

June 2, 2021

C&G Helps Fidelity Obtain Affirmance of Dismissal of Multi-Million Dollar Claims Brought by Victims of Fraudster Andrew Caspersen

C&G successfully obtained the First Department's affirmance of an order dismissing all claims against our client Fidelity Brokerage Services in a dispute stemming from the acts of convicted fraudster Andrew Caspersen, who allegedly deposited the proceeds of a fraudulent scheme into his trading accounts at Fidelity.

Andrew Caspersen was a prominent and wealthy investment banker who used his position at a reputable private equity firm to lure friends and family to invest in shell entities that he created purportedly to make investments in profitable, risk-free opportunities. In reality, Caspersen funneled the stolen funds from the shell entities to a personal trading account that he held at Fidelity. The brokerage firm ultimately terminated Caspersen's account several months before Caspersen was arrested and charged with securities and wire fraud. After Caspersen's guilty plea, his defrauded friends and family brought this suit, claiming that Caspersen's deposits of their money from the shell entities to his personal trading account constituted fraudulent conveyances under New York's Debtor and Creditor Law and that Fidelity was therefore liable for the funds that Caspersen stole.

The First Department held that Fidelity did not have dominion and control over the assets in Caspersen's account so there were no conveyances subject to recovery under fraudulent conveyance law. In addition, it held that Caspersen's lack of good faith in deceiving his victims did not constitute a lack of good faith for purposes of fraudulent conveyance law. The First Department's decision reaffirmed important principles of fraudulent conveyance law that protect financial institutions and, in turn, their innocent customers from the costs of unrelated frauds.

The C&G team consisted of [Daniel H Tabak](#), [David F Lisner](#), [Nicole Dhir](#), [Alexandra K Theobald](#), and Jeffrey Sherman.

About Cohen & Gresser:

Cohen & Gresser is an international law firm with offices in New York, Paris, Washington, D.C., and London. We have an outstanding record of success in high-stakes and high-profile litigation, investigations, transactional and governmental work for our clients, including major financial institutions and companies across the world. Our attorneys have superb credentials, and are committed to providing the efficiency and personal service of a boutique law firm along with the quality and attention to detail that are the hallmarks of the best firms in the world. The firm has been recognized in a wide range of publications, including *Chambers* and *The Legal 500*.

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