

Fintech and Financial Innovation



About Fintech

Mayer Brown brings together an integrated multipractice team to support clients with transactions, disputes and regulatory matters that involve the use of new technologies to deliver financial services in new ways.

Table of Contents

Case Studies

Digital Thought Leadership

Representative Matters

- Lending/Marketplace
- Digital Assets/Blockchain/Cryptocurrency
- Regtech
- Personal Finance/ Financial Management/ Wealth Tech
- Payments/Billing/Money Transfer
- Capital Markets Tech
- Insurtech
- Mortgage Tech

Accolades

Service Areas



Cybersecurity, data protection, data privacy, and data breach response and remediation



Investment vehicle and product structuring and fund formation (public and private)



Intellectual property protection



Digital services, outsourcing and critical third-party service-provider relationships



Anti-money laundering (AML) and sanctions compliance



Product design, regulatory approvals and ongoing regulatory advice related to fintech products and platforms



Investments, licensing arrangements, collaborations and acquisitions of fintech products and platforms



Software development, licensing and integration



Portfolio acquisitions, servicing, financing, securitization and divestitures



Commercial, consumer and regulatory litigation and dispute resolution

CASE STUDY

National Bank of Canada (NBC) Tests Blockchain Technology with NBC Debt Issuance in the US Financial Markets

FINTECH SERVICE AREA

BLOCKCHAIN

GEOGRAPHIES AND GOVERNMENT AGENCIES INVOLVED

UNITED STATES

CANADA

Mayer Brown advised National Bank of Canada in the issuance of a \$150m, one-year floating-rate Yankee certificate of deposit, with a parallel simulation of the issuance using blockchain technology. The blockchain test involved the parties mirroring the execution of the actual transaction through a debt issuance application developed by J.P. Morgan that runs on Quorum, an open-sourced variant of the Ethereum blockchain, specifically designed to meet the needs of financial markets participants. The

blockchain debt issuance application is designed to incorporate functions across the entire debt instrument transaction lifecycle, including origination, distribution, execution, settlement, interest rate payments and maturity repayments. This unique collaboration between leading market participants is an important milestone in progressing blockchain technology toward real financial markets applications.

CASE STUDY

HSBC - "Know Your Client" Software Solution

FINTECH SERVICE AREAS

ARTIFICIAL
INTELLIGENCE (AI),
MACHINE LEARNING
(ML) AND ROBOTIC
PROCESS
AUTOMATION (RPA)

GEOGRAPHIES AND GOVERNMENT AGENCY INVOLVED

UNITED KINGDOM

In recent years, regulators have imposed multibillion-dollar fines on lenders related to "Know Your Client" (KYC) compliance. This has resulted in banks investing more resources in their KYC compliance systems.

Mayer Brown advised HSBC on a project to sell and monetize a KYC software solution. The solution combines robotic process automation and machine learning technologies to significantly reduce the time it takes to verify the identity of

potential clients. The technology was created for and is owned by HSBC and will be developed and marketed to banks and other financial services companies through a joint venture with an outsourcing company, EXL. Mayer Brown advised HSBC on the terms of the collaboration agreement with EXL to develop and bring the tool to market and to document the share of revenues earned by HSBC based on the uptake and success of the technology.

CASE STUDY

Wesurance Delivers First Mobile Platform for Insurance and Claims

FINTECH SERVICE AREAS

ARTIFICIAL INTELLIGENCE (AI), ELECTRONIC KNOW-YOUR-CUSTOMER TECHNOLOGY (EKYC TECHNOLOGY), INSURTECH

GEOGRAPHIES AND GOVERNMENT AGENCY INVOLVED

HONG KONG

INSURANCE AUTHORITY

Mayer Brown facilitated the cooperation between Hong Kong-based insurtech startup Wesurance Limited and Allied World Assurance Company for selling travel insurance products through a mobile application. Wesurance incorporates eKYC and facial recognition technology for faster and easier user verification, which is powered by TransUnion's IDVision solution. Users can take a

photo of their HKID card followed by a "selfie" to accurately verify identity. This is the first insurance application featuring AI and eKYC capabilities in Hong Kong. We advised Wesurance on insurance law and regulations and the registration of an insurance agency license. We also advised on its application flow, personal data and IP issues.

CASE STUDY

HSBC Launches MyDeal, an App for Bankers on Investor Roadshows

FINTECH SERVICE AREAS

CAPITAL MARKETS
TECH

GEOGRAPHIES AND GOVERNMENT AGENCY INVOLVED

UNITED KINGDOM

Mayer Brown represented HSBC in its negotiations on the design and development agreement with IHS Markit to create MyDeal, a digital technology app and underlying platform that enables the bank's employees and clients to access transactional, logistical and other updates relating to investor roadshows during the capital market fundraising process.

Mayer Brown advised HSBC on the terms under which IHS Markit developed the fintech solution and transferred the intellectual property to HSBC. MyDeal provides HSBC bankers with real time access to deal data and is expected to simplify the capital raising process.

