

OUR PRACTICE

Financial Services Class Actions

Baker Donelson has handled dozens of class action matters for financial services institutions across the United States. With experience in securities, directors and officers, commercial, and consumer class actions, our attorneys offer clients the insight and knowledge to successfully defend against complex claims in forums across the country.

We understand the intricacies of class actions from beginning to end, and wield a powerful set of tools and teams to assess every stage of litigation in order to position our clients in the most favorable way possible. This includes working with our Legal Project Management and eDiscovery teams to leverage the Firm's technology from the outset of a case, addressing class claims through initial dispositive motion practice, guiding clients through class and merits discovery, engaging with experts, and trying cases to verdict.



Representative Matters

Consumer Class Actions

- Defeated a class action claiming FCRA violations arising out of alleged improper access of credit reports; the federal court granted a motion to dismiss for lack of standing, finding that the alleged injuries (invasion of privacy, related emotional distress, and increased risk of data breach) were insufficiently concrete.
- Represented national collection agency in state Consumer Protection Act, Fair Debt Collection Practices Act (FDCPA) consumer fraud claim; favorable settlement reached and concluded after class notification.
- Successfully defended a finance company in a class action suit against alleged violations of the Fair Debt Collection Practices Act, relating to debt collection notices sent to customers.
- Won early dismissal of federal action under FDCPA. The plaintiffs alleged that our client engaged in unlawful debt collection efforts. Client avoided expense of discovery when court granted motion to dismiss because the plaintiffs failed to effect timely service of process.
- Represented financial services company in putative class action alleging breach of fiduciary duty and violation of state Consumer Protection Act, resulting in successful enforcement of an arbitration clause in the consumer agreement.
- Represented super-regional bank in various individual and class action suits seeking in excess of \$100 million in damages for the assessment of checking account fees, which resulted in judgment in favor of the bank.
- Coordinated regional representation of several national lenders in Chapter 7 and Chapter 13 bankruptcy cases and the defense of class action litigation brought by a trustee in consumer cases.
- Defended national bank in private credit card financing class action.
- Obtained a decision in the Supreme Court of Tennessee, reversing the trial court, that class actions are not allowed under the Tennessee Consumer Protection Act.
- Defended a national banking association in class action involving claims of breach of contract, breach of the covenant of good faith and fair dealing, conversion, unjust enrichment and constructive trust in connection with the assessment of banking fees.

Securities Class Actions

- Represented manufacturers in connection with a putative class action alleging that material omissions and misstatements had been made in the clients' SEC filings and in statements to public analysts. The action was dismissed with prejudice and the dismissal was affirmed by the U.S. Court of Appeals for the Sixth Circuit.

- Represented a regional bank in various individual and class action suits seeking damages in excess of \$100 million related to the assessment of checking account fees, which resulted in judgment in favor of the bank.
- Defended a broker-dealer in a class action concerning due diligence performed as lead underwriter on bond deal. Obtained dismissal of case on the pleadings.
- Conducted an internal investigation and settled, without a fraud charge, a matter related to a Securities and Exchange Commission investigation of managed earnings allegations against a Tennessee-based company and related federal class action discovery issues.
- Defended a bank holding company, its state-chartered bank, and members of the holding company's board of directors in a proposed class action in state court alleging fraud, breach of contract and violation of the Tennessee Securities Act.
- Represented a defendant in a nationwide securities fraud class action involving common law claims. Many claims were dismissed on motion for summary judgment.

Directors and Officers Class Actions

- Successfully moved to dismiss shareholder derivative action against a corporation and its officers and directors, in which the plaintiff claimed breach of fiduciary duty and mismanagement relating to allegedly high-risk and fraudulent banking practices. Subsequently defended the dismissal order at the U.S. Court of Appeals for the Sixth Circuit.
- Negotiated favorable settlement of a shareholder derivative action and shareholder class action against a corporation's board of directors and officers, in which the plaintiffs alleged mismanagement, self-dealing, and fraud.

Mortgage Class Actions

- Obtained dismissal in several class action suits brought against mortgage lenders seeking damages based on claimed excessive real estate closing costs, usurious interest charges, and fees in violation of state and federal laws.
- Represented foreclosure firm in a class action under the FDCPA brought after the U.S. Court of Appeals for the Eleventh Circuit expanded the circumstances under which such claims could be brought against law firms conducting non-judicial foreclosures. In response to a motion to dismiss, the magistrate issued a report and recommendation recommending that the lawsuit be dismissed. Although the district court declined to adopt the report and recommendation, a favorable settlement was reached before discovery or class certification.
- Defended a mortgage servicer in a class action brought in the Middle District of Florida alleging that a servicer client systematically failed to honor loan modifications offered to borrowers. The court ultimately dismissed the class action claims.
- Defended a lender in a class action suit alleging improper application of mortgage fees in bankruptcy claims.
- Successfully represented a leading financial institution against individual and class-wide claims brought on behalf of mortgagors in the aftermath of hurricanes Katrina and Rita in both Louisiana state and federal courts, obtaining involuntary dismissals in eight separate cases.
- Successfully defended and obtained judgments in state and federal courts in favor of lenders sued by commercial customers seeking damages based upon activities of the lenders in collecting loans which were characterized as violating the lenders' obligation of good faith and fair dealing, various loan agreement provisions, and state and federal statutes.
- Defeated a putative class action against an investor in mortgage-backed securities in state court for violations of the FDCPA and Florida Consumer Collection Practices Act (FCCPA) with a motion for judgment on the pleadings.

Automobile Financing and Related Class Actions

- Represented state and national banks in obtaining dismissal of class action claims asserting damages in excess of \$130 million for violation of federal and state law arising out of banks' charging insurance premiums in connection with automobile loans.

- Defended a leading regional bank in a putative class action brought on behalf of customers claiming their automobile loan accounts had been charged excessive amounts for force-placed collateral protection insurance secured by the lender through an alleged "captive" insurance provider.
- Represented a captive automobile finance company in a statewide class action alleging violation of Tennessee Consumer Protection Act and obtained a dismissal that was upheld by the Tennessee Court of Appeals.
- Achieved dismissal of nationwide automobile financing class actions in the United States District Court for the Western District of Arkansas involving consumer protection claims, civil RICO and federal antitrust claims.
- Obtained summary judgment on behalf of a major automobile insurer in a class action involving claims for diminished value.
- Obtained dismissal of a Tennessee class action involving consumer vehicle financing and claimed violations of the Tennessee Consumer Protection Act. The decision was affirmed on appeal.