

Bond Case Briefs

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Two Lawyers Focused on Muni Bankruptcies Hop to Chadbourne.

Two lawyers focused on municipal bankruptcies are jumping firms, as the practice area heats up.

Lawrence Larose and Samuel Kohn are leaving Winston & Strawn LLP to join Chadbourne & Parke LLP as partners.

Larose and Kohn have represented a number of large creditors in municipal bankruptcies, including in the Detroit and Jefferson County, Ala. cases.

“Our municipal bankruptcy expertise will be a new addition to the Chadbourne line up,” Mr. Larose said.

It is possible others from Winston & Strawn may join the two partners at Chadbourne in the future, Mr. Larose said. A Winston & Strawn representative didn’t immediately comment.

The partners give Chadbourne an entrée into an area it’s been seeking to break into for some time, said Howard Seife, global chair of the firm’s bankruptcy and financial restructuring practice. Chadbourne most recently worked on mortgage lender Residential Capital LLC’s bankruptcy in addition to being active in the cross-border bankruptcy space.

“We think it’s an area that will continue to grow,” he said of muni bankruptcies. “There are so many municipalities that are suffering from stress because of diminishing tax revenues, too much debt and the overwhelming obligations of pension funds.”

Larose and Kohn will bring clients with them, including bond insurer National Public Finance Guarantee Corp., a spokesman for the bond insurer said.

In early July, the bond insurer decided to stop using Winston & Strawn for its representation in Stockton, Calif.’s bankruptcy case after Calpers, the public pension fund, complained that the firm recently had hired away attorneys who had access to the pension fund’s legal strategy, court documents show.

Several weeks earlier, a bankruptcy judge disqualified Winston & Strawn from the San Bernardino, Calif., bankruptcy case in light of the same attorney hirings.

Prior to that ruling, Winston & Strawn said in a court document that its “screening procedures are more than sufficient to protect Calpers’ confidences.”

By EMILY GLAZER