

# FINANCIAL SERVICES ALERT

Goodwin Procter LLP, a firm of 900 lawyers, has one of the largest financial services practices in the United States.

## SUBSCRIBE

## CONTACT US

## BACK ISSUES OF FSA

## CONSUMER FINANCIAL SERVICES ALERT

## OTHER PUBLICATIONS

## EDITORS

Gregory J. Lyons

Eric R. Fischer

Jackson B.R. Galloway

Elizabeth Shea Fries

### Disclaimer:

This publication, which may be considered advertising under the ethical rules of certain jurisdictions, is provided with the understanding that it does not constitute the rendering of legal advice or other professional advice by Goodwin Procter LLP or its attorneys.

### IRS Circular 230 Notice:

To ensure compliance with requirements under Treasury Department Circular 230, we inform you that the contents of this *Alert* are not intended or written to be used, and may not be used, for the purpose of (i) avoiding U.S. federal tax penalties or (ii) promoting, marketing or recommending to another party any matter addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax adviser.

©2009 Goodwin Procter LLP  
All rights reserved.

## In this Issue:

### *In Depth Analysis*

- The Next Chapter in the Financial Services Crisis: The Developing Regulatory Reform Framework in the US and Europe

### *Development of Note*

- FASB Revises, Adopts, Two Pivotal Staff Positions on Fair Value Determinations and Other-Than-Temporary Impairments

## IN DEPTH ANALYSIS

### **The Next Chapter in the Financial Services Crisis: The Developing Regulatory Reform Framework in the US and Europe**

Recent issues of the *Financial Services Alert* have dedicated substantial space to the various programs initiated by U.S. and foreign governments to provide capital support and liquidity to financial services firms. As evidenced by the headlines that emerged from the meetings held last week in London by the leaders of the Group of Twenty (“G-20”), attention is now shifting to comprehensive financial services regulatory reform. Although these reform efforts remain at a nascent stage both in the United States and the other nations of the G-20, indications are that reform efforts may well produce the most large-scale and dramatic changes to the financial services regulatory environment since the 1930s and will likely touch virtually all sectors of the financial services industry. Moreover, unlike past efforts at reform, the regulatory framework that emerges may involve significant international coordination both in creating the framework and on an ongoing basis.

In the United States, reform appears to be coalescing around four core principles, laid out by Treasury Secretary Timothy Geithner on March 26, agreed to in a March 30 letter signed by Christopher Dodd, Chairman of the Senate Banking Committee, and Barney Frank, Chairman of the House Financial Services Committee, and previewed by federal banking regulators and reports of the U.S. Government Accountability Office (“GAO”). The four principles are (1) common regulatory oversight of systemically important entities, as well as additional regulatory oversight over certain traditionally less-regulated entities, systems and markets (“Systemic Risk Regulation”); (2) non-bankruptcy resolution of systemically important entities (“Systemic Risk Resolution”); (3) greater regulation of consumer products and investments (“Consumer Product Regulation”); and (4) enhanced global coordination of regulation (“Global Coordination”). The key objective of much of the reform is to limit “systemic risk,” which Federal Reserve Board (“FRB”) Governor Daniel Tarullo has described as “the potential for an event or shock triggering a loss of economic value or confidence in a substantial portion of the economy, with resulting major adverse effects on the real economy. A core characteristic of system risk is the potential for contagion effects.”

In Europe, as in the United States, there appears to be broad consensus on the need to limit systemic risk. As evidenced by the G-20 Leaders' Communiqué, European policymakers are particularly keen on developing a "more globally consistent supervisory and regulatory framework." Thus, a top European priority in the coming year will likely be making significant coordinated changes to the global financial architecture, which changes necessarily would affect not only the European Union and its member states but also the United States. That internationalist theme is found, for example, in a comprehensive review issued by Lord Jonathan Turner, Chairman of the U.K. Financial Services Authority, on revising the U.K. financial services supervisory framework (the "Turner Review") and similar reports issued by the European Council.

To be sure, many past efforts at regulatory reform have foundered, and there can be no assurance that efforts in the coming days will succeed. Yet it is undeniable that the current crisis has generated significant global interest in regulatory change, and both U.S. and European governments have stated a desire to enact large-scale reforms by year end. As to U.S. regulatory reform, Sections I and II of this *Alert* will focus principally on Systemic Risk Regulation and Systemic Risk Resolution. We will summarize the most recent proposals of the Administration as set forth by Treasury Secretary Geithner, principally on March 26, 2009. We will then discuss additional issues with the proposals, largely based on GAO reports and recent U.S. federal banking agency testimony before Congress.

