

# FINANCIAL SERVICES

Hodgson Russ's record of service to the financial services industry spans nearly two centuries, and we have been proud to represent more than 80 U.S.-based and foreign financial institutions, ranging from large multistate banks to small community banks. In addition to banks, we represent mortgage lenders and servicers, credit card companies, insurance companies, securities firms, and other financial services institutions across the full spectrum of regulatory, transactional, enforcement, and litigation matters.

## Regulatory

Our attorneys counsel and advise banks and financial institutions in matters related to compliance, including risk management, regulatory examinations from state and federal agencies, and formulating responses to regulatory inquiries.

## Transactional

Hodgson Russ represents financial institutions in joint venture negotiations and outsourcing, licensing, and e-commerce agreements. We advise regarding mergers and acquisitions and strategic alliances and conduct due diligence and risk assessment in connection with these transactions. Our attorneys also provide compliance counsel related to all appropriate laws and regulations involved in mergers and acquisitions, bankruptcy and reorganizations, and all facets of asset management.

## Enforcement

Hodgson Russ represents clients in government investigations and enforcement actions before the U.S. Department of Justice, the Consumer Financial Protection Bureau, the Securities and Exchange Commission, the Federal Trade Commission, the Department of Housing and Urban Development, and all federal and state regulatory agencies, federal bank regulators, and state attorneys general. We handle matters related to lending practices, bribery and corruption, information security, and consumer privacy, among numerous others.

## Litigation

Our attorneys defend major banks and financial services firms and their executives in complex civil litigation, arbitrations, and class actions, in claims of discrimination, unfair competition, deceptive practices, predatory lending, false claims, fraud, and all alleged violations of state and federal law, including the Fair Housing Act, Equal Credit Opportunity Act, federal securities laws, and state laws related to consumer protection, privacy and antidiscrimination. We also defend financial institutions and

## Contact

Christofer Fattey  
716.848.1757  
cfattey@hodgsonruss.com

## Professionals

### Attorneys

Catherine Grantier Cooley  
Christofer Fattey  
Rob Fluskey  
Jodyann Galvin  
Andrea Gervais  
Cynthia Ludwig  
Frank Sarratori  
David Stark  
Valerie Stevens  
James Thoman  
Sujata Yalamanchili  
Anthony Yanez  
John Zak

### Paralegals

Melissa Magiera

### Senior Paralegals

Betsy Mills

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their executives, officers, and directors in white-collar criminal matters.

### Experience

Hodgson Russ represented a major Canadian bank in connection with a \$175 million cross-border offering of securities. We were the lead firm for U.S. aspects of this transaction.

Hodgson Russ represented a commercial bank in litigation charging a global investment bank and certain of its affiliates with securities fraud in connection with the sale of mortgage-backed CDO notes. Our client asserted that the global investment bank knew that the notes, which were largely backed by subprime mortgage securities, were about to fail when it sold them, but failed to disclose that information. The suit resulted in a \$55 million publicly reported settlement.

Hodgson Russ served as tax counsel on behalf of a banking client in a Division of Tax Appeals case reversing a New York Department of Taxation and Finance position on tax planning involving the usage of tax-favored subsidiaries for New York bank tax purposes.

Hodgson Russ has been critical to the extensive expansion and growth of a large commercial bank. Working closely with our client, Hodgson Russ assisted in the acquisition of both owned and leased properties, resulting in the addition of more than 500 new branches in New York, Connecticut, Massachusetts, and Pennsylvania. As part of the transactions, Hodgson Russ attorneys assisted the bank with environmental due diligence for each site. The work included coordination with environmental consultants in evaluation of site-specific risks and the identification and resolution of issues involved in transferring some sites to other parties after the initial acquisitions. The acquired branches totaled more than 2.3 million square feet and carried a purchase price of more than \$130 million. By virtue of these acquisitions, our client added an estimated \$6.5 billion in deposits.

Hodgson Russ represented a banking client in its purchase of approximately \$24 million bank-qualified tax-exempt bonds, the proceeds of which were used to construct a 1,800-car parking garage designed to service an expanding medical campus. Several health care facilities, two of which were also represented by Hodgson Russ, shared varying ownership and other interests in the parking garage.

Hodgson Russ assisted a national financial institution with the development and implementation of a customized compliance program to address the institution's response to subpoenas, summons, and information requests. The compliance program was designed to ensure adherence to the institution's obligations under the Gramm Leach Bliley Act, the Right to Financial Privacy Act, the Internal Revenue Code, and various state laws and regulations, while also protecting customers' privacy and their ability to challenge the release of their information in certain circumstances.

