
Cahill Wins Dismissal of Securities Action Against Standard & Poor's

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Cahill prevailed on behalf of McGraw Hill Financial, Inc. and its wholly owned subsidiary, Standard & Poor's Financial Services LLC, in obtaining dismissal with prejudice of an amended securities fraud complaint brought by Space Coast Credit Union against S&P and another credit rating agency and certain banks in the United States District Court in the Southern District of Florida.

Space Coast (successor in interest to Eastern Financial Florida Credit Union) had filed the suit relating to losses on more than \$118 million in Collateralized Debt Obligations (CDOs) purchases in February 2012. Space Coast had asserted that S&P and another credit rating agency had lied or omitted information when assigning credit ratings to twelve CDOs that were purchased by Eastern Financial between December 2005 and July 2007. The Court had previously dismissed an earlier complaint in March 2013 on similar grounds and granted leave to amend. Space Coast thereafter filed the 153 page amended complaint which sought to remedy the identified defects and raised new facts allegedly supporting the requested relief.

On March 25, the Court dismissed the amended action and denied leave to amend, finding that Space Coast Credit Union had again failed to address how S&P and the other named defendants affected Eastern Financial's purchase of the securities, and concluding that further leave to amend would be futile. In addition to securing this dismissal, Cahill has won dismissals of all claims against S&P in more than twenty other similar securities litigations.

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