

## Titan Of The Plaintiffs Bar: McKool Smith's Courtney Statfeld

By **Katryna Perera**

*Law360 (May 6, 2024, 3:04 PM EDT)* -- Courtney Statfeld's dad always tells her, "they never see you coming." The McKool Smith principal is one of few female litigators practicing in the male-dominated field of complex financial products, and she has made a conscious decision over the years to be herself — and to let her work speak for itself.

Instead of playing down her appearance by tying her hair back or only wearing muted colors and flat shoes to match the blacks and grays of men's suits, Statfeld proudly shows off her personality with heels, jewelry and color.

She also has a go-to playbook to deal with condescending remarks or double standards that may come her way.

"I have very particular tactics that I use with incredibly aggressive men who ... speak very loudly and talk over me," she told Law360. "I say, 'It sounds like you're having a really hard day. Do you think we should schedule this for a time when we can both speak a little bit more professionally and productively?' ... and that completely shuts it down."

Over the past decade and a half, Statfeld has racked up major victories for those suing over collateralized debt obligations, residential mortgage-backed securities and other complex financial products. McKool Smith says she's helped investors and insurers recover more than \$1 billion and counting. And in the past year, three victories she secured for clients in the RMBS space have earned her recognition as one of Law360's 2024 Titans of the Plaintiffs Bar.

But landing in the RMBS space was never her plan, nor was being an attorney. Statfeld studied a pre-medical track in college, and her parents encouraged her to attend law school, despite being medical professionals themselves.

"Once I was in law school, I ended up doing mock trial, law review, moot court, and I realized that the oratory and the performative aspect of [being

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**Courtney Statfeld**

McKool Smith

**What She Enjoys About Her Work:**

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a lawyer] ... is really fun for me," the Emory University School of Law graduate said.

"And," she said she also discovered, "I like winning."

Even after law school, though, Statfeld did not have her gaze set on complex financial products. As a new associate at Quinn Emanuel Urquhart & Sullivan LLP, she tried to work on cases related to bio-patent litigation. Then, the financial crisis of 2008 hit, and like many others, it completely altered the trajectory of her career.

The RMBS space was not an immediate fit. Statfeld said that when she received hundreds of pages of agreements related to her first case, she sat in a room and cried.

"I said, 'How am I supposed to understand this?,'" she said.

But she worked through it, and as time went on she learned the ins and outs of structured finance, becoming an expert along the way. Today, her reaction to a new case is, "OK, here we go, I'm going to get this one."

In 2012, Statfeld joined McKool Smith to help form the firm's financial services group in New York. The practice group ended up handling more than 40 cases in the residential mortgage-backed securities space in the aftermath of the financial crisis, making a name for themselves, Statfeld said, and she built her expertise from there.

According to Statfeld, cases involving mortgage-backed securities are, on their surface, fairly similar, but the details can be complex and vast. Tiny nuances like definitions and placement of commas in contracts help Statfeld form unique arguments for why her client is right, and she revels in what she calls "dorky detective work."

"I think as attorneys get more advanced in their careers, they don't dig into the facts as much, they let associates present the facts to them," she said. "With my detective hat on, I still find it really fun to go through and read the relevant documents and really dig into what they say and find all the trails to go down."

When it comes to winning cases in the RMBS space, Statfeld said: "It all comes down to the papers."

"I'm not in court arguing every other day. It's all on the motions ... so having the ability to take what's in your head and boil that down into an idea on paper that someone who has no idea what's in your head can then read it, understand it, and agree with you, that's real lawyering," she said.

Uri Itkin of Akin Gump Strauss Hauer & Feld LLP has worked both alongside Statfeld and as her opposing counsel. Itkin mentioned to Law360 a recent case in which they worked together, and he recalled how thoroughly Statfeld had prepared.

"She was so diligent in working through every single facet of the case. Every single fact, every single legal argument. She was incredibly meticulous in preparing for the argument, even though there was going to be several of us handling it ... she prepared for it as if it were her own," he said. "She knew that case there and back, several times over, and that was really impressive."

Her attention to detail is reflected in the three victories she secured for clients in the RMBS space within

the past year.

The first, in California state court, focused on the "clean-up call" rights of a mortgage servicer to purchase the assets of several RMBS trusts held by Deutsche Bank National Trust Co. at the price stated in the parties' contract.

At issue was whether the purchase price should include \$75 million of deferred principal payments owed by mortgage holders who took advantage of home loan modification programs after the 2008 financial crisis.

In a first-of-its-kind ruling on summary judgment, the court said the value of the deferred payments should be taken into account.

Statfeld said the ruling set an important precedent for cases involving RMBS trusts, because "thousands" of trusts are reaching the end of their contract life, and call rights holders are speaking up.

"We set the stage to allow investors to go and get back the money that they should have been paid initially," she said.

The California win helped Statfeld secure another victory in New York state court involving call rights, and in December, Statfeld helped junior bondholders win in a case involving the rights to more than \$400 million in subsequent principal recoveries from modified mortgages in 36 nonagency mortgage-backed securities, according to McKool Smith.

In the junior bondholders' case, Statfeld said she and her colleagues were the "lone rangers," as everyone involved had differing arguments and positions. Ultimately though, the judge agreed with her team's position before trial that the relevant documents were clear on how to handle subsequent recoveries when they come in, and that deferred principal payments were considered subsequent recoveries.

"Taking the underdog position in some of these ... and getting those wins on the papers was wonderful, and we were very happy about the results," she said.

David Sochia, the managing principal and chairman of McKool Smith, met Statfeld when she joined the firm in 2012. He told Law360 that he has watched her grow into a formidable and tenacious attorney over the years.

"I get emails and calls from people about our lawyers all the time and they're always good about Courtney, and that speaks volumes to me because her peers respect her and they like her," he said. "She brings this energy that's just insatiable. I wish you could bottle her up and replicate her."

Akin's Itkin added that what makes Statfeld such a successful attorney is her ability to strategize and understand how judges and other attorneys may perceive theories and arguments.

"I believe that's really important in the law, because you're not practicing in the ether, you're not practicing to a computer," Itkin said. "You're constantly trying to persuade actual human beings ... so it's very important to understand and empathize what their human experience may be."

Statfeld's work ethic and refusal to be treated as anything other than an equal in her field have made

her a force to be reckoned with, approaching each case with confidence and continuing to stack up wins.

"The joke in my family is, 'Courtney is never wrong,' ... and I take that approach [to my cases,]" she said. "And when I see a judge nodding in a courtroom, it's one of the happiest moments."

--Editing by Nicole Bleier.

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