

Biglaw Firm Hit With \$500 Million Malpractice Suit

Above the Law **reports** that the Biglaw firm of Reed Smith has been named in a \$500 million malpractice lawsuit filed by two defunct Bear Stearns investment feeder funds that Reed Smith represented in RMBS-related litigation.

Plaintiffs claim that Reed Smith failed to bring a case against the rating agencies – Standard & Poors, Moody's, and Fitch Ratings – in a timely manner, resulting in those claims being dismissed, explains Above the Law senior editor **Kathryn Rubino**.

From the complaint:

“Reed Smith's negligent failure to understand New York's statute of limitations cost the Bear Stearns Funds what Reed Smith identified as a billion-dollar claim against various rating agencies.”

Read the Above the Law article.