

Financial Institutions Group

Innovative thinking on financial services regulation, transactions, enforcement and reform.

Happening Now

The industry frequently turns to us to handle its most important legal matters. In 2017, after the election of Donald Trump as President of the United States, we quickly pivoted from being the preeminent firm on the implementation of the Dodd-Frank Act to being the leading firm on the new financial regulatory reform, and were immediately hired by the financial services industry to submit comments on the Treasury study on financial regulatory reform. We also established a new financial regulatory blog, FinRegReform.com, allowing us to comment quickly on a wide range of regulatory reform issues.

Davis Polk advises a comprehensive variety of financial institutions on their legal needs, including financial regulatory advice, government and enforcement actions, mergers and acquisitions and securities offerings. *Chambers USA* notes that “clients praise Davis Polk’s versatility, with one commenting that it is ‘one of few firms that combines a premier broker-dealer practice and a premier banking regulatory practice with a very strong enforcement practice.’ The source adds: ‘One of the most impressive aspects of this firm is the depth and experience of the financial industry practice group.’”

We stand ready to work closely with the financial services sector in navigating the challenges and seizing the opportunities presented by the upcoming changes in the regulatory landscape.

An integrated team

advising clients on their most complex regulatory, transactional, litigation and enforcement challenges.

Banking Practice Group of the Year” for the fifth consecutive year

– [Law 360 2018](#)

#1 in Financial Services: Regulatory

– [Legal 500 2018](#)

“Financial Regulation Team of the Year”

– [2013 and 2015 IFLR Americas Awards](#)

“Best Law Firm in the Americas”

– [2016 Americas Structured Products & Derivatives Awards](#)

“Best Law Firm”

– [2016 Americas Structured Products & Derivatives Awards](#)

Band 1, Banking (Compliance), Broker-Dealer (Compliance and Enforcement) and Securities: Regulation

– [Chambers USA 2018](#)

Tier 1, Financial Services Regulatory Advice

– [IFLR1000 2018](#)

Band 1, Capital Markets: Debt & Equity and Capital Markets: Derivatives

– [Chambers USA 2018](#)

“Law Firm of the Year”

– [2015 and 2017 Structured Products Americas Awards](#)

Recognized as highly capable in relation to counseling on sanctions compliance and in representing clients in allegations of sanctions violations.

– [Chambers USA](#)

Since the beginning of 2015, Davis Polk ranks first in U.S. financial services M&A

– [Mergermarket](#)

“M&A Practice Group of the Year” for the past four consecutive years

– [Law360](#)

Who we are

Davis Polk's Financial Institutions Group (FIG) is the most influential and innovative legal team on the front lines of U.S. domestic and cross-border financial regulatory reform and the resulting transactional opportunities. Our combined regulatory and transactional experience allows us to advise our financial institution clients across the whole spectrum of their legal needs: mergers and acquisitions, securities offerings, regulatory advice and representation in government and regulatory enforcement actions.

We are at the forefront of advising financial institutions on how regulatory reform will impact their business, offering clients practical advice in areas of regulatory uncertainty. We are widely known as the go-to firm for the implementation and interpretation of the Dodd-Frank Act and its many regulations, including the Volcker Rule, and for our ability to structure transactions to comply with a changing regulatory environment. After the election of Donald Trump, we quickly pivoted to focus on the new wave of financial regulatory reform. We are now deeply involved in the next round of regulatory reform, including playing an active role in industry comment on the last reform initiatives and ongoing engagement with Administration officials, providing us with an unparalleled view toward where and how change could happen in the latest phase of financial services regulatory reform.

As trusted advisers to the world's leading financial institutions, our lawyers assist clients with their most complex regulatory, transactional, litigation and enforcement challenges. As a result of our prominence in the financial institutions space, we have played a pivotal role in the largest and most complex matters that have arisen in every major recent period of financial regulatory reform.

