Girardi, firm forced into Chapter 7 liquidation as judge weighs appointing guardian

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(Reuters) - Famed plaintiffs' lawyer Tom Girardi and his firm Girardi Keese are formally in bankruptcy, despite a last-minute attempt by Girardi's brother to delay the proceedings.

U.S. Bankruptcy Judge Barry Russell on Wednesday placed the attorney and his law firm into Chapter 7 bankruptcy, nearly a month after a group of creditors who say they are allegedly owed millions of dollars by Girardi and his firm filed involuntary bankruptcy petitions against them in Los Angeles bankruptcy court.

In response to Russell's order, the Office of the U.S. Trustee turned to the trustees it appointed on an interim basis earlier this month - Elissa Miller, a partner at SulmeyerKupetz, and Jason Rund of Sheridan & Rund will oversee the estates of Girardi Keese and Girardi himself, respectively. Both are based in Los Angeles County.

Andrew Goodman, a bankruptcy attorney based in Westlake Village, California filed the involuntary bankruptcy petitions on behalf of Girardi's former law partner, the widow of another former partner and four others who say they're owed more than \$6.5 million.

"This was my clients' goal when we decided to file the involuntary petitions, was to have independent bankruptcy trustees with the powers provided to a trustee," Goodman said.

Girardi and his firm have been no-shows in the proceedings sparked by the petitions; Russell's orders placing the two into bankruptcy came after they failed to respond to the petitions.

Girardi's brother Robert Girardi petitioned the court on Wednesday, the day after a response was due, for a delay until February and to be appointed guardian ad litem of Tom Girardi and Girardi Keese.

Tom Girardi is "incapable of realizing and understanding the repercussions of the bankruptcy filings pending against him and his law firm Girardi Keese notwithstanding having explained to him over and over by various people," Robert Girardi wrote in his filing. He added that Tom Girardi has short-term memory loss and is unable to have "a reasoned conversation" about the issues he's facing.

Robert Girardi said he hopes a probate court appoints him to be his brother's conservator. Although Russell denied Girardi's request to delay the proceedings, he set a Feb. 16 hearing over his guardian ad litem request.

Miller and Rund did not respond to requests for comment. Nor did Robert Girardi's attorney, Leonard Pena of Pasadena, California-based Pena & Soma

The cases are In re: Thomas Vincent Girardi, U.S. Bankruptcy Court for the Central District of California, 2:20-bk-21020 and In re: Girardi Keese, U.S. Bankruptcy Court for the Central District of California, 2:20-bk-21022.

References

GIRARDI AND KEESE

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