CASE STUDY

Spokeo: Mayer Brown Prevails in Blockbuster Technology Dispute

FINTECH SERVICE AREAS

LENDING/
MARKETPLACE

PERSONAL FINANCE

ARTIFICIAL
INTELLIGENCE

GEOGRAPHIES AND GOVERNMENT AGENCY INVOLVED

UNITED STATES

SUPREME COURT

CFPB

FTC

Mayer Brown represented Spokeo, a “people-search engine” that aggregates and displays publicly available information about individuals, in a blockbuster technology dispute. The plaintiff sued under the Fair Credit Reporting Act (FCRA), relying on Ninth Circuit authority that allowed such lawsuits to proceed on the basis of a claimed technical legal violation, even if a plaintiff suffered no actual harm. Beginning in the district court, Mayer Brown developed a strategy to convince the Supreme Court that such “no-harm” class actions violate Article III of the Constitution, building new arguments that succeeded where others had failed. The justices

agreed, holding (6-2) in May 2016 that an injury must be “concrete”—that is, “real” and not “abstract.”

The impact was profound both in Silicon Valley and beyond. For Spokeo, the plaintiffs alleged that every person about whom a search would yield incorrect information called for a \$1,000 penalty—and Spokeo has tens of thousands of searches a day, with potential exposure in the billions. Enforcing FCRA’s technicalities here might have risked facing annihilating damages, even though the plaintiff suffered no genuine harm. Mayer Brown’s advocacy of the “no-harm” theory produced a ruling that gives companies facing class actions a potent weapon.

CASE STUDY

Development of the Faster Payment System (FPS) in Hong Kong

FINTECH SERVICE AREAS

PAYMENTS/BILLING/
MONEY TRANSFER

GEOGRAPHIES AND GOVERNMENT AGENCY INVOLVED

HONG KONG

HONG KONG
MONETARY AUTHORITY
(HKMA)

Mayer Brown represented The Hong Kong Association of Banks (HKAB) in relation to the development of the Faster Payment System (FPS) led by the Hong Kong Monetary Authority (HKMA). Our work on behalf of HKAB included preparing the template services terms and conditions for member banks' reference with respect to the provision of related services provided by banks to clients.

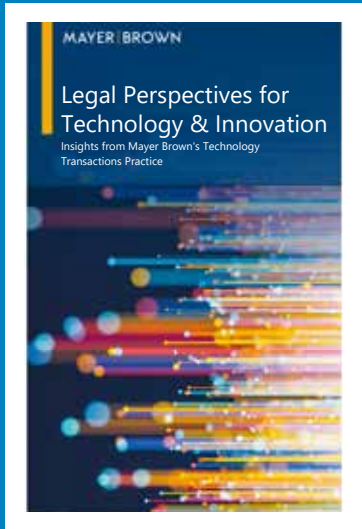
The FPS addresses the increasing market need for more efficient retail payment services. The FPS operates 24 hours a day, 7 days a week, and connects banks and stored value facility (SVF) operators on the same platform. It enables their customers to make cross-bank/SVF payments easily, with the use of a mobile phone

number or email address as account proxy for the payee. It supports both Hong Kong dollar and renminbi payments. It also supports the use of QR codes, allowing merchants, especially small and medium-sized enterprises (SMEs), to use a single QR code to accept different payment schemes, instead of having to display multiple QR codes to their customers. All in all, the FPS enables the public to transfer funds any time, anywhere and across different banks or SVFs with funds available almost immediately. The FPS is expected not only to bring new opportunities to the retail payment industry, but also to promote innovation in financial technology and provide the public with a novel and much more convenient payment experience.

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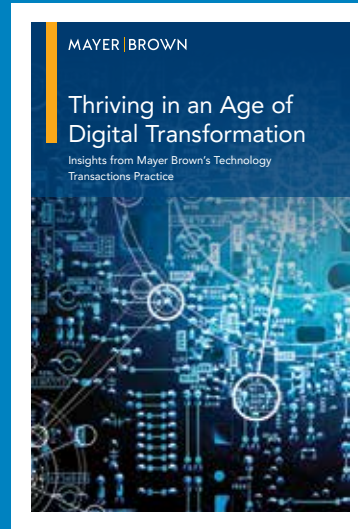
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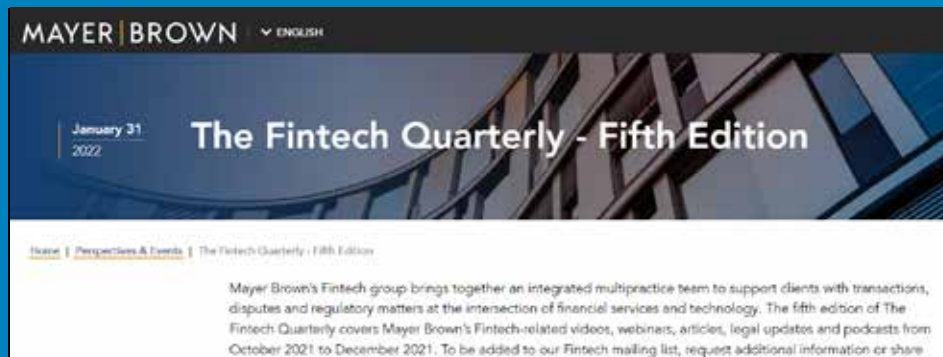
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Representative Matters

LENDING/MARKETPLACE

Represented **LendingClub**, a pioneer in the peer-to-peer lending market, as sponsor, seller and servicer in fractional participation platform sold to various investors. This transaction was the first to include LendingClub's own originated loans sold on a fractional participation basis.

