

USAO EDVA Announces Virginia Financial and Securities Fraud Task Force

May 21, 2010

Neil MacBride, the U.S. Attorney for the Eastern District of Virginia (the “Eastern District”), announced today the creation of the Virginia Financial and Securities Fraud Task Force, which will coordinate with representatives from the Securities and Exchange Commission, Commodity Futures Trading Commission, FBI, Postal Service, Internal Revenue Service and state law enforcement agencies. Joining MacBride at a news conference were high-level representatives from each of these federal agencies as well as the Virginia attorney general and the Virginia State Corporation Commission’s deputy general counsel for financial services.

MacBride said that the new task force is intended to be an investigative arm of the Financial Fraud Enforcement Task Force formed by President Obama earlier this year. The Eastern District’s news release indicated that the new task force is “[d]esigned to be operational [and] is focused on facilitating the exchange of information on specific investigations.” Virginia Attorney General Ken Cuccinelli echoed this sentiment, adding, “This partnership presents a tremendous opportunity to share information and resources among the experts in order to prosecute and deter fraud perpetrated against our citizens.” MacBride did not disclose any current investigations being pursued by the new task force, but promised that aggressive civil and criminal investigations were on the way.

This announcement comes as no surprise on the heels of MacBride’s widely-reported announcements over the last several months concerning the expansion of his office’s capabilities to tackle financial crime. Among other things, he has re-named his fraud unit the “Financial Crimes Unit,” assigned a number of new supervisors and added additional attorneys with corporate fraud experience.

The new task force will enhance the Eastern District’s ability to prosecute major national securities fraud cases, putting it in line with the Southern District of New York, which has historically been the most prominent venue for these types of cases. Importantly, the Eastern District is able to claim jurisdiction over almost all securities fraud and other financial fraud cases involving public companies because the reports those companies are required to file with the SEC are sent to the EDGAR computer server located in Alexandria, Va. “The Eastern District of Virginia has the legal authority to bring cases here with national significance, regardless of where the fraud occurs,” MacBride said.

Known as the “rocket docket” because its judges push cases forward on an extremely expedited schedule, and armed with new prosecutors with financial expertise, the Eastern District is poised to prosecute these high-profile financial fraud cases quickly and expertly.

McGuireWoods’ Government, Regulatory and Criminal Investigations Department has extensive experience handling all aspects of white collar criminal investigations and prosecutions. Our attorneys, many of whom are former federal prosecutors, including a former U.S. Attorney for the Eastern District of Virginia, have a deep understanding of the rocket docket and a unique capacity to assist clients that face jeopardy in those courthouses.

For more information about the capabilities of our [Government, Regulatory and Criminal Investigations Department](#) in this or other areas, please contact the authors.

The McGuireWoods website provides information of general interest to the public. The website does not offer legal advice about specific situations or problems. You should consult a McGuireWoods lawyer if you have legal issues requiring attention. Nothing on this site creates an express or implied contract. McGuireWoods does not intend to create an attorney-client relationship by inviting you to contact us. Unless and until we and you agree that we will represent you, we will not have any duties to you, including any duty to keep what you send us confidential or any duty to protect your interests. This means that nothing you send us will be kept confidential, unless we mutually agree that we will keep it confidential. Past legal successes described on this website are not indicators of future results. The outcome of particular legal matters is dependent upon the facts and law applicable to the matters.