

Greenbaum Rowe Attorney Wins on Liability Issue for Clients in Alleged Ponzi Scheme

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In a case that is essentially similar to the Madoff ponzi scheme, **Alan S. Pralgever, Esq.**, partner in the Litigation Department of Greenbaum, Rowe, Smith & Davis LLP in Roseland, recently obtained partial summary judgment on liability on behalf 20 individuals who together lost approximately \$20 million. The lawsuit was brought against Philip Barry for operating an alleged fraudulent investment/ ponzi scheme totaling approximately \$60 million. The case is pending in two companion cases in the Federal District and Bankruptcy Courts for the Eastern District of New York. The investor plaintiffs were allegedly promised stable returns of 12% per year on monies that were not being invested at all.

The intertwining of the cases in the District and Bankruptcy Courts is complex, and relief from the automatic bankruptcy stay had to be obtained so that the firm's clients could proceed with the case and to secure judgment in the Federal District Court. A Chapter 11 trustee was appointed as well to aide in collection efforts. The Debtor/Defrauder also filed several bankruptcies for various corporate entities, on which the firm obtained dismissals, so that collection efforts could also proceed against the corporate entities in the District Court as well. Mr. Pralgever accomplished all this in approximately three months, a very short time given the complexity of the case. **Gary Koenigsberg, Esq.**, counsel to the firm, assisted in these efforts.

In 2009, Greenbaum, Rowe, Smith & Davis LLP celebrates its 95th year of building business in New Jersey. The firm has over 100 attorneys in four main practice departments: Litigation; Real Estate; Corporate; and Tax, Trusts and Estates. The firm has offices located in Woodbridge and Roseland, New Jersey. For more information, call Erin P. Faltin at 732-549-5600 or visit the firm's web site at www.greenbaumlaw.com.

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