

Bond Case Briefs

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BONDS - CALIFORNIA

Eminence Investors, L.L.P. v. Bank of New York Mellon

United States Court of Appeals, Ninth Circuit - April 2, 2015 - F.3d - 2015 WL 1475055

Holder of bonds issued by public financing authority brought putative class action against successor to indenture trustee in state court, asserting claims for breach of fiduciary duties, negligence, unjust enrichment, and violation of California's unfair business practices statutes. After removal, the United States District Court remanded. Defendant appealed.

The Court of Appeals held that action fell within scope of Class Action Fairness Act's (CAFA) securities exception, and thus was not removable to federal court, where all of bondholder's claims were based on alleged duties that arose from bonds and indenture, and bondholder was clearly asserting its rights as holder of bonds rather than as purchaser of bonds.