
Cahill Wins Dismissal for DB Structured Products, Inc.

Date: 10/17/08

A Cahill litigation team prevailed on behalf of DB Structured Products, Inc. (a subsidiary of Deutsche Bank) in litigation arising from the collapse of the Bayou Funds, a group of hedge funds founded by Samuel Israel III in 1996. Following the collapse of Bayou and the arrests and convictions of its principals for fraud, a court appointed representative of Bayou's bankruptcy estate commenced 120 lawsuits against over 150 defendants seeking to recoup more than \$150 million in alleged fraudulent transfers (including claims against the bank for \$16.5 million) in connection with payments by Bayou to investors in the months prior to the disclosure of the massive fraud. On October 16, 2008 the United States Bankruptcy Court, Southern District of New York, issued its decision granting summary judgment dismissing all claims filed against the bank, finding that it had sustained its burden of demonstrating good faith with respect to its receipt of the full amount of the \$16.5 million investment that Bayou had returned. The bank was one of only three defendants to prevail on summary judgment.

Attorney

- Charles A. Gilman