Davis Polk's FIG is exceptional in offering both unsurpassed regulatory and market-leading transactional experience, resulting in a seamless approach to crafting needed solutions for financial institutions. Our practice combines a top-tier bank regulatory transactional and enforcement practice and a leading trading and markets practice into a single, integrated team with wide and deep transactional experience. Our team includes former regulators and current thought leaders who, throughout their careers, have been at the forefront of developments in the financial services industry. They have played a prominent role in shaping new legislative and regulatory frameworks across a broad range of markets and are taking the lead on new market developments, including in the areas of capital, liquidity, resolution, derivatives, market structure, payments, cybersecurity, AML and sanctions, and FinTech.

The demand for our advisory, transactional, litigation and enforcement work has been wide-ranging. Leading financial institutions, trade associations and government bodies have sought our advice, including:

- The 10 largest U.S. banking organizations
- Many of the largest non-U.S. banking organizations
- A substantial number of U.S. regional and community banks
- Many of the leading broker-dealers, swap dealers, futures commission merchants and other trading intermediaries
- Buy-side institutions, including mutual funds, hedge funds and others
- Market infrastructure, including clearinghouses, exchanges, swap execution facilities, payment and settlement systems, alternative trading platforms, and others
- Several U.S. and cross-border financial industry trade groups, including:
 - The Clearing House Association (TCH)
 - The Securities Industry and Financial Markets Association (SIFMA)
 - The Global Financial Markets Association (GFMA)
- The Bank for International Settlements
- The Group of Thirty

One Integrated Team
World-class financial regulatory and transactional professionals seamlessly delivering the practical advice today's regulatory uncertainty demands

Top-Ranked Lawyers
Across banking compliance, broker-dealer, financial institutions M&A, international trade categories and securities regulation
– *Chambers USA*

Former Regulators
Including a former FDIC General Counsel, SEC Commissioner and Counsel to the Federal Reserve Board

We provide legal advice to U.S. and non-U.S. financial institutions on:

- Agency Architecture and Consolidation
- Anti-Money Laundering
- Bank Culture and Ethics
- Basel III Capital and Liquidity
- Blockchain
- Broker-Dealer Regulation
- Capital Market Transactions
- CFPB
- Chapter 14 and OLA Reform
- Clearinghouses, Exchanges and SEFs
- Community Reinvestment Act
- Corporate Governance
- Cost-Benefit Analysis
- Cybersecurity
- Debanking/Rebanking
- Demergers and Spin-Offs
- Derivatives
- DOL Fiduciary Rule
- Enforcement and Supervisory Actions
- Enhanced Prudential Standards
- Examination Process and Reforms
- FCPA
- FinTech
- FSOC
- GSE Reform
- Infrastructure Financing Reforms
- Internal Controls
- International Coordination
- Internal Investigations
- IPOs
- Joint Ventures
- Living Wills
- Margin Rules
- Market Structure
- Marketplace Lenders
- Merchant Banking
- Mergers and Acquisitions
- Midnight Regulations
- Municipal Adviser
- Non-Controlling Investments
- OFAC
- Payments
- Preemption
- Prompt Corrective Action
- Recovery and Resolution Planning
- Sanctions
- Secured Finance Transactions
- Securities Offerings
- Structured Products
- TLAC
- Trading Rules
- Virtual Currencies
- Volcker
- And more...

What We Offer

In the fast-moving world of financial regulatory reform, we quickly recognized that given the critical, sweeping nature of financial services reform, we needed to make our legal advice as digestible and business-friendly as possible.



Treasury Report on Regulatory Reform

DavisPolk

Over

2,000

downloads

Our visual summaries, analyses and progress reports on financial regulatory reform have been considered must-read documents by those in the financial services sector, government, media, academia and the broader public. Davis Polk legal publications tackle a full range of the most important and complex matters facing financial institutions, from emerging FinTech issues to bank capital and liquidity. With over 475,000 downloads, few firms come close to us in terms of how many people use our visual interpretations or how influential our visual summaries have become.

