



News

Many of our engagements involve matters in which our clients face significant public attention. The following is a list of news stories about the firm, our clients, cases and the results we have achieved.

Kobre & Kim Secures Dismissal of SEC's Suit Against Cumberland DRW LLC

March 31, 2025

The Securities and Exchange Commission (SEC) has dismissed its enforcement action against Kobre & Kim client Cumberland DRW LLC.

In its Complaint filed in late 2024, the SEC alleged that Cumberland acted as an unregistered securities dealer on account of its purchases and sales of crypto assets. In its motion to dismiss filed earlier this year, Cumberland vigorously contested both the SEC's assertion that the crypto assets Cumberland bought and sold were securities and that Cumberland met the statutory definition of "dealer." The motion to dismiss also accused the SEC of violating Cumberland's due process rights by abdicating its responsibility to establish a clear regulatory framework for crypto assets.

On March 27, the SEC dismissed its suit against Cumberland DRW with prejudice. The dismissal involves no admission of wrongdoing by and no penalties to Cumberland.

"After six years of investigation and litigation, we are thrilled for our client Cumberland DRW that the SEC dismissed the case against it with prejudice," said Jonathan D. Cogan of Kobre & Kim. "The SEC's lawsuit against it was unfounded and profoundly unfair. Cumberland can now devote its attention to continuing to be a market leader in the digital asset space."

This news follows a December 2018 victory Kobre & Kim secured on behalf of DRW Investments, an affiliate of Cumberland DRW, and DRW founder Donald Wilson Jr., in a case alleging market manipulation filed by the Commodity Futures Trading Commission ("CFTC") in the Southern District of New York. In what became known as one of the CFTC's hardest-fought legal battles, after a trial on the merits, the court entered judgment for DRW on grounds that the CFTC had presented no credible evidence to support its "earth is flat"-style allegations.

In a recent separate matter, Kobre & Kim and its co-counsel directly challenged the SEC in its pursuit of a co-founder of a cryptocurrency exchange. Their efforts led to negotiations that secured a favorable resolution for the client, including no financial penalties whatsoever.

The Cumberland DRW trial team included Michael Kim, Jonathan Cogan, Evelyn Baltodano Sheehan, Sydney Sgambato Johnson, Jeremy Bressman, Geoff Derrick, Calvin Koo, and Brandon Bias.

The case is *Securities & Exchange Commission v. Cumberland DRW LLC* (case number 1:24-cv-09842) in the U.S. District Court for the Northern District of Illinois.

The dismissal was covered in Crain's Chicago Business. [Click here to read the full article.](#)

About Kobre & Kim

Kobre & Kim is a global litigation firm focusing on cross-border disputes and investigations, often involving fraud and misconduct. Our specialized, integrated product offerings allow the firm to address clients' underlying problems, whether legal, financial or reputational. For example, the firm has deep experience working with creditors and debtors in international claims litigation, strengthening our ability to deliver on both sides of these disputes. For ultra-high-net-worth individuals with global business interests, we deploy cross-border litigation and crisis management strategies to preserve assets, liberty, and reputation. We primarily act as special advocates in sensitive situations requiring independence and conflict-free advocacy.