Represented **numerous leading Buy Now Pay Later (BNPL) providers** with consumer financial regulatory counsel in connection with various BNPL product structures, including installment loans with various repayment structures; retail installment/credit sale transaction structures; and closed-end credit accessible via credit cards. We have also represented investors offering BNPL providers with general corporate or receivables-secured financing and capital facilities. We served as consumer financial regulatory counsel for these investor clients, which included performing regulatory due diligence on target programs and providing related regulatory advice in connection with the subsequent financing transactions.

Advised **Upstart Network Inc.** on its whole loan sales of consumer loans as well as on capital markets transactions.

Represented **Afterpay** in connection with warehouse financings from various banks and asset-backed commercial paper conduits.

Advised **Affirm** in connection with initial 144A issuance of their ABS, as well as initial purchasers in five 144A issuances by Affirm.

Advised **Loanpal**, a market-leading point-of-sale platform for sustainable energy in homes, in connection with its fractional loan participation program. The program enabled Loanpal to reach a broader investment base of community banks.

Acted as counsel to **LendingClub**, a pioneer in the peer-to-peer lending market, as sponsor, seller and servicer in a \$301.72 million

consumer loan ABS transaction involving the issuance by Consumer Loan Underlying Bond (CLUB) Credit Trust 2018- NP1 of three tranches of asset-backed notes.

Advised a **bank** on the development of its online personal loan and credit card program, including on federal and state regulatory requirements, and assisted with drafting agreements and forms.

Advised a **global bank** on a loan origination and servicing agreement with an online fintech lender.

Advised a **start-up marketplace lender** in connection with its licensing, loan origination, servicing and loan sales and drafted consumer and program agreement.

Advised and represented **multiple banks** with respect to preemption issues arising from efforts by state regulators to impose state law requirements on national banks.

Advised **several banks and bank holding companies** in connection with their investment in fintech companies, including on permissible authority for such investment and any reporting obligations arising from the investment.

Advised several **consumer financial services and technology companies** evaluating the OCC's special purpose charter for fintech companies, including on the application requirements, examination and supervision framework and the activities permitted by the charter.

Advising a **global bank** on an agreement with a fintech company to white-label and operate its lending platform on behalf of the bank and its customers.

Advised **HSBC Bank USA, N.A.** in negotiating a loan origination services agreement with Avant, LLC, a leading online marketplace lending company, including customization and

implementation of a white-labeled version of Avant's Amount lending platform for HSBC. HSBC expects to lend amounts of up to \$30,000 with loan terms of up to five years via the customized digital lending platform, which is scheduled to launch in the first half of 2019.

Represented a **leading global financial institution** in transforming its information technology service delivery through agreements with three leading suppliers of technology and outsourcing services.

Represented a **major financial institution** as underwriter's counsel in a 144A offering of asset-backed securities backed by loans acquired by hedge fund Prosper Marketplace.

Represented a **major fund** as investor in connection with a \$300 million student loan securitization sponsored by SoFi Lending Corp.

Represented a **major leading consumer finance company** in separate small business loan joint ventures with On Deck Capital and Kabbage.

Represented the **underwriters** led by **Bradesco BBI, Citigroup, Morgan Stanley, BB Investimentos** and **Nomura** on a US\$208 million offering of preferred shares by Banco Inter S.A. Banco Inter is a digital bank and one of the leaders in the modernization of the Brazilian banking industry. The preferred shares are listed in Brazil on the São Paulo Stock Exchange and were offered in Brazil and sold offshore with the offshore offering done pursuant to Rule 144A/Regulation S. Banco Inter S.A. is the first fintech to be listed in Brazil.

Advised **Tungsten Bank** in relation to developing its platform-based receivables purchase product and terms.

Advised **Clear Funding** in relation to developing its platform-based non-recourse receivables purchase product and terms with finance provided by a fund.

Advised **Previser** in relation to developing its platform-based early payment product and terms with financing provided by financial institutions and securitization vehicles.

Advised **MonetaFlex** in relation to developing its trade receivables auction platform.

Advised **HSBC** on the creation of a utility solution to calculate and agree collateral for uncleared OTC derivatives. Our work included advising on the service requirements, fees and service levels (including levels of accuracy, compliance with the BCBS-IOIS and other regulatory requirements and guidance).

Advised **HSBC** on the creation of a utility to manage collateral margining functions to be outsourced by the participating banks.

Represented **several online lenders** with evaluating the potential fair lending risks associated with underwriting consumer and small business credit using alternative data and underwriting methodologies. In addition to advising on how the relevant statutory, regulatory and judicial precedent apply to these innovations, Mayer Brown collaborates closely with data analysts to identify any potential statistical disparities resulting from the use of alternative data and modelling. Mayer Brown also assists clients with engaging with government agencies about emerging innovations to seek clarity on areas of regulatory uncertainty and help shape policy development.

Represented a **global financial institution** in nine putative multi-state class actions pending in federal courts relating to the purported facilitation of ACH transactions on behalf of payday lenders and alleging RICO, violations of various states' unfair trade practices acts, and unjust enrichment. Obtained dismissals in all cases.

Advised a **banking technology service provider** that provides outsourcing services to banks in Singapore and Hong Kong, on the requirements under Hong Kong law for the offshoring of IT infrastructure and banking data by banks that operate in Hong Kong.