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We have continually deployed technologies to bring our clients an evolving array of informational and analytical tools. We offer six definitive legal products, ranging from free interactive tools to full subscription services.

We are ideally positioned to advise the financial services sector in financial regulatory reforms, as we are one of the few firms that can marry a sophisticated ability to forge financial sector consensus on the most important reform issues with a unique and deep understanding of each of our clients' businesses.

For example, we work closely with top regulators and senior management to develop the single-point-of-entry recapitalization within resolution strategy,

which is now widely regarded as the most promising solution to the “too-big-to-fail” problem. We represent 25 of the largest U.S. and non-U.S. banking organizations, including all eight U.S. G-SIBs, on their annual Title I resolution plans. We used the collective knowledge gained from these engagements to produce a series of novel shared legal products and databases to better deploy our clients' resources on their living wills projects.

Our team is experienced in building a single financial reform resource platform that provides clients with all the resources and tools they will need in a shifting regulatory landscape.

In the wake of Dodd-Frank and the new financial regulatory reform, we

created the **Davis Polk Regulatory Gateway**, a site designed as a central resource hub catered specifically for financial regulation and reform. The gateway collects all our informational and subscription-based products and resources in a single location, so clients can access information seamlessly and effortlessly. We continue to build on our successful experiences with cutting-edge online platforms to deliver a similar resource for the current wave of financial regulatory reform.

Forging Consensus

Go-to leader for facilitating industry-wide efforts to understand and implement new complex regulatory schemes.



Comment Letters on Proposed Rules

Led industry efforts in preparing comment letters on behalf of financial trade associations and their members on proposed rules – including on U.S. Basel III rules, TLAC, QFC cross-defaults, Title VII, the Volcker Rule, and commodities activities – as well as the recent Treasury reports.



Policy Manuals

Developed for a working group of more than 40 banking institutions to implement compliance requirements of new legislation.



Online Compliance Survey Tools

Developed innovative online survey tool to assist clients in assessing and diagnosing the impact of new legislation on their businesses and ensuring compliance.



Foreign Bank Working Group

Advised a group of 20 foreign banks to help them tackle key issues of interest on the Volcker Rule, including developing industry-standard representations.



Cross-Border Uncleared Swap Margin Working Group

Advised a group of 16 banks on key issues arising from the complex cross-border interplay of uncleared swap margin rules and developed an innovative tool to analyze the cross-border application of new OTC derivatives margin requirements.

Davis Polk Regulatory Tracker™

The Regulatory Tracker™ is an online subscription service designed to help market participants effectively navigate the various aspects of financial regulatory reform.



The **Dodd-Frank Database** broke the Dodd-Frank Act into operative provisions and tracked their implementation. It included more than 200 required rulemakings and 70 required studies, as well as over 1,000 other key provisions that helped reshape the financial landscape.



The **Rules Database** followed rulemaking streams under the Dodd-Frank Act and will do so under the new reform from proposal to final implementation, simplifying the search for a particular rule of interest, important commentary or key date.



The **Calendar** is an interactive catalogue of dates and deadlines related to the Dodd-Frank Act and the new financial regulatory reform, making it easy to find approaching deadlines, upcoming meetings and open comment periods.



Users receive daily **Email Updates** alerting them to recent developments, including proposed and final rules, recent events and regulator speeches. A new Trump Transition section has also been added.

Our Innovative Products

During recent periods of financial regulatory reform, we rapidly developed and scaled a unique suite of legal products under the umbrella of the Davis Polk Portal that revolutionized the way we deliver our services, providing clients with a sophisticated yet standardized way to monitor and implement components of new legislation. Through these products, Davis Polk has saved clients thousands of hours internally, delivered legal services in a way that permits them to be directly integrated into the client's internal project management systems, and provided legal information and analysis on an efficient, low-cost basis.