Other potential components of U.S. financial reform, including Consumer Products Regulation, Global Coordination, and the regulation of money market funds, hedge funds and the over-the-counter derivatives market, will be addressed as further clarity develops. Moreover, more detail concerning Systemic Risk Regulation should be available after Secretary Geithner makes a more detailed pronouncement regarding the matter, which is expected to occur on or about April 20.

As to international efforts, Section III of this *Alert* will review pertinent themes and developments coming out of the G-20 Leaders' Meeting and the reform proposals (such as the Turner Review) that preceded the London summit. U.S. reform efforts, whatever they may be, are unlikely to be dictated by foreign efforts. (As one political wag put it, Barney Frank won't listen to the Republicans, and he's certainly not going to listen to French President Sarkozy.) Yet the current U.S. administration has made clear that U.S. efforts will not proceed in a vacuum, and international developments, pressures, and enhanced coordination could well influence what takes shape in the United States, and lead to a more coordinated international system going forward. In any event, the next twelve to eighteen months are likely to be very active on many fronts for players in, and advisors to, the financial services industry.

## I. U.S. SYSTEMIC RISK REGULATION OF INSTITUTIONS

### A. The Treasury Proposal

*Premise:* To ensure comprehensive, consolidated supervision, a regulatory agency should supervise systemically important firms on a consolidated basis. These firms should also be subject to additional regulatory requirements (described below) designed to ensure that they do not suffer liquidity or capital crises during economic downturns.

The Treasury Proposal does not designate the consolidated regulator. Many, including Chairman Frank, have stated that they believe it should be the FRB. Others, including

Chairman Dodd, have indicated that a different regulator, or a council of regulators, may be appropriate. In this regard, there has been some concern about whether the FRB could manage its many functions and retain its desired role as an independent agency, if it also assumes the role of systemic regulator.

*Entities Affected:* Secretary Geithner stated that the following characteristics should be evaluated in defining “systemically important firms:” (1) the financial system’s interdependence with the firm; (2) the firm’s size, leverage (including off-balance sheet) and degree of short-term funding reliance; and (3) the firm’s importance as a source of credit to clients and a source of liquidity to the larger financial system.

Treasury did not name the firms that would be covered. If the Treasury proposal is adopted, the largest banking institutions will almost certainly be included. In addition, significant insurance companies, investment banks, broker-dealers, private equity and hedge funds, and other important financial services entities conceivably could be subject to systemic regulation.

*Additional Requirements:* In addition to consolidated supervision, Secretary Geithner’s proposal would impose additional requirements on systemically important firms. He stated that such firms could be subject to (1) more conservative capital requirements; (2) more stringent liquidity, counterparty and credit risk management requirements (e.g., the ability to aggregate exposures on an enterprise-wide basis); and (3) if a decrease in capital occurs, a capital raising and enforcement framework similar to that under the prompt corrective action regime applicable under federal banking laws.

Secretary Geithner did not discuss how, if at all, the Basel II capital accord would be amended in light of this proposal. As discussed in previous *Alerts*, the Basel Committee on Banking Supervision (“Basel Committee”) is already evaluating changes in capital requirements in response to the financial crisis. In a March 30, 2009 speech, Nout Wellink, Chairman of the Basel Committee, stated that in addition to addressing issues such as liquidity, risk management and supervision, and transparency, as to capital the Basel Committee’s “objective will be to arrive at a total level and quality of capital that is higher than the current Basel I and Basel II frameworks and appropriate to promote the stability of the banking sector over the long run.” Please also refer to Section III.B below for further discussion of international efforts on capital.

#### B. Additional Issues to Be Addressed

The Treasury proposal does not address several issues raised by the GAO, U.S. federal bank regulators, and others in recent reports and testimony. The GAO issued two reports criticizing the role of the current regulatory regime in facilitating the current crisis – a January 2009 report (the “January GAO Report”), and a March 2009 report (the “March GAO Report”). In March, senior officials at the FRB, the Office of the Comptroller of the Currency (“OCC”), and the Federal Deposit Insurance Corporation (“FDIC”) also testified on Capitol Hill regarding the causes of the current crisis and possible solutions.