Advised an **American full-service bank** with a major core banking transformation for its core retail and commercial banking systems, including negotiation of evaluation, development, licensing and implementation agreements opposite a system integrator, and the software and system provider. This transaction incorporates all aspects of fintech work, including technology development and licensing, cloud, data regulation, financial regulatory work, anti-money laundering regulation, and cybersecurity.

Advised a **major credit card bank and issuer** regarding the use of AI tools and platform services.

Advised a **major auto lending and finance company** regarding an “open” platform using proprietary technology for auto-loan pre-qualification.

Advised a **US branch of a major Israeli bank** in connection with the renegotiation, expansion and extension of its outsourcing arrangement with FIS.

Represented a **large North Carolina community bank** in connection with the renegotiation, expansion and extension of its outsourcing arrangement with Fiserv.

Advised a **financial technology company** who provides loans and credit cards in connection with the resolution of various financial, operational issues and performance disputes.

Advised **credit card issuers and marketplace lenders** on a wide variety of issues arising (including fair lending, UDAAP, regulator

relations and compliance with customer adverse action notice requirements) from the use of alternative data in underwriting, dynamic underwriting standards and “smart” underwriting engines that adjust underwriting and pricing standards in real time to reflect correlations observed between portfolio performance and other data.

Assisted **consumer and small business lenders** with the development of fair lending testing programs, including the design of testing models and interpretation of model results.

Represented a **fintech policy development organization** in analyzing the fair lending and credit reporting issues related to the use of alternative data in underwriting consumer credit.

Represented a **bank holding company** in the structuring of a first-of-its-kind multi-lender technology platform offering. The platform will reduce delays and increase customer satisfaction by enabling, through online and physical channels, real-time pre-qualification and on-the-fly structuring of financing products from participating lenders. The work Mayer Brown handled includes: (i) advising on the preparation and negotiation of terms for lenders and other associated third parties wishing to participate in the platform; (ii) advising on compliance with federal and state legal requirements, most of which never contemplated a platform like this one; and (iii) analyzing the complex federal preemption issues arising from the mix of federally chartered and state-chartered banks on the platform.

DIGITAL ASSETS/BLOCKCHAIN/ CRYPTOCURRENCY

Achieved an important and high-profile Commodity Futures Trading Commission registration for **Bitnomial Exchange, LLC** in achieving an important and high-profile Commodity Futures Trading Commission registration for a futures exchange approved to offer margined bitcoin futures subject to physical delivery. We worked closely with Bitnomial in regard to business formation, product review, rulebook drafting, application submission and regulatory advocacy as part of a four-year effort.

Represented **PayPal** in connection with its participation in (and later withdrawal from) Libra—the planned cryptocurrency being promoted by a consortium of companies involved in technology and finance led by Facebook. We also represented Shopify in connection with its entry into the Libra consortium, and we have advised several other major fintech companies on Libra consortium participation.

Advised **JPMorgan Securities LLC**, as lead placement agent, in connection with a \$425 million PIPE transaction by Good Works Acquisition Corp., a SPAC, completed in conjunction with a business combination with Cipher Mining Inc., a bitcoin mining firm.

Represented **Sun Hung Kai & Co. Limited**, a Hong Kong-listed alternative investment financial services institution, in its Series B investment in Sygnum Bank AG (Sygnum), the world's first digital asset bank. Sun Hung Kai & Co. Limited led the US\$90 million Series B funding round for Sygnum, which was oversubscribed. Sygnum, a digital asset technology group with a Swiss banking license and a Singapore asset management license, said it intends to use the proceeds from the latest funding round to accelerate the development of new institutional-grade Web 3.0 offerings and expand into new global markets.

Represented **Apify Group Inc.**, a global cross-exchange digital asset trading network based in New York, in connection with its definitive business combination agreement with Abri SPAC I, Inc., a special purpose acquisition company. The merger (expected to close during the third quarter of 2022) will make Apify a publicly traded company on the Nasdaq stock market.

Represented a **major university** in negotiations with Coinbase to enable the university to invest portions of its endowment in cryptocurrencies. This includes review and negotiation of crypto custodial services agreements, prime brokerage agreements and over-the-counter trading agreements.

Lead representation of a **firm** in seeking to become registered as a futures commission merchant (FCM) with the Commodity Futures Trading Commission for the purpose of brokering cryptocurrency contracts.

Advised a **leading provider of online consumer personal loans** on entering into a node agreement to become a node (a supporting participant) in a blockchain solution that will be created to record personal loan transactions made by consumers.

Advising numerous **non-financial retailers** on considerations when evaluating whether to accept cryptocurrency as payment as well as reviewing and setting up arrangements with cryptocurrency exchanges to enable the acceptance of cryptocurrency.

Counseling a **large non-US spot cryptocurrency exchange** with respect to its activities in the US market.

Assisting a proprietary trading firm in building out its cryptocurrency trading operations.

Forming a **hedge fund** to trade cryptocurrencies on US and non-US markets.

Providing federal, state and local tax planning advice to a **blockchain investment firm** with regard to income generated by the funds and the investment manager.

Represented a **number of companies** in the development and deployment of alternate payment methods including the providing intellectual property guidance on the implications and risks associated with using non-traditional payment methods not currently regulated by the United States government or Federal Reserve Corporation.

