

## Banking Group Of The Year: Mayer Brown

By Sarah Jarvis

Law360 (January 24, 2022, 2:03 PM EST) -- Mayer Brown LLP's banking practice convinced the Second Circuit to affirm the dismissal of Anti-Terrorism Act claims brought against HSBC units, skirting a novel liability theory involving drug cartels and earning the firm a spot among **Law360's 2021 Banking Groups of the Year**.



The firm's banking group, which serves more than half of the world's biggest banks, has more than 300 attorneys spread across four continents, with the largest concentrations in New York, London and Hong Kong. Mayer Brown's largest practice group is the litigation group, and that group's largest industry focus is banking and financial services, a team that includes more than 100 litigators.

"That's an important strategic focus for the firm," said Christopher J. Houpt, a former **Law360 Rising Star** and co-chair of the firm's banking and finance litigation group. "It's not banking litigation as a stand-alone piece, it's that litigation is something our financial services clients need, along with a full suite of services, and they need a firm that can work together across practice groups."

In a high-profile case, Mayer Brown secured a victory for HSBC in October 2020 before the Second Circuit, which affirmed a lower court's dismissal of **Anti-Terrorism Act claims** the bank was facing for purportedly providing financial services to entities and individuals that laundered money for Mexican drug cartels that perpetrated violence.

As lead counsel for HSBC, Mayer Brown convinced the appellate court that the plaintiffs didn't allege that the bank caused the purported injury. Mark G. Hanchet, a **2018 Law360 Banking MVP** who represented the HSBC units and co-chairs the firm's banking and finance litigation group, said the

plaintiffs were pushing the envelope of what it means to be a terrorist.

"We're very proud of that decision," Hanchet said. "Through the briefing, we pushed back on this notion that international terrorism is a very broad concept, and we tried to put guardrails up."

Hanchet said that because the court ruled on more traditional, narrow grounds — focusing on the alleged cause of injury in the plaintiffs' allegations — it never reached the question of whether drug cartels are engaged in "international terrorism." But the court did remark that there have to be limits on what constitutes terror and what doesn't, Hanchet said.

He said the fact pattern in that case has and will continue to inspire plaintiffs looking to use the Anti-Terrorism Act as a vehicle to obtain large awards against corporate America.

"The plaintiffs bar is very sophisticated, and there are huge awards to be gained in this area, so we see plaintiffs being very creative, not just in the legal theories like what is international terrorism, but who participates in international terrorism," Hanchet said.

Mayer Brown also continued its string of wins for Citibank and Citigroup — which, like other banks, had been sued for a share of coronavirus relief payment application fees. The firm helped secure a voluntary dismissal in one of the first False Claims Act cases challenging loans under the federal Paycheck Protection Program.

Litigation partner Thomas V. Panoff said Mayer Brown was able to convince the other side in that South Carolina federal court matter to voluntarily dismiss the case based on **earlier victories** the firm secured for Citi in late 2020. He said the firm was able to lay a foundation with its early wins and leverage those victories into litigation that has continued along similar lines.

Panoff said the firm worked with Citi's co-defendants to develop the best arguments they could in those earlier cases, keeping in mind that the ruling would likely serve as precedent for the roughly 50 similar cases that had been lodged around the country — "and sure enough, it did," he said.

"That's where we excel as a group is being able to look at things holistically and piece together all those different parts of the puzzle in a coherent theme that can be used across jurisdictions and across different kinds of cases," Panoff said.

Mayer Brown also represented CitiMortgage Inc. before the Ninth Circuit last February, securing an affirmation of a summary judgment granted to the company in a multistate class action challenging CitiMortgage's notarization practices. The lead plaintiff had asserted claims under Arizona's false recorded document statute, alleging that mortgage documents relating to their loan were notarized by a notary whose commission had expired, Panoff said.

But nobody, including the notary herself, had any knowledge that there was a lapse of a couple of days with her state license, because the state didn't properly send the related notification, Panoff said. That case, which began in 2014, shows Mayer Brown's commitment to developing the proper factual legal record and going the distance for its clients, even if it takes time, Panoff said.

Mayer Brown has decadeslong relationships with many of its clients, including a relationship with Citi that goes back well over 20 years, said Lucia Nale, a litigation partner who heads the firm's consumer litigation and class action practice.

"When we're handling work for these clients, we have the legal subject matter expertise, but we have the invaluable insights as to how our clients work and what matters to them," Nale said. "When you marry those two things together, it really positions you in a way to best and most efficiently serve your clients' needs and interests."

--Editing by Daniel King.