*Broader Potential Role of the Systemic Regulator:* Treasury Secretary Geithner’s proposal clearly would provide greater authority to the newly-created systemic risk regulator than that which is currently held by any U.S. financial services regulator. However, the proposal still appears to focus on an entity-by-entity approach to regulation. The March GAO Report and regulatory agency testimony suggest that a systemic regulator should be charged with

proactively identifying and mitigating risks across the financial system, in an effort to prevent crises such as the current one from occurring. In other words, rather than simply regulating institutions on an individual basis, an issue is whether this regulator would be charged with overseeing and responding to the myriad risks that could present themselves in the operation of the financial services marketplace as a whole.

As to this issue, although many regard such a systemic regulator as desirable, they acknowledge the difficulty of the stated task. FRB Governor Tarullo focused on those difficulties in his March 19, 2009 congressional testimony. He cited the size of the U.S. financial services sector, the wide range of institutions and markets from which systemic risks can arise, and the speed with which problems can occur and stated “while the existence of systemic risks may be apparent in hindsight, identifying such risks *ex ante* and determining the proper degree of regulatory or supervisory action needed to counteract challenges without unnecessarily hampering innovation and economic growth is a very challenging assignment for any agency or group of agencies.” Indeed, the March GAO Report was very critical of the ability of bank regulators to even address material existing issues on an entity-by-entity basis, which raises further concern about the ability of a regulator to identify nascent issues across an entire economy.

FDIC Chairman Bair, during her March 19 congressional testimony, was sufficiently skeptical of the ability of regulators to prevent future crises that she raised a more fundamental issue. Chairman Bair recommended that “[b]efore considering the various proposals to create a systemic risk regulator, Congress should examine a more fundamental question of whether there should be limitations on the size and complexity of institutions whose failure would be systemically significant.”

*Integration with Current Structure:* The Treasury systemic risk regulator proposal does not address the politically difficult issue of how a systemic regulatory approach would integrate with, or replace, the current structure of four federal bank regulators and many more state bank regulators, let alone their securities (including the Securities and Exchange Commission (“SEC”)), insurance, and other regulatory counterparts. Certainly the issue has been raised by others. The January GAO Report also cited as potentially problematic the so-called “regulatory arbitrage” (ability to choose different regulators or charter types) by depository institutions. Noting that the existence of multiple regulators is more a matter of historical artifact than design, the January GAO Report stated that the current structure can lead to, among other things, inefficiencies and redundancies, and a weakened position in an international discussion about the proper oversight of the global regulatory system. Nonetheless, the current system has survived largely intact for over seven decades, and competition among the regulators, and dedication to and knowledge of their charter types does provide its own advantages, so any significant change could require extensive negotiation.

## II. U.S. RESOLUTION OF INSTITUTIONS THAT PRESENT SYSTEMIC RISK

### A. The Treasury Proposal

*Premise:* To mitigate the liquidation of non-bank financial services firms, whose failure can have serious adverse effects on the economy, the Treasury proposal (as set forth in draft legislation developed by Treasury) would subject such entities to a resolution framework similar to that which the FDIC currently has with insured banks. Such a resolution only would occur after a determination by the Treasury Secretary (after recommendations by

both the FRB and the appropriate federal bank regulatory agency) that: (1) the financial firm faces insolvency; (2) the insolvency would have serious adverse effects on U.S. economic conditions or financial stability; and (3) using this authority would at least mitigate those adverse effects.

Under the Treasury proposal, the FDIC would play a significant role in exercising these resolution powers. As with the proposed designation of the FRB as the Systemic Risk Regulator, the *American Banker* reports in its April 7, 2009 issue that some in Congress and elsewhere worry that assuming this role may make the FDIC too politicized or divert it from its historical and important functions. On the other hand, as Chairman Bair highlights in her March 19 testimony, providing this authority to a newly-created agency may not be feasible given the (hopefully) infrequent occurrences of these events and the need for a well-trained, engaged staff.

*Entities Affected:* The entities subject to this new resolution process would consist of any of the following that are established under the laws of the United States or any state: bank holding companies; financial holding companies; savings and loan holding companies, companies owning an insurance company or an SEC-registered broker-dealer; a futures commission merchant or commodity pool operator; and subsidiaries of any of the foregoing that are not an insured bank (or a subsidiary thereof), an SEC-registered broker-dealer, or a U.S. insurance company. The resolution authority would NOT extend to relevant holding companies organized outside the United States, but would apply to intermediate U.S. holding companies of such institutions.

Generally, other entities such as hedge funds, private equity firms, and investment advisers, would only be subject to the resolution authority if they either were (1) subsidiaries of a holding company of a bank, thrift, insurance company or securities broker-dealer, or (2) a holding company of a bank, thrift, insurance company or securities broker-dealer.