Davis Polk Online Regulatory Platforms

In the late spring of 2011, Davis Polk's financial institutions group launched an efficient, client-driven online solution to assist in the complex implementation challenges of new regulations. Marrying technology and content in ways that build and expand on the tremendous success of the Regulatory Tracker™, we built an online platform that offers subscribers a menu of standardized, cost-effective compliance products with rulemaps – tools that distill new rulemaking down to the common tasks that all financial institutions must perform in order to become compliant with the evolving regulations. Rulemaps offer a variety of information and links, can be searched and sorted in multiple ways, and, most importantly, form a single integrated database designed to be exported electronically into our clients' own compliance project implementation infrastructures. Rulemaps are regularly used by financial firms to create their own project checklists, develop implementation workstreams and distribute and monitor tasks among those workstreams.

Online Compliance Tools

Building on our successful experiences with several innovative, online, web-based platforms to help clients understand and follow the incredibly complex landscape of evolving regulatory reform, we developed online survey tools to assist clients in assessing and diagnosing the impact of evolving legislation on their businesses and ensuring compliance.

Swaps Cross-Border Margin Tool
Davis Polk has developed a Cross-Border Margin Tool to analyze the cross-border application of OTC derivatives margin requirements. The development of the Tool was initiated, in part, based on discussions with a working group of 16 large U.S. and non-U.S. financial institutions. The Cross-Border Margin Tool takes as inputs the type of OTC derivatives transaction and the categorization of counterparties to the transaction. Through a set of logic comparisons, the tool determines which jurisdictions' margin rules, and which key provisions of those rules, apply to the transaction. The Cross-Border Margin Tool currently covers the uncleared OTC derivatives margin rule sets of the U.S. prudential regulators, the Commodity Futures Trading Commission, Japan, Canada and the EU final draft regulations.

Basel III

Davis Polk has produced interactive and visual resources at our USBasel3.com microsite to provide clients, regulators and the public with our analysis in easily accessible, visual ways. These tools have been widely popular. For example, our U.S. Basel III Final Rule Visual Memo has been downloaded more than 15,000 times since its publication. We have also created an interactive, mobile-optimized Standardized Risk Weights Tool that

compares the new standardized risk weights for credit risk under the U.S. Basel III final rule with the existing Basel I-based risk weights for a number of key asset and exposure categories. The Tool was viewed more than 4,500 times in its first month and featured in Financial Times and Politico.

FinTech

Our FinTech practice draws upon Davis Polk's deep experience in financial institutions and regulations, capital markets, data security and privacy, corporate transactions, intellectual property and technology to help clients invest in, fund, develop and market the innovative services and products that are revolutionizing the financial services and technology industries. We provide strategic, transactional and regulatory advice to a wide array of both established and emerging participants in the FinTech space, including:

- Banking organizations
- Marketplace lending platforms
- Payments companies and systems
- Blockchain and virtual currency companies and products
- Card issuers and networks

Our Transactional Experience

One of the exceptional strengths of Davis Polk's FIG is the breadth and depth of our transactional experience. We provide our financial institution clients with integrated, seamless assistance in structuring and executing transactions in compliance with the complexities of an ever-changing regulatory framework. Our experience covers a wide spectrum of transaction types, including M&A and capital markets transactions.

Financial Institutions M&A

Our financial institutions M&A team consists of leading FIG M&A, financial regulatory, and insolvency and restructuring lawyers. This integrated team brings unsurpassed experience to the strategic and structural M&A issues faced by U.S. and non-U.S. financial institutions.

Our M&A clients include many of the largest, most complex and interconnected U.S. and non-U.S. banking groups with cross-border operations. They also include U.S. regional and community banks; private equity funds, hedge funds and other investors; exchanges, clearing houses and other market intermediaries; and asset managers, broker-dealers and high-frequency trading firms.

