

...BANKRUPTCY JUDGE RULES AGAINST FORMER  
...LEHMAN EMPLOYEES ON PENSIONS  
...the former employees seeking to recover \$265 million in deferred compensation must  
...stand behind other unsecured creditors.

## More Crimea Claims Clear Threshold

A tribunal at the Permanent Court of Arbitration in The Hague has agreed to hear two treaty claims brought by Ukrainian oil and gas companies against Russia over the expropriation of petrol stations in Crimea following the country's annexation in 2014.

## U.S. Moves to Drop Charges Against Ex-Traders in 'London Whale' Case

An effort to hold someone accountable for JPMorgan Chase's loss of more than \$6 billion in the so-called London Whale trading scandal is coming to an end, with federal prosecutors in Manhattan moving on Friday to dismiss all criminal charges against two former bank employees.

## SEC Suit Against Atty-Investor In Legal Receivables Trimmed

An administrative law judge on Wednesday trimmed a U.S. Securities and Exchange Commission complaint accusing an attorney and his law firm of securities fraud.



# Litigation Wrap

Third Quarter 2017

Hughes Hubbard & Reed LLP • A New York Limited Liability Partnership  
One Battery Park Plaza • New York, New York 10004-1482 • +1 (212) 837-6000

**Attorney advertising.** Readers are advised that prior results do not guarantee a similar outcome. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. For information regarding the selection process of awards, please visit [www.hugheshubbard.com/legal-notices-award-methodologies](http://www.hugheshubbard.com/legal-notices-award-methodologies).

## Hughes Hubbard & Reed

# 3Q2017 Developments

---

## **London Whale Charges Dropped**

Following four years of proceedings in the JPMorgan “London Whale” case involving billions in credit default swaps, a team led by **Ed Little** and **Marc Weinstein** convinced Federal prosecutors on July 21 and the SEC on Aug. 18 to drop all criminal and civil charges against two former JPMorgan traders, including HHR client Julien Grout. Grout was vindicated when Little destroyed the government’s case by succeeding in deposing its key witness.

## **Win for NY Hedge Fund Adviser**

A team led by **Terence Healy** and **Roel Campos**, which includes **John Wood**, won a significant victory for a New York-based hedge fund adviser and its manager on Aug. 16, when an SEC Administrative Law Judge granted summary disposition against the SEC on all claims related to valuation following a two-month trial on the merits.

## **More Jurisdiction Wins re Crimea**

On July 4, the Permanent Court of Arbitration announced that a treaty arbitration team led by **John Townsend**, **Marc-Olivier Langlois** and **James Boykin** had won two more jurisdiction decisions, this time involving claims by two groups of Ukrainian oil and gas companies

against Russia. Hughes Hubbard has now won five jurisdiction decisions — the first to find that a bilateral investment treaty applies to the actions of an occupying power in illegally occupied territory.

## **Two More Lehman Team Victories**

On July 13, the Lehman team sustained the LBI Trustee’s position when a U.S. Bankruptcy Judge granted the team summary judgment, ruling that previous agreements subordinated the claims of certain ex-Lehman executives and employees. On July 27, the Second Circuit rejected appeals by two former Lehman traders, agreeing with the Bankruptcy Court that nearly all of their claims were an attempt to get double payments of their bonuses. **Jim Fitzpatrick** argued both cases.

## **Firm Wins Mining Arbitration**

Hughes Hubbard won a decisive victory on July 28 when the International Chamber of Commerce Court of Arbitration in Paris ruled unanimously in favor of Areva subsidiary CFMM in its dispute with a prominent Belgian group, which sought 150 million euros over a failed joint venture to mine uranium. **Sena Agbayissah**, head of the firm’s Africa practice, led the team.

## **Overbilling Claims Resolved**

On Aug. 15, Hughes Hubbard negotiated a favorable settlement on behalf of a government contractor when the DOJ agreed to a \$9.2 million resolution of allegations against the client for alleged overbilling. **John Wood** led the team, which included **Eric Parnes**, **Marc Weinstein** and **Michael Huneke**.

## **Appellate Win for Palladyne Derek Adler and Ned Bassen**

scored another victory for Dutch hedge fund Palladyne International Asset Management BV and its British PR firm Milltown Partners on Sept. 12, when the U.S. Court of Appeals for the Second Circuit upheld the dismissal of a defamation suit brought by a former employee. The court rejected a challenge to the constitutionality of Connecticut’s long arm statute’s exclusion of jurisdiction over extraterritorial defamation claims.

## **Firm Leads Portigon to Victory Chris Paparella, Meaghan Gragg and Brett Collings**

obtained summary judgment in New York Supreme Court on July 11, for Portigon subsidiary MFC Real Estate in a case seeking to foreclose on a

property securing nearly \$10 million in debt.

## **Arbitrators Recognized**

**John Fellas**, **Steven Hammond** and **John Townsend** were named among the top legal practitioners in commercial arbitration by the Legal Media Group’s 2017 edition of the Best of the Best USA.

## **HHR Wins Global Legal Awards**

Hughes Hubbard was among the winners of The American Lawyer’s 2017 Global Legal Awards for its work on the \$7.3 billion Nortel dispute. The award for the “Global Dispute of the Year: Transnational Litigation” category was shared with English and Canadian firms who worked with HHR on the matter. **Derek Adler** led the team, which included **Bill Maguire** and **Neil Oxford**.