

Cabinet News and Views

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Third Circuit Decides Statutory Trusts Are Covered Persons: What This Means for the Securitization Market

On March 19, 2024, the Third Circuit handed down a decision that statutory trusts used to handle securitizations are considered “covered persons” for purposes of the Consumer Financial Protection Act, in the long-running case involving the Consumer Financial Protection Bureau and the National Collegiate Master Student Loan Trust.

In a recent [Client & Friends Memo](#) authored by Mercedes Tunstall, Mike Gambro, Stuart Goldstein, David Gingold, Sophie Cuthbertson, Andrew Karp and Cheryl Barnes we provide background on the underlying litigation, describes the court’s analysis and identifies possible next steps in the litigation. We also discuss the implications of this decision for the securitization industry and practical steps that participants should take under consideration.

Read more [here](#).