Since the financial crisis of 2008, the U.S. financial institutions M&A market has undergone a significant transformation in which regulatory considerations have emerged as one of the primary drivers of M&A activity. As the financial regulatory framework goes through the next wave of reform, it will be critical for financial institutions to understand the impact on opportunities for growth through acquisitions, joint ventures and investments.

What distinguishes us from our competition is our highly skilled ability to navigate the intricate regulatory environment in which financial institutions M&A transactions must take place, both from the perspective of structuring and executing the transactions and also advocating for their regulatory approval or non-objection. We offer our clients:

- Extensive capabilities and experience in M&A deal structuring and execution
- Thorough knowledge of the regulatory environment in which financial institutions operate, including the regulatory drivers of transactions, such as the Volcker Rule and the Basel III capital and liquidity framework
- A broad understanding of financial institutions' corporate organizations, core business lines and legal entity structures, including as a result of our work as counsel to 25 of the largest U.S. and non-U.S. banking organizations in the preparation of their U.S. resolution plans (living wills)
- Extensive knowledge of regional and community banking based on work with a growing number of such clients
- Deep experience in navigating the regulatory approval process, including strong working relationships with key state and federal regulators

The types of financial institutions M&A transactions on which we have worked recently include:

- Acquisitions of U.S. banks by U.S. and non-U.S. banking organizations, including out of bankruptcy proceedings or receiverships
- Acquisitions of non-U.S. banks subject to the U.S. Bank Holding Company Act by other non-U.S. banks
- Joint ventures between U.S. and non-U.S. banking organizations and asset managers
- Joint ventures between U.S. and non-U.S. securities firms
- Acquisitions and dispositions of securities trading, asset management and lending businesses by U.S. and non-U.S. banks
- Divestitures, demergers and spin-offs of assets, funds and business lines by U.S. and non-U.S. banks and financial companies
- Minority, non-controlling investments by U.S. and non-U.S. funds in U.S. and non-U.S. banks and securities firms
- Assumptions of deposits and other liabilities of U.S. banks by other U.S. banks
- Internal reorganizations and formation of intermediate holding companies (IHCs) and bank holding companies

Financial Institutions Capital Markets

Davis Polk is synonymous with capital markets leadership and excellence. No other firm has had more number-one rankings in capital markets league tables for the last 10 years. Our market-leading experience includes capital markets transactions for financial institutions such as U.S. and non-U.S. banks, securities firms, insurance companies, asset managers, private equity and other funds, sovereign governments and national central banks, across the full spectrum of common and preferred equity, senior, subordinated and high-yield debt, and convertible, exchangeable, derivative and structured instruments. We are regarded by clients and peers alike as the go-to firm for the most complex securities transactions requiring highly creative and sophisticated solutions that meet the requirements of the applicable regulatory framework.

The types of financial institutions capital markets transactions on which we have worked recently include:

- IPOs by U.S. and non-U.S. banks
- IPOs by other U.S. and non-U.S. financial institutions, including insurance companies, non-bank lending companies and asset managers
- Spin-offs of U.S. banks by U.S. banking organizations and nonbank financial companies
- Follow-on equity offerings by U.S. and non-U.S. banks and other financial institutions

- Debt exchange offers by U.S. and non-U.S. financial institutions
- Offerings of convertible, senior and subordinated debt by U.S. and non-U.S. banks and other financial institutions
- Block trades of equity securities issued by U.S. and non-U.S. banks and other financial institutions
- Establishment of structured note, structured CD and commercial paper programs by U.S. and non-U.S. banks and other financial institutions

