

MVP: Latham's Benjamin Naftalis And Douglas Yatter

By **Steven Lerner**

Law360 (November 12, 2024, 3:08 PM EST) -- Benjamin Naftalis and Douglas Yatter of Latham & Watkins LLP served as lead counsel for Binance founder and CEO Changpeng Zhao in a high-profile anti-money laundering investigation and represented Andreessen Horowitz in a proposed class action, earning them a spot among the 2024 Law360 Fintech MVPs.

Their biggest accomplishment:

Naftalis and Yatter defended Zhao in one of the most noteworthy fintech cases of the past year.

In November 2023, Zhao pled guilty to one count of failing to establish an anti-money laundering program and Binance agreed to pay a \$4.3 billion fine.

Following this plea, federal prosecutors wanted Zhao to serve three years in prison. In April 2024, Zhao was sentenced to four months in prison, a significantly lower sentence. Zhao was released from prison in late September.

Naftalis said it was a complex matter involving multiple federal agencies, and the stakes were high because it was a criminal matter.

"It was gratifying to be able to deliver a historic outcome for him in such a complex matter that was so much better than what the government was seeking," Naftalis said.

This case exemplifies the broad and diverse practice that the pair deals with, Naftalis said.

"We are privileged to represent a number of high-profile companies, individuals and investors in the fintech and digital asset space," Yatter said.

Other notable cases they've worked on:

The pair represented venture capital firm Andreessen Horowitz in several cases, most notably a putative class action in which the plaintiffs claimed they

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Benjamin Naftalis And
Douglas Yatter
Latham

lost money after investing in so-called scam tokens on the Uniswap Protocol.

In August 2023, they secured a dismissal with prejudice for the firm.

"We've had the privilege of representing them in class action litigation in courts on both coasts that present some issues that are important as the judges approach how the law should develop for the digital asset space," Yatter said.

Naftalis also represented Tysers Insurance Brokers, an industry-leading reinsurance broker, in a multijurisdiction investigation in 2023 involving the U.S. Department of Justice and the U.K. Serious Fraud Office. Naftalis said this was one of the few resolutions in 2023 that involved the Foreign Corrupt Practices Act.

Why they're fintech attorneys:

Naftalis and Yatter both came to fintech after years of experience with financial markets and enforcement matters.

Yatter, a former chief trial attorney for the U.S. Commodity Futures Trading Commission's Division of Enforcement, said the intersection of finance and technology, along with the combination of business regulatory and enforcement dynamics, makes it a uniquely interesting space to practice law.

"It's been a fascinating space where we get the benefit of years of experience on these kinds of issues, to be focusing on it at this important time for the sector," Yatter said.

Naftalis, a former federal prosecutor who worked on some early cryptocurrency cases, said it was great to work with banking law experts and younger attorneys well-versed in technology. He added that it's a great space since fintech law is still developing.

"New questions are being asked [and] new rulings affect economies and industries in the U.S. and beyond," Naftalis said. "The questions of law are more open than in other areas, and being able to help shape or understand or push on how the law develops is just a little bit unique in this area versus other more well-developed areas of the law."

What motivates them:

The duo said they enjoy focusing on the deep and often complex regulatory issues that affect the industry.

"That intersection of the business interest, the technology interest and the regulatory interest and how they intersect," Yatter said. "How do you build something in compliance with regulation [and] how do you defend against claims that may be pushing the boundaries of regulation or applying them to something new for the first time."

Their advice for junior attorneys:

Naftalis advises young attorneys to be "indispensable" in the practice. In fintech, that means understanding how the client's technology works so you can explain it to others on the team.

Yatter said young lawyers should be "curious."

"Take an interest in your clients and their business and their products," Yatter said. "Learn how they work. Learn what their priorities are, what their goals are. It helps make it more interesting. It helps you do a better job."

--As told to Steven Lerner. Editing by Drashti Mehta.

Law360's MVPs are attorneys who have distinguished themselves from their peers over the past year through high-stakes litigation, record-breaking deals and complex global matters. A team of Law360 editors selected the 2024 MVP winners after reviewing nearly 900 submissions.

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