

Lightning Strikes Twice: Susman Godfrey Scores Victory for Brokers in FINRA Dispute with Barclays

NEW YORK (Feb. 19, 2015) — In a unanimous decision by the Financial Industry Regulatory Authority (FINRA) issued this week, Susman Godfrey prevailed in defending clients Ileana Platt and Rafael Urquidi against claims by Barclays Capital that it was entitled to recover \$4 million in bonuses paid to the two former brokers in its Miami office. This is the second time in a row Susman Godfrey has sent a bank home empty-handed.

The bank argued that the terms of promissory notes signed by the brokers in 2012 required them to repay the bonuses if they left the firm for any reason before a seven-year retention period ended. Ms. Platt and Ms. Urquidi countered that Barclays broke a fundamental promise to them by shutting down the bank's Latin American wealth management business just months after the brokers joined the firm. The three-member FINRA panel sided with the brokers, forgiving their debt in full.

The bank argued that the terms of the parties' contracts were rock-solid and did not relieve the brokers from their payment obligations under any circumstances, even the extraordinary and unprecedented shutdown of their Latin American business.

"The panel saw through the bank's legalistic arguments and understood that our clients, through no fault of their own, were wronged by Barclays's unilateral conduct," lead counsel [Jacob Buchdahl](#) noted. "The bank tried to avoid the consequences of their actions, but the FINRA panel held them accountable."

Susman Godfrey's win is unique given that hundreds of note collection cases are litigated every year where panels award banks a full recovery. Despite these odds, this is second straight FINRA case in which Susman Godfrey has beat back claims by banks to clawback bonuses paid to brokers, the first coming two years ago in 2012.

Partner [Arun Subramanian](#) observed, "While banks often tout their near-perfect record in enforcing promissory notes in FINRA arbitration, brokers who have been wronged can prevail with the right lawyers, and the right advocacy."

You can read more on this story at [The Wall Street Journal](#), [CNBC](#), [Reuters](#) or [iMarkets](#).

The case is *Ileana D. Platt & Rafael Urquidi, v. Barclays Capital Inc. & Barclays Bank PLC*, FINRA Case No. 14-00821.