



Stephen G. Rinehart
Senior Counsel

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Education

- New York University School of Law, J.D.
- Harvard University, B.A.

Bar Admissions

- New York

Court Admissions

- US District Court, Southern District of New York
- US District Court, Eastern District of New York
- US District Court, Northern District of New York
- US Court of Appeals, Second Circuit
- US Court of Appeals, Fourth Circuit

Steve is a veteran commercial litigator with extensive experience leading the successful prosecution, defense, and management of complex disputes in the federal and state courts, at both the trial court and appellate levels, as well as providing strategic guidance and creative solutions to clients. His litigation experience encompasses, among other areas, professional-liability defense, federal securities laws, financial services, restrictive covenants, fiduciary duty, and RICO claims. Steve has also represented clients before the Attorney Grievance Committees the SEC, FINRA, the AICPA, and other regulatory bodies.

Over the years, Steve has counselled and defended numerous accounting firms and individual accountants against claims of professional malpractice, fraud, securities law violations, and investigations by state and federal regulatory agencies.

Before joining Elman Freiberg, Steve was a senior business litigation partner at Troutman Pepper Hamilton Sanders LLP, and its predecessors, where he practiced for over 40 years. While there, Steve represented business enterprises of all stripes –from startups to Fortune 500 companies – as well as law firms, accounting firms and private clients.

In addition to his extensive courtroom experience, Steve served as Assistant General Counsel and member of the Professional Responsibility Committee at Troutman Pepper. In those capacities he defended the firm in litigation, and advised the firm’s attorneys on professional ethics and standards of conduct, conflicts of interest, risk management and best practices.

Steve is past President and an active member of the Board of Directors of the Children’s Law Center. Founded in 1997 as a direct legal services agency, CLC provides zealous and effective representation to children in custody, visitation, domestic violence, guardianship, paternity, and related child protective cases.



Selected Experience

- Represented leading New York law firm against a malpractice claim alleging that the firm failed to raise a key legal defense to a multimillion-dollar tax liability asserted by the IRS, allegedly resulting in plaintiff's loss of creditworthiness, business opportunities, and reputation. Won dismissal of all claims in an oft-cited Appellate Division opinion emphasizing requirement that damages in a legal malpractice action must be "real, actual, and ascertainable" and that the plaintiff must show that "but for" the attorney's negligence, what would have been a favorable outcome was an unfavorable outcome.
- Spearheaded the successful defense of a \$100 million accounting malpractice action, achieving dismissal of virtually all claims. Challenged plaintiff's experts on the lack of legal causation and non-speculative damages and quickly pivoted the defense strategy after the plaintiff asserted a new theory of liability and damages late in the case. Pursued aggressive appeal strategy and won summary judgment dismissing all but nominal damages.
- Won summary judgment dismissing all claims against a leading turnaround management consultant brought by its former client arising out of a complex loan workout and seeking over \$100 million in damages, including claims for professional negligence, breach of fiduciary duty, RICO, conspiracy and fraud.
- Awarded \$30 million judgment on behalf of a nationwide book distributor in federal jury trial involving breaches of personal guarantees. Systematically rebutted dozens of alleged defenses and addressed complex factual record, parallel bankruptcy case, ambiguous guaranty document, and witness "side-switching." Led legal team of 10-12 attorneys, as well as law firms in several jurisdictions.
- Expedited adjudication of breach of joint venture agreement, resulting in \$9 million judgment, by employing a unique procedural device (motion for summary judgment in lieu of complaint) to eliminate the need for lengthy discovery or trial. Judgment awarded less than 9 months from commencement of the action.
- Represented numerous companies, professional firms and individuals involved in SEC investigations. Met with SEC and FBI officials, responded to subpoenas, and developed strategies to mitigate client risk and exposure.

Publications

- Co-author | *Second Circuit Decision Potentially Broadens RICO Proximate Cause Element* | Troutman Pepper (February 14, 2022)
- Co-author | "Accountants' Liability Under the Federal Securities Laws," Chapter 5A of *Federal Securities Exchange Act of 1934* (Matthew Bender & Company, Inc., 2015)