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White Collar Roundup - April/May 2011

LIBOR Plus What?

It appears U.S. regulators are looking into whether some major banks have tried to manipulate LIBOR (London Interbank Offered Rate), the global benchmark interest rate, to boost their credit quality. There has been speculation that bank executives formed a cartel to manipulate the rates, which might expose them to cartel claims. For a snippet on the investigation, click here.

Bordering on the Invasive

The Ninth Circuit has held that the government can seize and transport for subsequent search electronic devices that pass with their owners through customs. In this case, a couple came into Arizona from Mexico, and customs officers seized their laptops without any particularized suspicion. After transporting the laptops to a field office 170 miles away, and after several days, the government found evidence of child-pornography offenses. The Ninth Circuit, invoking the border-search doctrine, reversed the district court's order suppressing the evidence.

Homing in Through Twitter

A federal district court denied a motion to vacate an order that Twitter disclose account information under the Stored Communications Act. The act "governs government access to customer records stored by a service provider." After holding that the petitioners did not have standing to bring their motion under the act, the court rejected their claim on the merits.

"Bribery Blights Lives"

With that colorful introduction, the U.K.'s Ministry of Justice promulgated guidance on its new Bribery Act. The ministry offered the following six principles for organizations to avoid harm: (1) proportionate procedures, (2) top-level commitment, (3) risk assessment, (4) due diligence, (5) communication and training, and (6) monitoring and review.

In Honor of Tax Time . . .

The IRS made its first payment under its relatively new whistleblower law. An accountant in Pennsylvania was awarded $4.5 million for reporting to the IRS Whistleblower Office that his employer had cheated the government. Of course, the IRS couldn't resist its 28 percent tax withholding, netting the whistleblower a check for $3.24 million. To get your money's worth, click here.

Petitioning for LCD-Like Clarity

The American Bar Association has filed an amicus brief with the Supreme Court, supporting a cert petition asking it to resolve a three-way circuit split, regarding situations in which a prosecutor's grand-jury subpoena trumps a civil-litigation protective order. The cert petition stems from a DOJ antitrust investigation into some flat-panel-display makers. For the cert petition, click here.