Wells Fargo Killing Sham Account Suits by Using Arbitration

News

Customers argue that they couldn’t have agreed to arbitration, considering they didn’t sign up for the accounts in the first place. The bank counters that the agreements in the customers’ original contracts also cover the disputed accounts.

Why the Fed Is About to Raise Interest Rates

News

The *New York Times* authors discuss life in a low-interest world and explain that the Fed is wrestling with three big, intertwined questions: How many people want jobs? How low are interest rates? And what damage is done by doing nothing?

Post-Election Rally Profits Morgan Stanley GC, Execs

News

Reuters is reporting that most of the executives’ profits came from an election-fueled rally in bank stocks, according to

securities filings.

U.S. Consumer Financial Agency Could Be Defanged Under Trump

News

The agency, created in response to the 2007-09 financial crisis, is a target for some critics for such proposals an attempt to stop companies from blocking customers from class action lawsuits and another one to limit payday lending.

Arbitration Award Overturned Because Arbitrator Impersonated Lawyer

News

The Ninth U.S. Circuit Court of Appeals overturned an arbitration award in a multimillion-dollar investment case Friday because the lead arbitrator impersonated a California attorney – something he did in dozens of cases before being exposed, the San Francisco Chronicle reports.

Wells Fargo to Pay $50 Million to Settle Home Appraisal Overcharges

News

Wells Fargo has agreed to pay $50 million to settle a class-action lawsuit that accused the bank of overcharging hundreds of thousands of homeowners for appraisals ordered after the homeowners defaulted on their mortgage loans, reports *The New York Times*.

Reviewing Banks' Third-Party Vendor Service Contracts (Part 6)

Insight

The sixth installment in Bryan Cave LLP's series about banks' third-party vendor service contracts covers two subjects: first, ownership of trademarks, copyrights, patents and other trade secrets, source code escrow agreements; and second, confidentialty.

DLA Piper Honored by Alternative and Direct Investment Securities Association

News

DLA Piper has received the President’s Award by the Alternative and Direct Investment Securities Association (ADISA) for the firm’s service to the alternative investment securities industry.

Inside the Secret Society of Wall Street’s Top In-House Lawyers

News

Attendees at the recent gathering wanted to discuss a common foe: class-action lawyers who seek billions of dollars from top banks for alleged market manipulations and related bad behavior.

How Wells Fargo’s John Stumpf Crashed Himself

Insight

A writer for *Fortune* traces the Wells Fargo former CEO’s handling of the recent scandal, pointing to the three times he responded with too little too late.

Court Rules CFPB Structure Unconstitutional But Can Continue Operating

News

A federal appeals court has found the structure of the U.S. Consumer Financial Protection Bureau to be unconstitutional but has left the agency in place to “continue to operate and perform its many duties.”

Hedge Fund Sues Theranos, Citing ‘Lies, Material Misstatements, and Omissions’

News

Partner Fund Management, a San Francisco-based hedge fund that

reportedly wrote out a $96 million check to Theranos in 2014, is now suing the blood-testing startup and its founder, Elizabeth Holmes, reports TechCrunch.

New York Proposes Cybersecurity Regulation for Insurance Companies, Banks, Financial Institutions

Insight

If enacted, this change would bring the first statewide regulation mandating that insurance companies, banks, and other financial institutions create such a program, reports Jason O. Balogh, a partner with Hickey Smith LLP.

Payday Loan Mogul Scott Tucker's $1.3 Billion Judgment is a Record for the FTC

News

The Federal Trade Commission, in its first public remarks since a federal judge last week entered a $1.3 billion

judgment against payday loan businessman Scott Tucker, called the penalty the largest of its kind, reports *The Kansas City Star*.

Executive Pay Clawbacks Are Gratifying, but Not Particularly Effective

News

If the goal of compensation clawbacks is to keep corporate executives honest, then they aren't doing the job, according to a report by *The New York Times*.

Thomson Reuters, Clifford Chance Deliver OTC Derivatives Documentation Solutions

News

Thomson Reuters and Clifford Chance have joined forces to help global financial institutions deal in a more cost-effective manner with regulatory obligations relating to margin rules for uncleared over-the-counter (OTC) derivatives, Thomson Reuters announced.

Trump Foundation Lacks Certification Required for Charities That Solicit Money

News

The Washington Post is reporting that the charitable Donald J. Trump Foundation – which has been sustained for years by donors outside the Trump family – has never obtained the certification that New York requires before charities can solicit money from the public, according to the state attorney general's office.

A Reminder of the Seriousness of Drafting and Interpreting Contracts

Insight

Constant vigilance, skilled lawyering and good deal-making skills remain critical to the proper drafting of contractual arrangements, points out Glenn West in a post on Weil, Gotshal & Manges LLP's Global Private Equity Watch.

By Taking Back Money, Wells Fargo’s Board Seems to Recall Its Role

News

The company announced late Tuesday that Stumpf would forfeit approximately $41 million worth of stock awards, forgo his salary during the inquiry and receive no bonus for 2016.

Wells Fargo Customers May Never See Their Day in Court, Experts Say

News

Mandatory arbitration contract clauses may protect the bank from class-action suits brought by customers who had bank or credit card accounts opened in their names without their knowledge, reports NBC News.