Advising a **leading consumer package goods company** on the use of NFTs for the licensing of its intellectual property to third parties.

Representing **multiple crypto exchange platforms** in reviewing and registering their IP as well as IP portfolio management.

Advising a **crypto payment integration provider** in connection with analyzing and registering their intellectual property.

Represented a **leading electronic commerce technology company** in its participation in a consortium for the establishment and management of an asset-backed cryptocurrency. We advise on tax-related issues in coordination with other firm practices.

Advising **cryptoasset service providers and other financial institutions** on the implications for the new UK registration regime, including on strategic issues to deal with late registrations and related communications with regulators.

Advised an **international bookmaker and online betting platform** on the potential structuring and restrictions of an Initial Coin Offering in Hong Kong.

Advised a **global bank** on the development and evaluation of a prototype to combine an asset registry and AML analytics, incentivize new receivable financing opportunities and make trade safer through the use of AML analytics on a distributed ledger.

Advising **one of the largest full-service blockchain technology companies** in the world on the current laws and regulations, restrictions applicable to cryptocurrency mining and pool businesses in Hong Kong, as well as any declared or expected regulatory trends or regulations to introduce restrictions to such services.

Advised a **blockchain platform** on financial regulatory obligations in the United States, United Kingdom, France and Hong Kong, including licensing processes in Europe.

Represented a **fintech platform** operating on a distributed ledger technology before financial regulators in the United States and Europe.

Advised a **major investment bank** on investments in companies with significant cryptocurrency operations, including performing comprehensive regulatory reviews of these companies in connection with the investment transactions.

Advised a **property developer and property manager** on the regulations concerning stored value facilities in Hong Kong.

Represented the **venture capital arm of a worldwide professional services company** in its investment in a blockchain and ledger services business.

Advised an **international financial association** on blockchain and smart contract legal and regulatory challenges related to definitions and master agreements execution.

Advised a **bank** on the development and evaluation of a blockchain prototype that would combine an asset registry and AML analytics to support receivables financing on the blockchain.

Represented **several companies** in connection with offerings of security tokens. This included providing clients with advice on how to structure the offering to comply with regulatory requirements under securities laws, New York BitLicense regulations and money services business laws, as well as preparing the offering documents.

Reviewing numerous token white papers and counseling **issuers** with respect to the implications of offering coins and tokens to US persons.

Represented an **international bank** on entering into a consortium agreement to develop a central bank digital currency working prototype using a cryptocurrency version of the Hong Kong dollar to be deployed in Hong Kong by the HKMA and the three currency issuing banks in Hong Kong for interbank payments/securities settlement with provision to wholesale customers.

Advising a **bank** on its participation in the R3 consortium project with the Monetary Authority of Singapore to create a working cryptocurrency prototype of the Singapore dollar on the Ethereum blockchain.

Represented a **Tier 1 global bank** on the terms under which it entered into the R3-led Distributed Ledger Group (i.e., the blockchain consortium to develop DLT-related technologies consisting of R3 and 40 other banks).

REGTECH

Represented an **international bank** on the terms of its participation in a consortium project to build and evaluate a DLT prototype that will, by

combining an asset registry and AML analytics, incentivize new receivable financing opportunities and make trade safer through the use of AML analytics on a distributed ledger.

Represented a **consortium of four major banks** in a cutting-edge transaction involving the outsourcing of global Know-Your-Customer (KYC) functions to a newly formed industry utility.

Represented a **global banking giant** on a number of high-profile outsourcing projects, including the global outsourcing of its Know-Your-Customer (KYC) and Know-Your-Vendor (KYV) functions, along with its participation in emerging industry utilities.

Represented a **government-sponsored entity** in the outsourcing of application testing and software configuration management services in a multivendor environment.

Represented **Everest Re** on its joint venture with Salus Systems, LLC, formed to develop and market Zero, a collaborative risk management platform.

Represented **Thomson Reuters** in the acquisition of the governance, risk and compliance e-learning business of Singapore-based Knowledge Platform Pte. Ltd., a leading provider of compliance assessment and regulatory implementation learning programs within financial services.

Represented a **major global fintech** operator and software company regarding digital automation of anti-money laundering (AML) obligations and know-your-customer identification rules globally.

Advised **HSBC** on a project to sell and monetize a "Know-Your-Customer" (KYC) solution created for and owned by HSBC to be developed and marketed to banks and other

financial services companies through a joint venture established by the bank and outsourcing company EXL. The firm advised on the terms of the collaboration agreement to develop and bring the tool to market and to document the share of revenues earned by HSBC based on the uptake and success of the technology with other banks.

PERSONAL FINANCE/ FINANCIAL MANAGEMENT/ WEALTH TECH

Advised **J.P. Morgan Securities**, as financial advisor to MoneyLion Inc., a provider of an online personal finance platform, in MoneyLion's business combination with Fusion Acquisition Corp.

Advised **Northern Trust Company** in its equity investment in **Equity Data Science**, Inc., a cloud-based analytics platform that provides decision support tools to asset managers. We also negotiated a complex reseller arrangement with Equity Data Science, Inc. regarding its platform.

Advised **Investnet, Inc.** in an investment in **Dynasty Financial Partners, LLC**, a provider of wealth management and technology platforms for select independent financial advisory firms.

