



## FINANCIAL SERVICES

Riker Danzig's reputation for expertise in financial services has attracted an increasing number of national and international clients. The firm represents banks, thrift institutions and other lenders in a variety of transactions. Our clients include Wells Fargo Bank, National Association, Bank of America, JPMorgan Chase, HSBC Bank, Citibank, N.A., Peapack-Gladstone Bank, Provident Bank, Santander Bank, US Bank N.A. and The Bank of New York Mellon.

Our financial services practice focuses on four primary areas:

- Commercial finance
- Regulatory and consumer finance
- Trusts and estates
- Litigation and bankruptcy

### Commercial Finance

Since our firm's inception, one of our primary areas of focus has been the representation of banks and other lending institutions in all facets of their businesses. For over 50 years, the firm served as general counsel to one of the largest New Jersey bank holding companies and its subsidiary banks. Our finance attorneys have a rich background in representing lenders in virtually every type of financing transaction, ranging from secured, asset-based loans to construction financing to typical secured and unsecured working capital loans. We have particular expertise in loans secured by developed and undeveloped real estate and in representing letter of credit banks in taxable and tax-exempt bond financings. Our commercial finance attorneys can also draw upon the services of the firm's fully developed real estate, environmental and creditors' rights/insolvency practice groups. Some of the more unusual transactions in which the firm has represented lenders included aircraft financings, ship financings, major league sports franchise financings, construction financing of the luxury suites at Giants Stadium, and foreign currency loans secured by domestic collateral.

Through our representation of the private banking group of a money-center bank and other financial services clients, we have gained wide exposure to loan transactions involving high net-worth, entrepreneurial borrowers

who have sought loans for, among other purposes, real estate development, cable television businesses, horse breeding operations and automobile franchises. The complex structure of these transactions, often involving unique types of collateral, has presented great legal challenges for the attorneys involved and has prepared them for any type of financing.

Our commercial finance attorneys are sensitive to the legal and practical concerns raised by the New Jersey banking laws relating to out-of-state lenders and are able to counsel such lenders to avoid potential risks and pitfalls. In addition to structuring transactions in accord with the requirements of New Jersey's limitations on the activities of foreign banks or thrift institutions, the firm advises clients in other related areas such as the New Jersey state tax ramifications of lending activities. Our attorneys also have experience in equipment leasing arrangements, having developed a leasing program for the commercial leasing subsidiary of a major New Jersey bank.

### **Regulatory and Consumer Finance**

As general counsel to one of the largest New Jersey bank holding companies and its subsidiary banks, we handled all regulatory filings with the New Jersey Department of Banking and Insurance, the Federal Deposit Insurance Corporation, the Federal Reserve Board and the Securities and Exchange Commission. We honed our expertise in mergers and acquisitions by representing this client through its acquisition of several banks and its ultimate merger with another New Jersey bank holding company a transaction that created the then-largest banking holding company system in the state.

With New Jersey having adopted legislation permitting interstate banking, our attorneys are well versed in the intricacies of the New Jersey interstate banking procedures, and have authored several articles on the subject.

In the field of consumer lending, our background is extensive and varied. We have served as New Jersey counsel to several licensed first and second mortgage lenders, and, in that connection, developed all documentation and procedures necessary to enable these mortgage banking subsidiaries of out-of-state institutions to commence lending operations in New Jersey. Attorneys from the firm worked with the Department of Banking and Insurance and the largest New Jersey savings bank in creating one of the first revolving credit, home equity loan programs in New Jersey. Our attorneys also worked with that same institution in the launching of a unique student loan program and an automobile leasing program. In the area of electronic banking, our attorneys were involved in the establishment of one of the first ATM networks in New Jersey.

Other involvements in the consumer loan area have included analysis and documentation of reverse annuity mortgage plans, mobile home loan programs and a balloon automobile financing plan.

## **Trusts and Estates**

Our firm has long represented financial institutions as trustees both under wills and other personal trust documents, as well as under agreements pursuant to which public and private debt and equity are issued. In working with the trust departments of several institutions, we have been involved with the administration of some of the largest individual trusts and estates created in the State of New Jersey. This representation has involved day-to-day counseling as to miscellaneous matters, filing of periodic accountings with the courts and representation of trustees in a variety of litigated matters.

The firm regularly counsels several institutions on the regulatory and operational aspects of its common-trust funds.

On the corporate trust side, the firm has represented corporate trustees in virtually every sort of public and private debt and equity issue, including debt issuances subject to the Trust Indenture Act of 1939 and other federal and state securities laws. Further, the firm has represented trustees in many of the major national debt restructurings of troubled companies, including those involving Chrysler Corporation, Pan American Airlines, Braniff Airways, International Harvester Corporation, United Merchants and Manufacturing Corporation and Sharon Steel Corporation. These situations included continued representation of the corporate trustee in bankruptcy and related work-out proceedings.

In litigation matters relating to trustees, the firm successfully defended a corporate trustee in a seven-month trial against claims of waste of assets, which could have resulted in a surcharge of millions of dollars against the estate.

## **Litigation and Bankruptcy**

Riker Danzig's litigation, creditors' rights and bankruptcy lawyers have extensive experience representing lenders in all types of litigation. Their experience includes lender liability claims, federal racketeering (RICO) cases, bad check cases, banker's blanket bond litigations, defense of class action suits, identity theft cases, suits on notes, bonds, guarantees and other evidences of debt and mortgage foreclosures, UCC claims, collection matters, letter of credit cases, as well as real estate-related litigation.

A significant part of our banking litigation has involved consumer class actions and consumer fraud claims. We defended one bank client in a putative class action involving the charging of late fees on automobile leases and other alleged practices. We obtained summary judgment dismissing a class action that had been asserted against one bank client that challenged the bank's collateral protection insurance program. Among the class actions that we have defended in the past are matters involving New Jersey's Secondary Mortgage Loan Act and the Federal Truth in Lending Act.

Our New Jersey bankruptcy and creditors' rights lawyers have traditionally represented creditors in bankruptcy and

work-out situations, and that trend has continued as the firm's financing practice has rapidly expanded. We have also represented trustees in Chapter 11 and Chapter 7 proceedings under the Bankruptcy Code, as well as numerous creditors' committees in Chapter 11 and SIPA proceedings. A particular specialty is the representation of corporate trustees in bankruptcy proceedings. The firm has played a significant role in several well-known national bankruptcy proceedings involving corporate trustees, including FPA Medical Management (Indenture Trustee and Co-Chair of the creditors' committee), Eastern Air Lines, Inc. (Indenture Trustees), New Valley Corp., a/k/a Western Union (Indenture Trustee), and Hillsborough Holdings, Inc. (Indenture Trustees).

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