

CONTENTS

INTHE SPOTLIGHT

Supreme Court Torpedoes Class Arbitration	2
--	---

LIFE INSURANCE & HEALTH CARE

Supreme Court Reaffirms Rule 23 Dominance	4
CA Supreme Court to Rule on Unfair Competition	4
Broker Protocol Sees Membership Growth . .	5
FL Passes "Safeguard Our Seniors Act" . . .	5
Supreme Court Rejects Standard for ERISA Fee	6
What is an Annuity?	6
Regulators to Prevent Stranger Originated Annuities?	7
SEC Files Status Report on 151A	7

PROPERTY & CASUALTY

Fraud Not Necessary for Rescission	8
Bad Faith Claim Survives Summary Judgment	8
First Chinese Drywall Rulings Noxious	9
US CPSC Recommends Removal of All Chinese Drywall	9

REINSURANCE

State Legislative Update	10
NY Clears Up Contract "Un-certainty"	10
Challenging an Arbitrator Appointment . . .	11
Reinsurance Litigants Denied in Bids for Home Cooking	11

NOTEWORTHY SPECIAL

Electronically-Filed Insurance Application Issues	12
RAFSA Includes Measures for Reinsurance Reform	13

INVESTMENT COMPANIES & ADVISERS

Mutual Funds Regulated as Financial Institutions	14
SEC Staff to Review Derivatives	14
Investors Permitted to Sue Adviser for Transfer Agent Fee	15
Privately Held Fidelity Entities Cannot Avoid SOX	15
Court of Appeals Rejects SEC's Interpretation of Rule 10b-5	16
New Court Cases Challenge 12b-1	16

SECURITIES

Variable Annuity Summary Prospectus Gains Momentum	17
Financial Institutions to Unmask Some Account Beneficial Owners	17
Industry Eyes New SEC Enforcement Units	18
Google "AdWords" Service Clears Hurdle in Europe	18
SEC Settlement Dynamics May Change	19

CONSUMER FINANCE & BANKING

Test for Corporations' Citizenship Adopted	20
Variations in Unjust Enrichment Laws Bar Class Certification	20
Single Bite at Class Certification Apple	21
Defenses, State Law Variations Sink Certification	21
Eleventh Circuit Clarifies Removal Procedure	22
Third Circuit to Require Detrimental Reliance for Damages Under TILA	22

NEWS & NOTES

NEWS & NOTES	23
------------------------	----