Business & Practice

Mnuchin Private Equity Firm Loads Up on Former Treasury Lawyers

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- **Liberty Strategic Capital hires include Brian Callanan, Joe Clark**
- **Charles Schwab adds pair of Big Law partners to in-house ranks**

Former Treasury Secretary Steve Mnuchin's newly formed private equity firm Liberty Strategic Capital has

Liberty has raised about $2.5 billion—mostly from Middle Eastern sovereign wealth funds—to invest in the financial services and technology sectors, as well as new forms of content, Bloomberg News reported earlier this week. Mnuchin, a former film producer and financier, was national finance chairman for Donald Trump's 2016 campaign and served at the Treasury post through Trump's entire term.

Neither Clark nor Callanan responded to requests for comment about their new legal roles, which come amid a slower revolving door turning for many former Trump administration lawyers looking for post-public service jobs.

Callanan, a New Jersey native, had been an acting general counsel and deputy general counsel at Treasury prior to being confirmed in September 2019 to succeed Brent McIntosh as the department's general counsel.

Clark, before he was at Treasury, worked in the White House Counsel's office as a special assistant and associate counsel to Trump.

His move in-house at Liberty comes after the law firm Porter Wright Morris & Arthur announced Clark's hire in May as a Washington-based partner specializing in financial institutions regulatory matters, government relations, and internal investigations. He is no longer listed on Porter Wright's website.

A spokeswoman for the firm, which drew scrutiny last year for its work representing clients supporting Trump's presidential reelection campaign, didn't respond to a request for comment about Clark's status. In November 2020, Porter Wright withdrew as counsel to Trump's campaign in a Pennsylvania case challenging the state's election results.

Friedman was a former name partner at Kasowitz Benson Torres, another firm that has maintained close ties to Trump's camp. Friedman told the Jerusalem Post in June that his decision to join Washington-based Liberty came from a desire to "get involved with the smartest guys" and "participate in the further growth of Israel."

Charles Schwab Grows Legal Group

Elsewhere in the financial services world, brokerage giant Charles Schwab Corp., which earlier this year discontinued its political action committee due to an increasingly divided political environment in Washington, has picked up a pair of Big Law partners to expand its in-house team.

Schwab confirmed its addition this month of Jones Day partner and former federal prosecutor Richard "Jay" Johnson Jr. in Dallas as a managing director and deputy chief counsel for privacy and cybersecurity. Johnson, who joined Jones Day in 2013 and made partner four years later, will work in the technology, digital, and innovation legal group at Schwab's headquarters in Westlake, Texas.

Johnson is also an adjunct faculty member at the Southern Methodist University Dedman School of Law, where he developed and teaches a course on data protection, privacy and cybersecurity law.

Johnson is the second Jones Day partner to join Schwab this year. In January, the company hired former white-collar defense and investigations partner Shamoil Shipchandler, who once headed the U.S. Securities and Exchange Commission's regional office in Fort Worth, Texas.

Shipchandler, a veteran financial services lawyer and fellow SMU adjunct law professor, is now chief counsel for Schwab's newly-created risk and regulatory group. His hire followed Schwab's closure last year of its $26 billion buy of TD Ameritrade Holding Corp., a mega-deal that consolidated the U.S. brokerage industry.

Schwab also added a new managing director and deputy chief counsel for digital and fintech this past summer in Eulonda Skyles, who most recently was a partner at Baker & Hostetler in Washington. Skyles has previously worked in-house at Capital One Financial Corp., where she was an assistant general counsel for privacy, data, and security prior to joining Baker & Hostetler in early 2019, and Yahoo! Inc.

Skyles, whose first day at Schwab was July 19, reports to managing director and chief counsel for technology, digital, and innovation Zara Gerald. Schwab hired Gerald, a former North America general counsel for French technology company Idemia SAS, in late 2020. Gerald reports to managing director and general counsel Peter Morgan III, who became Schwab's top in-house lawyer in 2019.

Schwab announced in August that it would increase its employee pay by 5% and delay its return-to-office plans—an important issue for some financial services firms and their outside legal advisers—until at least January 2022.