

# News

## **Chapman & Spingola negotiates six-figure accounting malpractice payment to venture capital firm**

CHICAGO —Chapman & Spingola attorneys, Robert Chapman and Sara Siegall obtained a substantial six-figure settlement for a venture capital firm in an accounting malpractice matter arising from a failed audit of a portfolio company.

“In lieu of filing a lawsuit, we were able to persuade the accounting firm to enter into a tolling agreement,” said partner Bob Chapman. The Chapman & Spingola team presented a detailed written position statement outlining how the accountants’ alleged negligent preparation of annual audits and tax returns had unnecessarily exposed the portfolio company to substantial liability and post-closing purchase price adjustments in connection with the portfolio company’s sale resulting in damages to our client.

“We worked with the client to make an oral presentation to the accounting firm and its counsel. Within six months of our first contact with opposing counsel, the matter settled for close to 100% of our client’s actual damages,” Siegall said.