
Second Circuit Denies Petition for Rehearing of Securities Litigation

Date: 10/20/14

On October 17, 2014, the United States Court of Appeals for the Second Circuit denied a petition for a panel or *en banc* rehearing following the court's dismissal of federal securities law claims against Cahill's client Deutsche Bank, several affiliated companies, and their directors, as well as a syndicate of underwriters. Claims were brought by an alleged class of purchasers of trust preferred securities who challenged the sufficiency of disclosures concerning Deutsche Bank's investment in and exposure to mortgage-related securities during the financial crisis. The petition for rehearing was filed by the investor group, who sought relief following a July 16, 2014 ruling by the Second Circuit affirming dismissal of all claims against the bank by the district court based on the standard set in the *Fait v. Regions Financial Corporation*, which held that opinions such as those at issue are not actionable under the federal securities laws absent well-pleaded allegations of both objective falsity and subjective disbelief at the time expressed.

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