Hodgson Russ represents a bank in numerous federal and state actions commenced by several hundred homeowners against major mortgage lenders and servicers. The homeowners asserted claims such as the lenders induced the plaintiffs to enter into mortgages based, in part, upon appraisals the lenders knew were inflated; coerced inflated appraisals from the appraisers; failed to comply with underwriting guidelines; failed to appropriately modify the terms of the mortgage debts; and acted improperly in foreclosing on the plaintiffs' properties. Several of these actions have been dismissed and several are still pending.

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Hodgson Russ defended two banks from patent infringement allegations by non-practicing entities. Our attorneys analyzed the patents for invalidity and non-infringement. Based on this analysis, our clients negotiated favorable settlements.

Hodgson Russ expeditiously analyzed the scope of a data breach for a regional financial institution and prepared breach notification notices to the required parties. As a result of the client's immediate response, the client was able to avoid any adverse consequences.

Hodgson Russ attorneys represented a banking client in a \$42 million permanent financing on a multipurpose (office, hotel, and residential) building. The building was divided into separate condominium structures to accommodate each purpose and the varied repayment terms required.

In a case involving claims of fraud, negligence, and breach of fiduciary duty against a securities broker, Hodgson Russ attorneys obtained an award after hearing from a Financial Industry Regulatory Authority (FINRA) arbitration panel dismissing all claims and expunging the complaint from the broker's record.

Hodgson Russ represented a national financial institution in developing a subpoena compliance plan and in day-to-day subpoena compliance. Compliance typically involved negotiations with various federal and state agencies and required careful adherence to the Gramm Leach Bliley Act, the Right to Financial Privacy Act, the Internal Revenue Code and numerous other statutory and regulatory rules.

Represented a U.S. publicly-traded financial institution in the acquisition of a U.S. equipment lending company.

Hodgson Russ represented a banking client in construction loans aggregating \$17 million, the proceeds of which were used to build market-rate senior apartment facilities.

### **In the News**

M&T Bank Corporation Announces Agreement to Sell M&T Insurance Agency to Arthur J. Gallagher & Co  
*MarketScreener*, September 30, 2022

Thought Leaders: Banking Leaders Adapt Quickly to Changing World  
*Buffalo Business First*, June 25, 2021

Five Questions With Craig Lutterbein of Hodgson Russ  
*Buffalo Law Journal*, October 15, 2014

### **Press Releases**

Two Hodgson Russ Attorneys Selected to Author Monthly Columns in Tax Notes State  
*Hodgson Russ Press Release*, April 27, 2020

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**Publications**

Paycheck Protection Program: SBA Releases Forgiveness Application – Some Questions Answered, Others Remain  
*Hodgson Russ Banking & Finance Alert*, May 18, 2020

PPP Update: SBA Provides Guidance on Application of Necessity Certification  
*Hodgson Russ Banking & Finance Alert*, May 13, 2020

More Funds for Paycheck Protection Program, More Uncertainty for Businesses  
*Hodgson Russ Banking & Finance Alert*, April 24, 2020

CARES Act Update: Federal Reserve Releases First Guidance on Main Street Lending Program  
*Hodgson Russ Banking & Finance Alert*, April 10, 2020

Updates to the Paycheck Protection Program  
*Hodgson Russ Banking & Finance Alert*, April 8, 2020

What is the \$349 Billion Paycheck Protection Program?  
*Hodgson Russ Banking & Finance Alert*, March 30, 2020

Is your Business Eligible for Distressed Industry Relief under the CARES Act?  
*Hodgson Russ Banking & Finance Alert*, March 30, 2020

UCC Update – Don't Space Out on UCC-1s  
*Finance & Bankruptcy Alert*, October 20, 2017

State of Confusion: Sourcing Financial Services Receipts  
*State Tax Notes*, January 19, 2015

The *Lis Pendens*: The Savior of Defective Mortgages?  
*ABI Journal*, August 2014

**Presentations & Events**

*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
September 28, 2020

*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
September 10, 2020

*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
September 3, 2020

*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
August 20, 2020



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*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
August 10, 2020

*Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
August 7, 2020

*CLE: Borrower Beware: Defending PPP Loans from After-the-Fact Government Scrutiny*  
July 29, 2020

Avoiding (and Surviving!) Contract Disputes – Common Pitfalls of Contract Drafting That Land You in Court  
February 11, 2016