Advised **BMO Harris Bank** in contracting with LPL Financial (LPL), an industry-leading broker-dealer provider, for delivery of brokerage and advisory services and associated digital solutions to customers of BMO Harris Financial Advisors. As part of this new relationship, approximately \$14 billion in brokerage and advisory assets and 115 financial advisors will transition to LPL's platform by the middle of 2021.

Advised **Capital One Financial Corporation** in the investment through its subsidiary, Oakstone Ventures, Inc. in **Stone Point Credit Corporation**, a private business development

company (the "BDC"), and Stone Point Credit LLC, the BDC's investment adviser (the "Management Company"). \$125,000 of the overall investment was allocated to the Management Company and the remaining approximately \$50 million was allocated to the BDC. Capital One acquired common stock in the BDC and a Class B security interest in the Management Company.

Advised a **US banking company** in the negotiation of a cloud-based HRO software license agreement and associated software customization and implementation agreement.

Represented **Tesch Group** in the acquisition of mediafinanz AG, a provider of online-based debt collection solutions, from three investment companies held by the founding shareholders.

Secured a victory for **Spokeo** in a US Supreme Court landmark decision addressing when a plaintiff has standing to sue in federal court for alleged violations of a federal statute. The plaintiff had filed a class action against people-search website Spokeo, asserting that he had standing to sue for alleged violations of the federal Fair Credit Reporting Act, despite the fact that he could not point to any actual injury other than the alleged technical violation of the statute.

Represented a **leading quantitative investment manager** related to computer code errors in quantitative investment management models used to manage over \$100 billion in assets. Conducted internal investigation and represented the client before regulators across the globe (including the US Securities and Exchange Commission (SEC), the Department of Labor, the UK Financial Services Authority (FSA), and regulators from Singapore and Japan).

Represented a **US investment advisory company** in renegotiating the arrangement for outsourcing its securities processing operations.

Represented an **investment management** firm regarding investigation and remediation of multiple errors in quantitative models used for investment management purposes.

Represented **Investnet** in its \$195 million acquisition of FolioDynamix, a leading provider of integrated wealth management technology solutions, from Actua USA Corporation.

Represented **Investnet** in its \$660 million acquisition of Yodlee, Inc., a leading technology and applications platform providing cloud-based financial services.

Represented **Investnet** in its acquisition of Oltis Software, LLC, a provider of financial planning and wealth management software solutions for financial services institutions and independent advisors.

Represented a **global financial institution** and a **regional bank** in overdraft fee proceedings proposing nationwide class in federal court in Florida related to the re-ordering of checking account transactions based on sequencing set for a nightly batch process.

Represented **Northern Trust** in its investment in Parilux Investment Technology LLC, a provider of institutional asset management software solutions.

Represented **Accenture** in the acquisition of TargetSt8 Consulting LLC, a privately held financial services consulting firm specializing in digital and technology integration experience.

PAYMENTS/BILLING/MONEY TRANSFER

Represented **J.P. Morgan Securities**, as financial advisor to BillTrust, Inc., a provider of payment cycle management solutions, in BillTrust's business combination with South Mountain Merger Corp.

Represented **PayPal** in a Second Circuit victory, which upheld the dismissal of a lawsuit seeking to hold PayPal responsible for identity theft.

Represented **MiStori (StoriCard)**, a fintech that provides credit card financing to a specific segment of Mexico, in a \$37.5 million warehouse securitization through a specialized vehicle consisting of a Mexican trust. The agent is CIM, based in California.

Advised a **property developer** and **property manager** on the regulations concerning stored value facilities in Hong Kong.

Advised **various clients**, including a global luxury brand, in relation to payment services agreements.

Acted for a **financial institution** in relation to the drafting of merchant agreements for the use of chatbots by a customer to settle payments for goods or services purchased from a merchant.

Performed a comprehensive review of a **major telecommunications company's** third-party payment arrangements and contracts and provided advice on the application of various laws to these arrangements, including state and federal money services business laws and various US CFPB regulations.

Represented **JPMorgan Chase** in the formation of a joint venture, clearXchange LLC. clearXchange operates a service that facilitates online person-to-person payments among customers of member banks.

Provided regulatory, policy and transaction advice to **one of the world's largest financial services companies** in connection with an initiative to provide electronic payment services to the cannabis industry (including electronic point-of-sale systems for consumers, electronic payroll processing services and business-to-business payment systems) operating in those states that had liberalized their cannabis regulations.

Advised **several payment gateways and processors** for online marketplaces—and **one operator of an online marketplace and related online commerce platforms**—on various regulatory and contractual issues in the United States and the European Union, including with respect to the integration of various financing products for merchants into the payment systems.

Advised **two prepaid account providers** in connection with discussions with the US CFPB on amendments to the agency's prepaid account rule. These discussions were integral to the CFPB's subsequent decision to amend the rule to address both clients' concerns.

Acted as US regulatory counsel for a **payment gateway and processor** in connection with a global arrangement to provide a suite of integrated payment services to a provider of online travel and hospitality reservations through a variety of platforms, including one of the most prominent online travel reservation websites in the world.

Advised a **global bank** on the outsourcing and regulatory authorization for the launch of its mobile e-wallet payment platform.

