

Financial Daily Dose 8.4.2020 | Top Story: Twitter to Pay FTC Up to \$250 Over Privacy Violations

Twitter will pay the Federal Trade Commission up to \$250 million to “resolve new charges . . . that the social media giant breached a 2011 consent decree by using data provided for security purposes to target users with advertisements.” Twitter had collected the personal info—like phone numbers and email addresses—after a massive cyberhack in 2011 ostensibly for multi-factor authentication purposes yet ended up using that data to send ads to its users – Law360 and Bloomberg and NYTimes and WSJ

Interesting piece from the Journal that shows how the pandemic not only highlighted the Fed’s role in keeping the “wheels of finance turning for businesses across America” but nudged the central bank into a role it’s long resisted: that of the “world’s backup lender” – WSJ

The White House has apparently changed course (for a fee?) on its opposition to Microsoft acquiring TikTok, a move that paves the way for the app to remain online just days after a threat to shut it down entirely within the U.S. – NYTimes and WSJ

Some speculation on what a lame old tech giant’s acquisition of the young, hip, and cool TikTok may mean (for both companies) – NYTimes and WSJ

And also whether China plans to take the whole thing lying down [hint, it doesn’t, already accusing the White House of carrying out its “planned smash and grab” of the app] – Bloomberg

Covid and its impact on the future of the workplace be damned. Zuck & Co. are doubling down on NYC with a new agreement for Facebook to lease “nearly all the office space in the mammoth 107-year-old James A. Farley Building in Midtown Manhattan” – NYTimes

Argentina is closing in on a \$65 billion deal to restructure its debt with a contingent of its biggest bondholders, including BlackRock – WSJ and Bloomberg and MarketWatch

Bloomberg puts Monday’s retail Chapter 11 filings in the larger context of a wave of bankruptcies that’s wreaking havoc on malls across the country – Bloomberg

Concerned over being overstretched by demand, the Small Business Administration's disaster relief program quietly capped its Covid-relief assistance at \$150,000 in May (despite usually offering loans of up to \$2 million and circulating a "complex formula" for small businesses that seemed to qualify them for far more money). Now, the program's sitting on more than half of the \$360 billion it's authorized to lend and companies in dire need are left still wondering how to make ends meet – NYTimes

In what could be a new twist on the big-bank-fake-account scam, a new proposed class action accuses Bank of America of enrolling customers in mortgage escrow accounts without proper authorization – Law360

Insurance giant AIG posted a dismal \$7.9 billion Q2 loss, a hit due largely to the "sale of a majority stake in a business of runoff policies, as well as costs from the pandemic and civil unrest" – Bloomberg and WSJ

Boeing's got quite the FAA punchlist to tackle in its bid to return its troubled 737 Max to the skies – Bloomberg and WSJ

Hedge funds are starting to find ways around in-person fundraising meetings no longer possible due to lockdowns these days, with a handful of funds eclipsing the billion-dollar funding mark in recent weeks – WSJ

An economic take on the U.S.'s push to open America's schools suggests that financial pressures are having an outsized (and unfortunate) role in determining which schools are reopening first – NYTimes

A collection of streaming recs from some of the world's "greatest directors"? We're in – NYTimes

Stay safe,
MDR