

REGULATION
UNITED STATES

Changing US banking regulations keep Cadwalader hire on alert

Christopher Horn is the firm's newest addition to its growing financial regulation practice, which has made five hires in the past two years



Cadwalader's new financial services partner Christopher Horn said that the **Basel III Endgame** and the US Securities and Exchange Commission's recently adopted **Rule 192** are some of the key regulations that he will be advising clients on.

Based in New York, Horn joined Cadwalader in June after working at Mayer Brown for 10 years. He brings more than 25 years of experience to his new role, including teaching securitisation as an adjunct professor at the NYU School of Law.

Speaking to IFLR about his move, he said: "I was drawn to Cadwalader's involvement in cutting-edge transactional and regulatory work, particularly on the banking side. The firm is a thought leader in the structured finance industry, and I very much look forward to carrying on that tradition."

In addition to his work on bank regulatory capital issues, Horn focuses on securities laws and other regulations that affect structured finance and securitisation, an area that has become much more regulated in recent years.

On regulatory trends to watch, Horn highlighted the SEC's recently adopted Rule 192 (Conflicts of Interest Relating to Certain Securitizations). It's a broad rule that applies not only to securitisation participants but also potentially to their affiliates and subsidiaries.

"In the near term, Rule 192 presents the biggest challenges, particularly for banks with broker-dealer affiliates," said Horn. "Establishing compliance

programmes to prevent conflicts of interest under the new rule is a tremendous challenge.”

Looking a bit further down the road, the Basel III Endgame proposal is a highly important ongoing development, he said. The final rule will have a significant impact on banks and the larger economy, and changes to the securitisation framework could be consequential.

Horn has been deeply involved in the proposal, including authoring the Structured Finance Association’s **comment letter**.

The final Basel III Endgame rules could present both challenges and opportunities for banks that are interested in credit risk transfer transactions.

“I expect to be very busy working with my colleagues and the firm’s banking clients on that,” Horn said.

In the past two years, Cadwalader has made five hires in its growing financial regulation practice, including ex-Federal Deposit Insurance Corporation deputy general counsel **Andrew Karp** in March.



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