Represented **International Finance Corporation**, the private equity arm of the World Bank Group, in its investment in DineroMail, Inc., a leading Internet payment solution in Latin America.

Represented **several banks** in connection with their entry into the Zelle P2P payment system and provided a major national bank (already a longtime Zelle member) with advice on regulatory and contractual issues in connection with the implementation of a new offering through the Zelle network.

Represented **American Express Company** in the sale of its prepaid reloadable and gift card products business in the United States to InComm, Inc., and in Amex's appointment of InComm as its program manager, issuer processor and exclusive distributor for its reloadable and gift card products.

Represented **HSBC** in relation to the HK\$44 million launch of their new mobile e-wallet payment platform, PayMe, on matters relating to outsourcing and regulatory authorization. In addition to the drafting and negotiation of documents, including the outsourcing agreement between HSBC and its service provider for the operation and maintenance of the e-wallet, the end user terms and conditions and personal data collection statement and privacy policy, we also advised and assisted HSBC with the application to the HKMA for the stored value facility license.

Advised **HSBC** on the development of a Central Bank Digital Currency (CBDC) working prototype using digital Hong Kong dollars to be rolled out in Hong Kong by the HKMA and the three currency issuing banks in Hong Kong for interbank payments/securities settlement with provision to wholesale customers.

Advised **HSBC** on the design and creation of a prototype payment system for interbank obligations in Singapore—first for payments in the domestic market, then for cross-border payments and securities.

Advised a **global e-commerce company** with a payments platform and finance product on the scope and application of US economic sanctions laws to company's activities in the United States and abroad.

CAPITAL MARKETS TECH

Represented The **Toronto-Dominion Bank** in its acquisition of Headlands Tech Global Markets, LLC, a quantitative fixed income trading company.

Advised **BMO Capital Markets** in their \$14 million Series A fundraising round with Nasdaq Ventures, Goldman Sachs, Bank of America, AllianceBernstein and MaC Venture Capital in Purestream Trading Technologies Inc., a technology platform company for institutional investors.

Represented **TriState Capital Holdings**, the local bank holding company, in its definitive agreement with Raymond James Financial, Inc., which will acquire TriState Capital, in a \$1.1 billion combination cash and stock transaction, from private equity firm Stone Point Capital LLC.

Advised **DH Capital**, a private investment banking firm serving companies in the internet infrastructure, software and next generation IT services and communications sectors, in the sale of substantially all of its assets to Citizens Financial Group, Inc.

Advised **Contineo** on all contractual aspects concerning the launch of Contineo's new messaging platform, which is the first financial industry backed open messaging network for private banks and wealth management firms to access issuers of structured products.

Represented **Northern Trust** in the negotiation of an exclusive partnership with BEx LLC, a leading provider of software solutions in the financial technology sector, to develop innovative foreign exchange (FX) solutions.

Represented a **US investment advisory company** in renegotiating the arrangement for outsourcing its securities processing operations.

Advised a **consortium of 12 global banks** on the creation of a utility to standardize and commoditize messaging services used in the trading of corporate bonds.

Represented a **major fintech company** in establishing its whole loan sale platform (and continued representation on that platform) and subservicing arrangements, provided tax and regulatory advice.

Advised **HSBC** on a development and licensing agreement with IHS Markit to develop MyDeal, a technology platform that enables the bank's employees and clients to access transactional, logistical and other updates relating to investor roadshows during the capital market fundraising process. The firm advised on the terms under which IHS could create the solution and transfer the intellectual property to HSBC.

Represented **Frank Russell Company** in a \$60 million trade secret claim involving alleged trade secret misappropriation in connection with Russell's creation of a volatility-based stock index.

Represented **Sword Group** and its subsidiary Sword Soft Limited in the sale of APAK Group Limited, a leading provider of asset finance software, to Sopra Banking Software Limited.

INSURTECH

Advised **Leapfrog Investments** in its investment in insurtech company PT PasarPolis Indonesia's \$54 million series B round of funding.

Advised **insurance company investor** in investment in an insurtech focused venture fund.

Represented **CDK**, as insurance counsel, in its acquisition of insurance technology platform, Salty Dot, Inc. and related insurance regulatory

matters. Salty Dot Inc. offers a proprietary Software-as-a-Service (SaaS) solution that enables insurance carriers and distribution partners to offer a customized policy to insure a product or service in real-time during the purchase process.

Advised **financial service and technology companies** regarding their collection and subsequent use of “big data” for analytics and marketing.

Facilitated the cooperation between Hong Kong-based insurtech start-up **Wesurance Limited** and **Allied World Assurance Company** for selling travel insurance products through a mobile application. Wesurance incorporates eKYC and facial recognition technology for faster and easier user verification powered by TransUnion’s IDVision solution. Users can take a photo of their HKID card followed by a “selfie” to accurately verify identity. This is the first insurance application featuring AI and eKYC capabilities in Hong Kong. We advised Wesurance on insurance law and regulations and the registration of an insurance agency license. We also advised on its application flow, personal data and IP issues.

Advised a major **US property and casualty insurer** in creating a 50-state user guide for conducting insurance business over the Internet, covering all aspects of the insurance business relationship from advertising to policy issuance to claims payment.

Acted for a **life and health insurer** in establishing its new digital-based, data-driven insurer, including negotiating the distribution, marketing and other commercial agreements associated with its launch, as well as assisting the client with regulatory compliance and licensing issues related to its products and distribution through various channels (including online and telemarketing).

