
Second Circuit: Federal Securities Laws Inapplicable to Cross-Listed Securities Purchased on Foreign Exchanges

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In *City of Pontiac Policemen's and Firemen's Retirement System v. UBS AG*, the United States Court of Appeals for the Second Circuit considered "as a matter of first impression, whether the bar on extraterritorial application of the United States securities laws, as set forth in *Morrison v. National Australia Bank Ltd.*, 561 U.S. 247 (2010), precludes claims arising out of foreign-issued securities purchased on foreign exchanges, but crosslisted on a domestic exchange." The court concluded that it does: both to domestic and foreign investorplaintiffs. In addition, the court held that the plaintiffs had failed to adequately plead actionable misstatements.

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