Enforcement and Supervisory Actions and Investigations

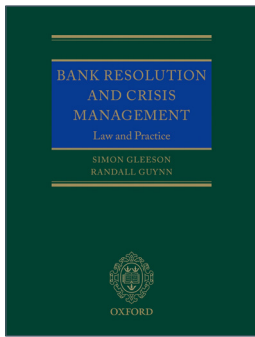
Davis Polk has a leading reputation for advising U.S. and non-U.S. banks and other financial institutions in high-stakes government investigations and criminal and civil enforcement proceedings and regulatory enforcement and supervisory actions. We have been involved in some of the largest Department of Justice, SEC, Federal Reserve, New York State Department of Financial Services and other U.S. and international investigations in recent history, including investigations relating to LIBOR, foreign exchange, tax evasion, BSA/AML, OFAC and FCPA issues. We regularly advise our financial institution clients on compliance with AML and U.S. economic sanctions laws and regulations, as well as other aspects of regulatory enforcement and supervisory actions at a wide range of financial regulatory agencies, including the CFPB, DFS, Federal Reserve, FDIC and OCC.

The types of financial institutions enforcement and supervisory actions on which we have worked recently include:

- Criminal investigations and regulatory enforcement and supervisory actions relating to potential violations of U.S. AML laws and regulations
- Criminal investigations and regulatory enforcement and supervisory actions relating to potential violations of OFAC regulations
- Criminal investigations and regulatory enforcement actions relating to potential violations of U.S. tax laws
- Criminal investigations and regulatory enforcement actions relating to potential violations of the FCPA
- Criminal and civil investigations and regulatory enforcement actions relating to potential violations of U.S. antitrust and other laws with respect to the setting of LIBOR rates
- Criminal and civil investigations and regulatory enforcement actions relating to potential violations of U.S. laws with respect to the execution of FX transactions
- Civil investigations and regulatory enforcement actions relating to potential violations of U.S. securities laws with respect to high-frequency trading and operational failures
- Regulatory enforcement and supervisory actions relating to potential violations of U.S. banking laws with respect to various banking products

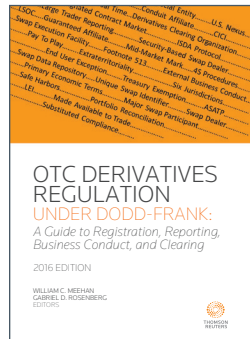
Financial Regulatory Thought Leadership

The FIG practice has four financial regulatory books/editions published or edited by three different partners annually, and these publications are becoming the standards for reference volumes in the sector. Our involvement in multiple book publications reflects the insightful and timely thought leadership our FIG lawyers offer and their openness to working with co-authors and others across academia, other law firms and the financial sector.



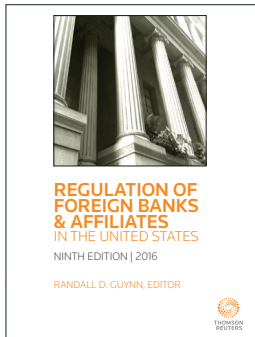
Bank Resolution and Crisis Management Simon Gleeson &

Randall Guynn
ISBN: 9780199698011
2016, Oxford University Press



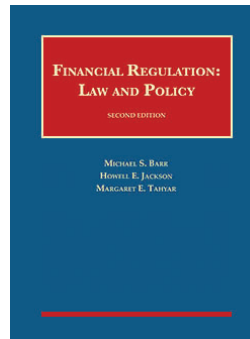
OTC Derivatives Regulation Under Dodd-Frank: A Guide to Registration, Reporting, Business Conduct, and Clearing, 2016 ed.

William C. Meehan &
Gabriel D. Rosenberg, Editors
ISBN: 9780314648006
2016, Thomson Reuters



Regulation of Foreign Banks & Affiliates in the United States, 2016 ed.

Randall D. Guynn, Editor
ISBN: 9780314638038
2016, Thomson Reuters



Financial Regulation: Law and Policy 2nd Edition

Michael S. Barr,
Howell E. Jackson &
Margaret E. Tahyar
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2018, Foundation Press

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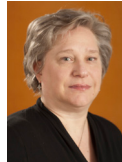
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