



GREENBERG REACHES DEAL WITH III. FUND IN BOND FRAUD SUIT

August 13, 2020 | News
Law 360

Chicago's public transit pension fund and Greenberg Traurig LLP have resolved a lawsuit accusing the firm of being complicit in a multimillion-dollar tribal bond scam, according to a document filed Thursday in Illinois federal court.

U.S. District Judge Mary M. Rowland denied as moot Greenberg Traurig's motion to dismiss claims from the Chicago Transit Authority Retiree Health Care Trust, saying that the parties have given word

that they have reached a settlement and will submit a proposed dismissal order next week.

Details of the settlement were not available Thursday.

A spokesperson for Greenberg Traurig told Law360 in a statement, "We have always denied the allegations against our firm in this situation, and are pleased to put them behind us and to spare us further cost."

Counsel for the CTA pension fund did not respond Thursday to a request for comment.

The lawsuit concerns a scam that resulted in a 10-year prison sentence in 2019 for career crook John Galanis. Galanis was convicted of conspiracy and securities fraud for ripping off a corporation tied to the Walcpamni District of the Oglala Sioux Tribe to the tune of \$44 million.

Greenberg Traurig represented the tribe, while Dilworth Paxson LLP represented broker Burnham Securities Inc.

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The CIA pension fund sued Dilworth Paxson, its former attorney Timothy Anderson and Greenberg Traurig in state court in 2019, claiming that they had helped a "well-known fraudster" and "fly-by-night tribal Flanders" pull off "what reasonably prudent lawyers would have recognized to be an obvious financial crime." The case was later removed to federal court.

Specifically, the pension fund said Anderson and the firms 'authored misleading opinion letters' and "failed to disclose material facts that would have prevented the transaction from dosing," the complaint said.

Both firms have filed motions to dismiss, with Dilworth Paxton's pending. The firm and Anderson have said that the Illinois court lacks jurisdiction over the dispute.

Dilworth Paxton has previously dodged a similar suit in South Carolina.

The pension fund is represented by Victoria R. Collado, Aaron H. Stanton, Eric P. VanderPloeg and Lauren B. Wright of Burke Warren Mackay & Serritella PC.

Dilworth Paxson and Anderson are represented by Michael R. Dockterman, Stacie Rachel Hartman and Gregory H. Berman of Steptoe & Johnson LLP.

Greenberg Traurig is represented by John R. Storino, Caroline L. Meneau and Hope Hester Tone of Jenner & Block LLP.