



Practices

Related Practices

Bankruptcy and Insolvency Litigation
Directors and Officers Liability
Litigation
Fiduciary Litigation
High Stakes Litigation
Professional Liability Litigation

Related Sectors

Healthcare & Life Sciences
Real Estate
Energy and Natural Resources

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Financial Institution Litigation

Diamond McCarthy has a global reputation and track record for resolving financial disputes involving the most significant, complicated and cutting-edge issues. Our skilled trial lawyers prosecute and defend litigation covering the entire gamut of sophisticated financial matters, including highly difficult cases where the trail goes in and out of the U.S., involves complex fraudulent schemes or is linked to wrongdoing by corporate insiders and professional services firms.

Our team represents diverse clients across the financial and commercial sectors, including private equity and hedge funds, venture capital firms, regional and community banks, foreign banks, mutual funds, real estate investment trusts, corporations and high-net-worth entrepreneurs. We also guide trustees, liquidators, creditors' committees, financial entities and other clients through insolvency litigation involving complicated financial transactions and all kinds of distressed debt owned by major banks and other creditors.

Diamond McCarthy serves as lead trial counsel in national and global financial litigation concerning a broad range of challenging matters, including:

- Credit Default Derivative Swaps
- Collateralized Debt Obligations (CDOs)
- Collateralized Mortgage Obligations (CMOs)
- Asset-Backed Securities
- Bank Holding Company Issues
- Lender Liability
- Distress Debt Issues
- Breach of Loan Agreements, Guarantees & Other Debt Obligations
- Lender & Borrow Fraud
- Ponzi Scheme & Other Financial Fraud
- Director & Officer Liability
- Professional Malpractice – Accounting, Legal, and Others
- Breach of Fiduciary Duties
- Aiding & Abetting
- Conspiracy

- Anti-Money Laundering Issues

Priority of Being Conflict Free

Diamond McCarthy is one of the few go-to firms for clients that need to litigate aggressively against national and global banks that are secured creditors in corporate bankruptcy matters or parties in other financial and commercial disputes. Our firm has put an emphasis on not representing mid-to-large banks in any capacity to ensure we are conflict free in pursuing claims against them. Indeed, it is one of the most significant components of our practice.

Our Deep Trial Experience and Multi-Disciplinary Approach

Our dedicated team is comprised of highly accomplished trial lawyers, not just litigators, and virtually all of our partners have substantial experience trying complex, high-stakes cases. We are not strangers to the courthouse, a fact that is well-known to adversaries and enhances our prospects of reaching an effective resolution before trial.

We also follow a multi-disciplinary approach to analyzing sophisticated financial and accounting transactions. Many of our lawyers have backgrounds as CPA's, certified fraud examiners and Wall Street finance professionals or hold MBA's and business degrees in finance and accounting from the nation's top universities. We are fluent in the language of financial, accounting and valuations, which allows us work as a team and create efficiencies, enhanced work product and value for our clients.

Representative Experience

Platinum Partners Arbitrage Fund, LP

- Acting as lead trial counsel to Martin Trott and Christopher Smith, Joint Official Liquidators appointed in the Cayman Islands in connection with cross-border litigation proceedings in the United States and the Cayman Islands arising out of a billion dollar investment fund fraud.

Direct Lending Investments LLC

- Acting as international counsel for U.S. SEC Receiver and Cayman Islands Liquidator in connection with cross-border frauds related to Direct Lending, Inc. Commenced litigation in California and the Cayman Islands against institutional valuation firm; ongoing investigations against international professional firms, lenders, and others. Significant recoveries have been achieved to date with other matters still in pursuit.

International Manufacturing Group, Inc. (IMG)

- Acting on behalf of Beverly McFarland, Trustee in the IMG Wannakuwatte matter since 2014 and as lead special litigation counsel to the joint bankruptcy trustees in connection with what has been called the largest Ponzi scheme in the history of the Eastern District of California (approximately \$500mm). In connection with our representation we have prosecuted claims against a multitude of parties including financial institutions/banks and others involving claims of money laundering and negligence and other claims. Opposing counsel in the cases include numerous large and small law firms throughout San Francisco, San Jose and Sacramento, California. Favorable outcomes have been achieved with more claims against parties ongoing.

Equipment Acquisition Resources

- Acted as lead trial counsel to the Plan Administer in connection with the Chicago bankruptcy proceedings of Equipment Acquisition Resources, Inc. We investigated, analyzed and litigated fraudulent transfer claims under federal law, as well as pendent state claims against more than twenty (20) financial institutions in the commercial and financial leasing industry in this substantial nine figure Ponzi like fraud. One of the primary defendants was TD North America, a subsidiary of Toronto Dominion Bank of Toronto, Canada. While the case settled after five years on the eve of trial commencement and is confidential, we obtained for our client in settlement

the same multimillion-dollar recoveries as if the case had been successfully tried and won in federal court. Other Defendant financial institutions included both global, national, and Chicago area banks and hedge funds (NY and Chicago based). Opposing counsel in these cases included global firms as well as more than a dozen other major and smaller law firms.

MCG Capital

- Acted on behalf of the post-confirmation litigation trust arising from the Dallas bankruptcy of MCG Capital Corp. This multi-party litigation involved claims for fraudulent transfers, violations of state securities laws, breach of contract and fraud against financial institutions, accountants and other professionals/advisors resulting in eight figure recoveries that compensated our client for virtually one hundred percent of its damages/losses. The claims against financial institutions involved some of the largest banks in Dallas, Texas. Opposing counsel in this case included many of the largest and well-known law firms in Dallas.

Syntax/Brilliant

- Acted as lead trial counsel for the post-confirmation Syntax/Brilliant Corporation Liquidating Trust arising out of this former publicly traded HDTV television manufacturer's losses in the hundreds of millions of dollars. Claims were investigated and pursued against financial institutions, corporations and professional firms in the federal courts of Los Angeles, Delaware and Arizona as well as international claims in Taiwan and China

USACM

- Acted as lead trial counsel for the post-confirmation arising out of the former USA Capital based sub-prime mortgage lending entities in connection with the Trust's investigation and pursuit of litigation claims involving hundreds of millions of dollars in damages in the federal courts of Las Vegas, Nevada. These claims and recoveries involve major financial institutions, corporations, accounting and legal professional organizations and other third parties

Inverworld

- Acted as lead trial counsel for more than 1,000 Latin American investors in connection with claims for accounting and legal professional liability, officer and director liability and financial institution tort liability of more than \$350 million in damages arising out of the InverWorld, Inc. bankruptcies in the courts of San Antonio, Texas, the Grand Cayman Islands and the United Kingdom. Substantial recoveries were achieved.

For more information on our representative experience please reach out to our initial contacts or email michael.evian@diamondmccarthy.com.