advisors to recover for a fraud committed by the corporation's own managers. Mr. Cheifetz actively advocates on behalf of accountants for strong protections under this law in New York and elsewhere.

Along with his representation of accounting firms in such matters, Mr. Cheifetz counsels financial institutions, investment firms, housing cooperatives, and other business entities in cases involving securities, real estate, and contracts. He also regularly litigates critical procedural and jurisdictional issues such as removal to federal court and personal jurisdiction.

Mr. Cheifetz received his law degree, *cum laude*, from Boston College Law School and his undergraduate degree, *magna cum laude*, from Boston University.

#### Representative Matters

- Represented international accounting organization in successful dismissal of numerous multi-billion dollar lawsuits arising out of the bankruptcy of Italian dairy conglomerate, Parmalat.
- Represented law professor amicus in New York Court of Appeals presenting arguments for applying the common law rule of *in pari*

#### New York

Phone: 212-806-6222

Fax: 212-806-6006

dcheifetz@stroock.com

#### Related Services

- Accounting and Auditor Liability Defense
- Broker-Dealer Litigation
- Directors and Officers
- Financial Services Litigation, Regulation and Enforcement
- Litigation
- Regulatory Compliance and Enforcement Actions

#### Education

J.D., *cum laude*, Boston College Law School, 2006

B.A., *magna cum laude*, Boston University, 2001

*delicto* to bar a suit by Refco Litigation Trustee against auditor defendants, which were adopted by the Court in a major decision reaffirming the application of the *in pari delicto* defense in auditor liability cases.

- Representation of accounting organization facing securities fraud claims arising from plaintiffs' failed \$100 million investment in bankrupt offshore hedge fund, including, in a matter of first impression, a successful appeal of an order remanding case to state court in excess of federal district court's authority to abstain from hearing a proceeding related to a chapter 15 bankruptcy case.
- Representation of national accounting firm in arbitration of audit malpractice claims seeking eight-figure damages.
- Defended CEO of a subsidiary of major investment bank in a three-week administrative proceeding before the Securities and Exchange Commission, resulting in dismissal of all claims.
- Represented large cooperative corporation in litigation against the New York City Department of Finance successfully challenging the imposition of a multi-million dollar property transfer tax, which ultimately resulted in an affirmance by the New York Court of Appeals that the corporation owed no tax.
- Represented multi-billion dollar investment fund in a dispute concerning the net asset value of a real estate investment trust in bench trial in Southern District of New York.
- Represented nonprofit health services organization in litigation concerning the termination of a substantial grant award and successfully defended motion to dismiss on appeal to the First Department.
- Advised independent fiduciary of voluntary employee benefits association in multi-billion dollar dispute pertaining to valuation of call options in major auto manufacturer.
- Represented Wall Street investment firm in a two-week jury trial regarding veil-piercing claims brought in New York state court.

### Honors & Awards

Mr. Cheifetz has been named as a *Super Lawyers* "Rising Star" since 2015.

### Admitted To Practice

New York

U.S. District Court, Southern District of New York; U.S. District Court, Eastern District of New York; U.S. Court of Appeals, Second Circuit; U.S. Court of Appeals, Seventh Circuit; U.S. Court of Appeals, Fifth Circuit; U.S. Supreme Court

### Publications

Quoted in:

- "Big Auto's High Court Jurisdictional Workaround Rebuffed," *Law360*, March 25, 2021