
Cahill Wins Dismissal for Credit Suisse in XIV ETNs Suit

Date: 01/02/20

A Cahill litigation team prevailed on behalf of Credit Suisse and certain of its officers in defeating a lawsuit brought by opt-out plaintiff Y-GAR Capital LLC, which alleged that Credit Suisse violated the federal securities laws by failing to disclose adequately the risks associated with its offering of Velocity Shares Daily Inverse VIX Short Term ETNs. Cahill previously had defeated a consolidated class action against Credit Suisse and certain of its officers concerning the same securities. Y-Gar alleged claims arising under Sections 11 and 15 of the Securities Act of 1933, Sections 9, 10(b) and 20 of the Securities Exchange Act of 1934, and Items 303 and 503 of SEC Regulation S-K based on an alleged one-day loss in the value of the ETNs that caused Y-GAR approximately \$10 million in alleged losses. On January 2, 2020, Judge Analisa Torres of the U.S. District Court for the Southern District of New York granted Credit Suisse's motion to dismiss all claims, ruling that the relevant offering documents were devoid of material misstatements and omissions and that plaintiffs had failed to allege a plausible theory of scienter.

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