#### B. Additional Issues to be Addressed

*Coverage:* The most significant issue with the Treasury proposal, given its purpose, is its scope. Although seeking to provide a uniform framework for troubled entities that are systemically important to the economy, the proposal does not apply to some entities, such as U.S. insurance companies and securities broker-dealers, that may well fall into this category. Such exemptions appear contrary to the recommendations of FDIC Chairman Sheila Bair. During her March 19 congressional testimony, she stated that: "Creating a resolution regime that could apply to any financial institution that becomes a source of systemic risk should be an urgent priority." Indeed, the case that Ms. Bair cites as a primary example of why the bankruptcy process needs to be avoided (the comparison of the outcomes of Bear Stearns and Lehman Brothers) would largely be unaffected by the Treasury proposal.

In addition to entity coverage, the Treasury proposal also raises issues as to geographic coverage. As Governor Tarullo stated during his March 19 congressional testimony, "given the global operations of many large and diversified financial firms and the complex regulatory structures under which they operate, any new resolution regime must be structured to work as seamlessly as possible with other domestic or foreign insolvency regimes that might apply to one or more parts of the consolidated organization." The Treasury proposal contains no mechanisms or processes for working with other governments. To be sure, it does not preclude such coordination, and Secretary Geithner's

March 26 comments clearly highlight the need for global coordination. The G-20 Leaders also mentioned the need for better international coordination in cross-border insolvency resolution.

*Transparency:* The Treasury proposal also does not address how transparent this process will be. A completely transparent process may serve to protect investors, but also generate a self-fulfilling “run on the bank.” A less transparent process may be subject to criticism as playing favorites with certain market participants, and also may not be sustainable given the number of persons involved in the process.

### III. INTERNATIONAL EFFORTS

International reform initiatives are myriad and in many ways mirror the regulatory reform efforts in the U.S. The focus of international efforts can be discerned from the various communiqués and reports issued at the end of the recently completed London summit of the leaders of the G-20, which reports the Obama administration, of course, helped to fashion. Prior to the G-20 meeting, the Turner Review and reports commissioned by the European Council also set forth approaches to strengthening the regulations and supervision of the financial services industry. Each offers insight into international perspectives on regulatory reform.

As in the United States, reform proposals emanating from abroad examine a wide range of issues – including executive compensation, accounting, derivatives, corporate governance standards, off-shore tax havens and credit-ratings agencies. Yet, at their core, the G-20 reports and the European proposals focus on three key issues of interest to U.S. financial firms: (a) international coordination and cooperation; (b) capital requirements; and (c) systemic macro-regulatory oversight.

#### A. International Coordination and Cooperation

As noted above, the Turner Review and other international reports suggest that a key lesson from the financial crisis is that the current regulatory approach has many global fault-lines. These fault-lines were exposed because the significant globalization of financial firm activities was not matched by a similar globalization in financial regulation and supervision. The ill-effects of this arrangement, according to European observers, were evidenced in many ways. For example, as the Turner Review points out, the collapse of Lehman Brothers and the Icelandic banks had large-scale international repercussions, but the various decisions about supporting these institutions were made principally on a national (home-country) basis. Similarly, the G-20 Working Group Report that was issued immediately before the London summit suggests that the absence of international consistency led to regulatory arbitrage and numerous spill-over effects, as local issues morphed into international problems.

Three solutions to repair international fault lines emerge. First is the need to improve international regulatory consistency. The G-20 leaders in London agreed, for example, to establish much greater consistency in regulatory schemes and to develop “a framework of internationally agreed high standards.” The G-20 Working Group Report calls on greater consistency in the regulation of similar instruments and institutions, both within and across borders. Similarly, within the European Union, proposals have urged the establishment of a single European body (rather than bodies within member states) to oversee the architecture and stability of the European financial system.

Second, the numerous reports urge greater international cooperation on various levels. For example, the G-20 Working Group Report notes that information on systemic risk needs to be monitored through a globally-coordinated mechanism. To the same end, the Basel-based Financial Stability Forum (which was renamed as the Financial Stability Board by the G-20 London Summit) has developed a “college of supervisors” approach to international coordination, which the G-20 agreed to enhance and strengthen in various ways. The Turner Review, while endorsing these coordination efforts, noted that there are limits to the utility of mechanisms such as a “college of supervisors”, since they cannot deliver fully-integrated global supervision and since national governments will expect domestic supervisors to protect national interests (particularly when significant problems start to emerge). Lord Turner suggested what might be necessary is a far more unified system of global financial supervision and fiscal support.

