### Financial Services Litigation

Our Financial Services Litigation practice consists of attorneys located throughout the firm who focus their full attention on representing institutional clients in state and federal trial and appellate courts, as well as in arbitration, mediation and other alternative dispute resolution proceedings. We provide solutions to clients at every stage of dispute resolution, from demand letters on overdue obligations to pre-litigation negotiations and settlement through provisional remedies and litigation and appellate matters.

Our experience includes disputes pertaining to:

- Class action and appellate matters
- Creditor's rights, intercreditor disputes and lender liability
- Consumer credits, bank operation and fraud claims
- Directors and officers' liability
- Discriminatory/predatory lending
- Guaranties and provisional remedies
- Banking practice and procedure claims
- RICO violations
- Uniform Commercial Code
- Will and trust contests

The Sheppard Mullin team includes trial and appellate lawyers, as well as lending, bankruptcy, commercial and real estate lawyers. Because the cases handled often involve complex credit relationships coupled with pending or potential bankruptcies and/or workouts, our litigators work closely with our bankruptcy, commercial and real estate lawyers to maximize the lender's leverage, minimize risks and obtain the best possible results.

#### **Securities Enforcement**

Our securities enforcement attorneys represent investment banks, broker-dealers, investment advisors and funds, and other financial institutions. We also represent individuals who work in the financial services industry, including registered representatives, traders, bankers, supervisors and compliance professionals. The financial services sector is heavily regulated and we regularly represent clients dealing with the agencies and departments that regulate the industry, including the Department of Justice, the FBI and U.S. Postal Inspection Service, the SEC, CFTC, state Attorney General's offices, District Attorney's offices, state securities regulators and FINRA. We handle matters initiated by regulators, as well as internal investigations, including investigations stemming from whistle-blower allegations. We assess and handle issues ranging from regulatory reporting to remediation.

Our matters have involved numerous civil and criminal investigations involving the federal and, in some cases, state securities laws. The subject matter spans allegations involving the Securities Acts of 1933 and 1934, the Investment Advisers Act, the Investment Company Act, the Foreign Corrupt Practices Act, insider trading, and sales practice, trading and record-keeping issues. We also handle cross-border matters and represent foreign entities subject to U.S. regulation and jurisdiction.

Our securities enforcement attorneys, who include former state and federal prosecutors and regulators, understand that most clients have ongoing relationships with their regulators. Accordingly, we balance effective advocacy with long-term relationships and credible legal positions. We frequently represent clients in matters involving multiple regulators and strategically manage parallel proceedings and evolving inquiries. Should civil litigation arise, we also have extensive civil securities litigation experience.

### **Creditors' Rights and Provisional Remedies**

Sheppard Mullin attorneys work daily to develop solutions for creditors that create and preserve value. Provisional remedies are time sensitive and offer tactical advantages in resolving a dispute. Our attorneys move quickly to identify the right opportunity and implement the appropriate remedy based on the client's needs. Our success has ranged from obtaining writs of attachment in both state and federal proceedings to the appointment of receivers to preserve collateral to recovered indebtedness from both primary obligors and guarantors.

We are regularly retained by financial institutions to preserve loan collateral. Our attorneys have been successful in obtaining receivers for a cross section of businesses and properties including, among others, commercial and industrial sites, hotels, golf courses and apartment complexes. Our guidance of the receivership process, beginning with evaluating state and local laws and ending in the ultimate disposition of the property, has provided our clients with both results and savings.

### **Lender Liability**

We have successfully resolved some of the largest and most complicated lender liability matters and defended multi-million dollar claims before the courts and in arbitration proceedings. We represent lenders in a vast array of matters, including breach of contract involving breach of commitment to fund or renew loans, oral commitments and good faith and fair dealing, as well as bad faith and breach of fiduciary duty. Our Financial Institution Litigation team has substantial litigation experience involving fraud and misrepresentation, negligent loan processing and administration and fraudulent or preferential transfers.

#### **Consumer Class Action**

Sheppard Mullin is one of the few firms willing to try class actions rather than automatically recommending settlement. We recently won a defense decision in a seven-year long class case against State Compensation Insurance Fund alleging: breach of the implied covenant of good faith and fair dealing; breach of contract; fraud and deceit; and unfair business practices under Business and Professions Code 17200. We have successfully defended financial institutions against class actions and 17200 representative claims, involving:

Privacy rights

- Truth in lending claims
- Interest computation
- Alleged discriminatory lending practices
- Alleged late reconveyances of deeds of trust
- Securities trading fraud claims
- International currency conversion claims
- Prepayment charges
- Overdraft fees
- Debit cards
- Private mortgage insurance
- Commercial payroll accounts

#### **Labor and Employment**

When a dispute cannot be resolved informally, we are prepared to litigate to protect our clients' interests. Our Labor and Employment attorneys regularly appear before state and federal courts. From high stakes "bet the company" litigation to single plaintiff sexual harassment cases to administrative hearings before the Labor Commissioner, our litigators help our clients position themselves in the best possible way. Our Labor and Employment practice offers some of the best trial lawyers of today, representing clients in the myriad of labor related disputes, including those pertaining to:

- Affirmative action
- Disability access and accommodation
- Employee benefits and ERISA
- Employee privacy and defamation
- OSHA
- Stock options
- Harassment and discrimination
- Public works and prevailing wage law
- Whistle blower actions
- Unfair competition and trade secrets
- Unfair labor practice charges
- Wage and hour
- Workplace privacy and workplace violence
- Wrongful termination and reductions in force

Our Labor and Employment attorneys are skilled in defending and defeating class actions. Managing and resolving class actions requires experience and creativity. Our proactive approach to class claims has enabled us to prevail before trial can ensue.

Since the certification of a class action can cause disputes that reach into the millions of dollars—as well as negative press—we work with clients to identify the best possible strategy under the circumstances. Whether this strategy is to settle out of court or to wage a full out court battle, the absolute importance of identifying potential solutions quickly is imperative in the successful defense of these claims.

Sheppard Mullin has also represents clients in an array of labor related appellate matters. Our creative and forceful approach to advocating a client's rights, coupled with our deep and broad knowledge and "in the trenches" expertise in labor and employment law have consistently provided an edge in the appellate courts. Persuading judges at the highest levels, including the U.S. Supreme Court, is a true talent. Our attorneys are also regularly retained to prepare amicus briefs on important labor and employment issues.

As an alternative to costly court or jury trials, we regularly consider Alternative Dispute Resolution ("ADR") strategies for every case and advise clients on those options. Where appropriate, we encourage clients to pursue arbitration, mediation, negotiation or other ADR strategies. Our Labor and Employment attorneys understand ADR and have substantial expertise effectively using all forms of ADR.

### **Privacy Litigation**

The successful representation of institutional clients at the appellate level in various state and federal courts has given Sheppard Mullin a solid reputation for excellence in acting as lead counsel throughout the appeals process. Our attorneys are prepared to effectively handle post-trial writ petitions, post-trial motions and appeals in the California Supreme Court and the California Court of Appeal. We assist our institutional clients to analyze whether the appeals process is both the optimal legal and business decision; we do not take lightly the decision to vigorously pursue the appeals process should we believe in victory for our clients. Sheppard Mullin attorneys understand the difference between trial and appellate work, and we are very familiar with the complexities of the appeals process which oftentimes varies from jurisdiction to jurisdiction. Our ability to enhance the likelihood of prevailing on appeal is heightened by our fresh perspective and original ideas, which we bring to each matter.

### **Appellate**

We vigorously represent clients in consumer class actions, competitor lawsuits, and government enforcement actions involving privacy claims. We have a distinguished track record in handling complex, high-profile privacy lawsuits. Our lawyers have handled landmark cases involving constitutional privacy rights, state law claims such as California's Song-Beverly and Shine the Light Acts, penal code wiretapping and call recording claims, the federal Telephone Consumer Protection Act, RICO claims relating to privacy and various other state and federal statutes, as well as related vendor indemnification actions. Our recent victories include halting the expansion of certain privacy claims to new technologies and new jurisdictions and obtaining the dismissal of a multi-billion dollar digital privacy class action involving user profiles for a major internet company.

#### Clients

- Wells Fargo Bank, N.A.
- Bofl Federal Bank
- Comerica Bank

- Woori Bank (Korea)
- Bank of America N.A.
- U.S. Bank
- Toyota Motor Credit Corporation
- Walker & Dunlop Commercial Property Fund
- CIT Bank, N.A.
- MUFG Union Bank
- Midland Loan Services
- LendingTree LLC
- San Diego County Credit Union
- Newmark Realty Capital, Inc.
- NongHyup Bank New York Branch
- Opus Bank
- First Foundation, Inc.
- Citigroup Global Markets, Inc.
- Citicorp North America
- Sun West Mortgage Company
- City National Bank
- loanDepot.com, LLC
- Latitude Management Real Estate Investor
- JP Morgan Chase Bank
- General Atlantic Service Company LLC
- Shell Point Financial
- Pacific Mercantile Bank
- Skyline Financial Corporation
- Mechanics Bank
- Bridge Bank
- Credit Suisse Securities (USA)
- Quadrum Group
- Seacoast Commerce Bank
- East West Bank
- Los Angeles County Employees Retirement
- Stearns Lending, Inc.
- Marquette Business Credit, Inc.
- Banc of California

- Bank of China
- Capital One, N.A.
- The Trump Group
- Signature Bank
- Silicon Valley Bank
- MasterCard International Incorporated
- General Electric Capital Corporation
- First-Citizens Bank & Trust Company
- Premier Valley Bank
- Flagstar Bank
- Evangelical Christian Credit Union
- Westamerica Bancorporation
- Capital Group Companies