

## FTAlphaville

## Financial litigators of the world, unite

Joseph Cotterill May 22 22:19 1 comment

Now here's a sign of the times...

The Network aims to promote collaboration in international financial matters to help facilitate cost-effective resolution of disputes and avoidance of duplicative and inconsistent adjudication of the same matters in different jurisdictions, thus increasing the likelihood of resolving financial disputes in a way that all market participants will find to be substantively and procedurally fair...

As its first order of business, the International Network issued a declaration calling for the need to improve the legal security of financial markets, introduce best practices and promote collaboration of regulators – measures the founding members believe are needed to effectively promote their clients' interests.

This would be the **International Financial Litigation Network**, “a group seeking to facilitate effective cross-border representation for clients in global financial disputes,” founded in a Sixth Avenue conference room on Wednesday. They (wisely) decided not to call themselves the International Network *for* Financial Litigation in the end. But it is about fighting complex, global fraud.

Although the IFLN really is international — the more than 20 founding law firms come from the US to Italy, Ireland to Colombia — you can maybe get a better sense of why it's emerged from what those firms do. It's naturally global stuff like competition law and fund formation but, interestingly, many of them are also involved in bringing class-action suits.

The IFLN's chairman, meanwhile, is Javier Cremades, who has litigated both the Bankia IPO and Madoff-related claims against banks outside the US (including setting up a proto-IFLN alliance of law firms dealing with the fraud).

When it comes to class actions, of course, the legal world is still feeling the effects of the US Supreme Court's 2010 decision in *Morrison v National Australia Bank*, which closed off US courts from foreign investors hoping to sue over foreign-issued securities. Now

that class actions are making a kind of comeback in Europe — though hardly in a form that resembles the US model — then you can see why lawyers from different national jurisdictions might want to compare notes. Or begin a *legislative* push against legal precedents like *Morrison*.

“We’re going to lobby, yes,” Cremades said on Wednesday. It’s also interesting that the IFLN has been formed halfway through (say) Dodd-Frank rule-making, and probably not too long before these rules get tested with litigation for the first time.

You could say a network like this could have been formed earlier — the Madoff era quite literally belongs in a museum now — but well, one to watch...

**Related link:**

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