Third, at the G-20 level in particular, attention was devoted to naming, shaming, and penalizing jurisdictions not willing to work cooperatively with others. At the London G-20 Summit, the name-and-shame attention was principally focused on banking secrecy and those countries that have traditionally resisted efforts at exchanging tax information with other nations. It is left to be seen whether, in the future, similar penalty efforts are suggested in other cases in which nations refuse to adopt or abide by certain agreed-upon international regulatory standards.

#### B. Bank Regulatory and Capital Requirements

As indicated in Section I.A. above, a second area of international focus has been existing regulatory standards and, in particular, capital requirements. Many of the international reviews found that inadequate levels of capital played a central role in the current crisis, and the various reports emphasize the need for numerous and fundamental changes relating to bank capital adequacy. (The reports do not specifically address non-bank capital standards.)

The leaders of the G-20 spoke specifically to prudential regulation and banking organization capital requirements. The G-20 Leaders’ Communiqué on strengthening the financial system acknowledges that minimum capital levels cannot be changed until financial recovery is assured and states that, where necessary, capital buffers “should be allowed to decline to facilitate lending in deteriorating economic conditions.” Thereafter, according to the G-20, regulatory and bank capital standards should be strengthened; the quality of capital increased; capital standards harmonized across countries; and risk-based standards for capital supplemented by a “simple, transparent, non-risk based measure which is internationally comparable . . . and can help contain the build-up of leverage in the banking system.” The G-20 Working Group Report that was issued before the London leaders’ summit speaks to many of these same points and also notes that capital should be built up in good times to enhance the ability of regulated financial institutions to withstand large shocks.

The Turner Review echoes many of the G-20’s themes regarding capital, commenting that “a strong prima facie case” can be made that minimum bank capital requirements “should in the future be significantly above what has been applied in the past.” The Turner Review also includes detailed recommendations to avoid pro-cyclicality in Basel II capital regimes. The Turner Review suggests the use of counter-cyclical buffers, risk models that are based on “through the cycle” approaches rather than point-in-time estimates of default probabilities, and the use of dynamic loss provisioning, which anticipates future losses in

loan and trading book portfolios that have not yet materialized. The Turner Review also recommends the use of a gross leverage ratio to serve as a backstop to other capital requirements.

The Turner Review also speaks to whether, beyond capital changes, there is a need to revert to a “narrow” bank model, which separates commercial banking from other financial activities, such as investment banking. Lord Turner acknowledges that separating banking from other activities benefits from “clarity,” but notes that such a solution to the current problems is likely unworkable (given the complexities of banking firms and economies) and, perhaps more importantly, is unlikely to radically reduce banking system risks.

International views regarding capital, bank powers, and prudential regulatory standards seem likely to resonate in the United States. As a consequence, international efforts in the capital area, as well as accounting and other standard setting measures, may well have significant repercussions for U.S.-based banking firms.

### C. Systemic Macro-Regulatory Oversight

International policymakers concur with the U.S. view (set forth in Section I above) that a fundamental problem revealed by the financial crisis was the absence of effective supervision and regulatory tools to address problems on a macroeconomic, rather than an institution-by-institution level. As the G-20 Working Group Report notes, regulators, supervisors, and central bankers need in the future to be able to monitor and address the build-up of risks from excess liquidity, leverage, risk-taking, and concentrations that have the potential to cause financial system instability.

Numerous policy recommendations emerge from the various reports. First, the reports suggest that financial regulatory authorities focus not only on their core mandates of supervision at the entity level, but also at ensuring system-wide stability. As the G-20 Working Group Report notes, carrying out this revised mandate will require coordination mechanisms for financial authorities within countries and “an effective global table” to bring together various national authorities. Second, the reports suggest that the scope of regulation and oversight be expanded to include all systemically important institutions, markets, and instruments. There seems to be wide consensus that this effort will include establishing regulatory and supervisory standards over private pools of capital, such as hedge funds.

The G-20 Working Group Report suggests that regulation and supervision must emphasize treating similar institutions and activities consistently, with less emphasis on legal status. The Turner Review appears to agree, but it emphasizes that the risks involved in performing bank-like functions are fundamentally different from those involved in non-financial and other financial activities, such as life insurance. Thus, the Turner Review takes the view that bank regulation and supervision ought to be distinguished from that applied to non-bank firms.