Advised **Everest Re** on its strategic agreement with Hudson Structured Capital Management that aims to foster close collaboration across several different areas of activity in the reinsurance sector, and on the launch of a new insurtech-focused investment fund.

Advised a **life insurer client** on various proposed data mining strategies and its establishment of a “data lake” through a cloud storage platform.

Represented **AllLife**, the South African-based insurtech company, on its agreement with UK mutual life, pensions and investments company Royal London to launch pioneering life insurance cover for people with diabetes in the United Kingdom.

Served as global insurance regulatory counsel for a **technology company** operating in the sharing economy.

Represented **CNO Financial Group** in the acquisition of Web Benefits Design Corporation, a benefits administration firm with a proprietary technology platform for employer benefit programs.

Advised **LiquidX, Inc.**, the operator of a leading electronic trade credit and working capital finance marketplace, on the addition of trade credit insurance to its electronic platform. Purchasers of receivables can now purchase trade credit insurance covering those receivables as an integral part of the online trading process.

MORTGAGE TECH

Advised **Redfin Corporation** in its \$135 million acquisition of Bay Equity LLC, a leading mortgage loan originator.

Advised **Global Atlantic Financial Company** in the acquisition of eRESI Mortgage LLC, a mortgage funding platform that offers comprehensive private capital solutions to the residential mortgage market.

Advised **Reverse Mortgage Solutions, Inc.** (RMS) and its parent, Mortgage Assets Management, LLC (MAM), in its sale of substantially all of the assets of the RMS reverse mortgage servicing platform and all of the outstanding equity of REO Management Solutions, LLC to PHH Mortgage Corporation (PHH), which is a wholly-owned subsidiary of Ocwen Financial Corporation. Concurrently with the closing, PHH became the subservicer under a five-year subservicing agreement for reverse mortgages owned by RMS and MAM.

Representing the **purchaser of mortgage and student loans** in assessing the fair lending risk associated with a marketplace lender's technology-driven non-traditional underwriting and pricing criteria.

Represented **Opendoor** in its launch of Opendoor Title, its own title insurance operation that supports the company's drive to deliver an enhanced, streamlined and seamless customer experience and to its push through this vertical integration to a "one click" transaction.

Advised **several banks** and **consumer financial services companies** regarding the US CFPB's Principles for Consumer-Authorized Financial Data Sharing and Aggregation.

Advised **several technology and financial services companies** evaluating ILC and other non-bank charters in order to offer a wide range of consumer financial products and services on a nationwide basis.

Defended **multiple online fintech lenders** in connection with state licensing agency examinations and enforcement actions.

Secured a victory for **Zillow Group, Inc.** when the US CFPB ended its long-running investigation into Zillow without taking enforcement action. The investigation had focused on whether Zillow's marketing practices violated federal anti-kickback rules.

Defended a **global financial institution** in litigation challenging use of automated valuation models in estimating property values for purposes of adjusting home equity lines of credit.

Defended a **global financial institution** in putative class action litigation involving loan servicers' recurring property inspection fees ordered through a portal with a third-party property inspection company when certain delinquency thresholds were met. Won summary judgment and defeated class certification; affirmed at the Ninth Circuit.

Represented **Flagstar Bank, FSB** in its minority investment through its subsidiary, Flagstar Investment LLC, in Lenderful, LLC, an online mortgage brokerage service.

Advised **Ally Financial Inc.** on its partnership with Better.com, one of the fastest-growing digital mortgage disruptors in the US, to create a new end-to-end digital experience for consumers looking for a mortgage loan from Ally. Additionally, Ally Ventures announced an add-on investment to Better.com's recent Series C funding, significantly increasing Ally's overall ownership in the company.



**FIRM OF THE YEAR
2016-2020**

Practice Groups of the Year

**APPELLATE
2019**

**BANKING
2019-2021**

**CONSUMER PROTECTION
2017-2019**

**STRUCTURED FINANCE
2019-2021**



FINTECH

FinTech Legal USA Band 2

FinTech Legal USA: Corporate,
Securities & Financing Band 2

FinTech Legal USA: Payments
& Lending Band 2

GLOBAL

Technology Outsourcing Band 2

USA

Technology Outsourcing Band 1

Financial Services Regulation
Consumer Finance Compliance
Band 1

Capital Markets
Securitization Band 1



UNITED STATES

Fintech Tier 1

Outsourcing Tier 1

Structured Finance Derivatives
and Structured Products Tier 1

Structured Finance
Securitization Tier 1

UK

Fintech (London) Tier 2

ASIA-PACIFIC

Technology, Media and Telecom
(China, foreign firms) Tier 2



IFLR AMERICAS

Structured Finance
and Securitization
Team of the Year 2022

CAPITAL MARKETS

Structured Finance
and Securitization
United States, 2021, Tier 1



DERIVATIVES

United States
Law Firm of the Year
Transactional 2021

European
Law Firm of the Year
Transactional 2021

SECURITIZATION

ABS Law Firm of the Year 2021
RMBS Law Firm of the Year 2021



**LAW FIRM OF
THE YEAR 2020**

Technology, Media and
Telecommunications

Innovative Technologies

Regulation and Investigations



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