

The logo for MS&B, with 'MS' and 'B' in a dark green color and '&' in a lighter green color. The background features abstract green geometric shapes on the left and right sides.

MS&B

McMANIMON • SCOTLAND • BAUMANN

2019 National Client Protection
Organization Workshop
SEPTEMBER 24, 2019
2:00 PM

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973-622-1800

CUSTODIAL RECEIVERSHIP PURSUANT TO NEW JERSEY COURT RULE 1:28-8

GOALS OF CUSTODIAL RECEIVERSHIP

- ▶ MARSHALL ASSETS
- ▶ INVESTIGATE
- ▶ FOLLOW THE MONEY
- ▶ AVOID FURTHER DISSIPATION OF ASSETS

IMMEDIATELY TAKE CONTROL OF ALL BOOKS AND RECORDS

- ▶ CONTACT LANDLORD FOR ATTORNEY
- ▶ BOX UP ALL BOOKS AND RECORDS
- ▶ INVENTORY ALL ASSETS
- ▶ SEIZE COMPUTERS

PUBLISH NOTICE OF RECEIVERSHIP
GET BAR DATE ORDER FROM
APPOINTING COURT AND PUBLICIZE
BAR DATE;
IDENTIFY SENSITIVE CLIENT
DOCUMENTS;
RETAIN AUCTIONEER;
OBTAIN ORDER TO DESTROY
RECORDS;

INVESTIGATE ALL BANK
ACCOUNTS TO DETERMINE
TRANSFERS, OTHER RELATED
ACCOUNTS AND FOLLOW
THE TRAIL

INVESTIGATE ALL REAL PROPERTY

- ▶ MORTGAGES
- ▶ BALANCES DUE
- ▶ IMPROVEMENTS
- ▶ APPROVALS
- ▶ FAMILY MEMBERS

Distribution Scheme Consistent With U.S. Bankruptcy Code, Title 11:

- ▶ Administrative Claims
- ▶ Secured Claims
- ▶ Priority Claims including taxes
- ▶ Unsecured Claims

**INVESTIGATE
ALL
PERSONAL PROPERTY**

INVESTIGATE ALL TRANSFERS
WITHIN FOUR YEARS UNDER
THE UNIFORM FRAUDULENT
TRANSFER ACT

Consider
retention/selection of
Attorney Trustee

TALK TO
ACCOUNTANTS OR
FORMER
ACCOUNTANTS FOR
THE ATTORNEY

TALK TO PARTNERS OR
ASSOCIATES OF THE
ATTORNEY

**SEND A GENERIC LETTER
TO ALL KNOWN
CLIENTS/FORMER CLIENTS
SEEKING INFORMATION**

**INVESTIGATE CARS,
BOATS, TOYS INCLUDING
COLLECTIBLES**

BE READY FOR BANKRUPTCY PROCEEDING AND EMBRACE THEM

- ▶ RULE 2004 IS A “FISHING EXPEDITION” DEPOSITION
- ▶ NON DISCHARGABILITY COMPLAINTS ARE A MUST UNDER 11 U.S.C. §523 (a)(4) and (6).
- ▶ DEADLINES TO FILE NON DISCHARGEABILITY ACTIONS ARE TIGHT BUT EXTENSIONS CAN BE OBTAINED BEFORE THE DEADLINE.