**Conclusion:** Clearly much work remains if significant U.S. and international regulatory reform is to occur. However, as this article has demonstrated, to date the discourse has a greater focus on fundamental, internationally coordinated reform than has ever occurred in the financial services sector. The next 12-18 months will likely evidence the extent to which that discourse becomes reality, as well as how much of the current system (which has its positive attributes) survives.

## DEVELOPMENT OF NOTE

### FASB Revises, Adopts, Two Pivotal Staff Positions on Fair Value Determinations and Other-Than-Temporary Impairments

The Financial Accounting Standard Board (the “FASB”) considered public comments to its proposed staff positions (the “Staff Positions”) on financial reporting. FASB Staff Position FAS 157-e (“FSP FAS 157-e”) addresses fair value measurements, and FASB Staff Position FSP FAS 115-a, FAS 124-a, and EITF 99-20-b (collectively, “FSP FAS 115-a”) address other-than-temporary impairments. The Staff Positions are expected to be issued in final form later this week. Subject to certain conditions, they are to take effect for interim periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009. FSP FAS 157-e and FSP FAS 115-a were discussed in the [March 24, 2009 Alert](#). The FASB approved those positions subject to certain modifications.

- With respect to FSP FAS 157-e, the FASB, among other things, reaffirmed that fair value should be a measurement of the price that the reporting entity would receive to sell the security in an orderly market. Moreover, in the two-step process for determining whether a market is inactive and a transaction is distressed, the FASB removed from the original proposal the presumption that a transaction in an inactive market is distressed. As modified, FSP FAS 157-e requires the entity to evaluate whether a transaction in an inactive market represents an orderly transaction.
- With respect to FSP FAS 115-a, the FASB determined to limit the positions to debt securities. In addition, the FASB also determined, among other things, to replace the existing requirement that management of the reporting entity assert that it has the intent as well as the ability to hold an impaired security until recovery with a requirement that management assert that (a) it does not have the intent to sell the security, and (b) it is more likely than not it will not have to sell the security before recovery of its cost basis.

The Staff Positions have given rise to conjecture that reporting entities, which include many banks and mutual funds, will have more flexibility in valuing the assets on their balance sheets. Indeed, an FASB staff handout made it clear that in adopting FSP FAS 157-e as modified, the FASB is recognizing that establishing the fair market value of an asset when the volume and activity in the market for that security has decreased significantly is “inherently complex, depends on the facts and circumstances and involves significant professional judgment.” Some have expressed concerns about the potential impact of this purported flexibility on the Treasury’s nascent Public-Private Investment Program (the “PPIP”), which was discussed in the [March 24, 2009 Alert](#). The *American Banker* cited Dennis Beresford, a former FASB chairman now teaching accounting at the University of Georgia, who posited that, on the sell side, banks will have less of an incentive to sell their bad assets through the PPIP as they will be under less pressure to rid themselves of them, now that they have a more favorable accounting treatment under the Staff Positions. The *American Banker* also interviewed a private equity advisor who theorized that, on the buy side, private equity investors would become more skittish about participating in the PPIP, out of fear that the value of the assets they would be buying could be distorted due to the Staff Positions. Both statements also could apply to mutual funds, which may find themselves on the sell side or buy side.

## PARTNERS AND COUNSEL

[Marco E. Adelfio](#)  
[Lynne B. Barr](#)  
[Gary A. Beller](#)  
[Raymond P. Boulanger](#)  
[Agnes Bundy Scanlan](#)  
[Margaret B. Crockett](#)  
[Anna E. Dodson](#)  
[Eric R. Fischer](#)  
[Elizabeth Shea Fries](#)  
[Jackson B.R. Galloway](#)  
[John Hunt](#)  
[James J. Kelly](#)  
[Satish M. Kini](#)  
[Robert M. Kurucz](#)  
[Thomas J. LaFond](#)  
[Paul W. Lee](#)  
[Gregory J. Lyons](#)  
[Robin J. H. Maxwell](#)  
[William P. Mayer](#)  
[Philip H. Newman](#)  
[Sean P. O'Malley](#)  
[Christopher E. Palmer](#)  
[Byron C. Pavano](#)  
[Regina M. Pisa](#)  
[Mark S. Raffman](#)  
[Derek N. Steingarten](#)  
[William E. Stern](#)  
[Kimberly K. Vargo](#)  
[Michael P. Whalen](#)

Goodwin Procter LLP  
Boston  
Hong Kong  
London  
Los Angeles  
New York  
San Diego  
San Francisco  
Silicon Valley  
Washington, D.C.