New U.S. Rule on Class Actions Survives First Challenge

A new U.S. rule aimed at restoring consumers' ability to band together to sue financial companies has survived its first challenge, as a top banking regulator said he would not petition for it to be suspended, **Reuters reports**

Lisa Lambert and **Pete Schroeder** write that the Consumer Financial Protection Bureau's rule abolishing "mandatory arbitration clauses" was released on July 10, and was immediately threatened by Republicans in Congress and President Donald Trump's administration.

Acting U.S. Comptroller of the Currency Keith Noreika publicly argued with CFPB Director Richard Cordray, appointed by former President Barack Obama, a Democrat, over whether the rule could endanger the banking system.

Read the Reuters report.

Join Our LinkedIn Group