
Second Circuit Affirms Dismissal of Claims Against The McGraw-Hill Companies

Date: 08/16/12

Cahill represented The McGraw-Hill Companies in an affirmation of the dismissal of a negligent misrepresentation claim asserted against McGraw-Hill in connection with ratings issued by its Standard & Poor's (S&P) unit on certain Auction Rate Securities (ARS) purchased by the Anschutz Corporation in *Anschutz Corp v. Merrill Lynch & Co.* On August 14, the U.S. Court of Appeals for the Second Circuit affirmed the District Court for the Southern District of New York's decision to dismiss the complaint, holding that the plaintiff failed to allege an actionable misrepresentation.

Cahill is representing The McGraw-Hill Companies and S&P in litigations around the United States arising from S&P's rating of structured finance securities. In June, Cahill prevailed on behalf of S&P in defeating a plaintiff's appeal that challenged earlier dismissals by the Supreme Court (Commercial Division, New York County), and the Appellate Division, First Department in *Oddo Asset Management v. Barclays Bank alleging that S&P "aided and abetted" a breach of fiduciary duty by the collateral managers of two structured investment vehicles, or SIV-lites, which had been purchased by Oddo.* In May 2011, Cahill secured affirmation of a federal appeal in the U.S. Court of Appeals for the Second Circuit that challenged the earlier dismissals by the U.S. District Court in *In Re Lehman Brothers Mortgage-Backed Securities Litigation, Wyoming State Treasurer v. Moody's Investors Service, Inc., et al,* and *Vaszurele Ltd. v. Moody's Investors Service, Inc., et al*, three purported securities class actions brought by purchasers of certain mortgage pass-through certificates rated by S&P. In addition, Cahill has won dismissals of all claims against S&P in sixteen related litigations.

Attorneys

- Floyd Abrams
- Tammy L. Roy