



# Michael S. Budwick

**Partner**

**Commercial Litigation, Bankruptcy and Restructuring, Financial Frauds, Receivership and Assignments Creditors' Rights**

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## **About Michael S. Budwick**

Michael S. Budwick is regularly involved in the most contentious and complex litigation and insolvency matters, having successfully litigated or resolved a broad array of commercial disputes including claims for lender liability, breach of fiduciary duty, negligence, fraud, aiding and abetting, professional malpractice, equitable subordination, breach of contract, usury and fraudulent transfer.

Michael has broad experience in all aspects of bankruptcy and related business litigation disputes. His significant Chapter 11 reorganization experience includes representation of debtors, official committees, creditors and trustees in cases involving a wide range of industries. He has extensive experience in financial fraud cases and has represented trustees, receivers, creditors and victims in some of the largest, most high-profile financial fraud cases in Florida as well as nationally. In the Petters Company, Inc. \$2 billion Ponzi scheme, Michael serves as litigation oversight counsel coordinating strategy and managing several law firms that are collectively pursuing hundreds of millions of dollars in litigation claims.

Michael is listed in Band 1 – the highest placement – in the Bankruptcy & Restructuring category of the 2017 *Chambers USA Guide*, a prestigious ranking of the top attorneys in the country. He has been listed since 2005 in *Chambers* as a top bankruptcy and restructuring lawyer and is also rated very highly for his expertise in financial fraud. The 2017 guide mentions that he “excels in bankruptcy and related commercial litigation” and is “noted for his expertise in Chapter 11 reorganization matters, with experience representing debtors, trustees and commercial committees.” It also reports that he is considered “an amazing lawyer.” Through *Chambers*, clients have described him as “an incredibly competent and tenacious litigator.”

He has served on the National Council, the Miami Executive Council and the Miami Beach Board of the American Israel Public Affairs Committee. Michael, his wife and their three children reside in Miami Beach and are active members of several area synagogues.

## **Education**

- University of Florida College of Law, J.D. with honors, 1991
- University of Florida College of Business Administration, B.S. with honors, 1988
- Beta Gamma Sigma National Honor Society

## **Memberships**

- Board Member, Rabbi Alexander S. Gross (RASG) Hebrew Academy
- Past first Vice-President, Treasurer and Director of the Bankruptcy Bar Association for the Southern District of Florida

- American Bankruptcy Institute, member of the Technology and Litigation Committees
- Past Member of the Florida Bar Grievance Committee

### **Awards/Rankings**

- Ranked, *Chambers USA Guide*, Band 1, Bankruptcy & Restructuring
- Recognized, South Florida Legal Guide 2018, Top Lawyers
- The Daily Business Review: Most Effective Lawyer 2016 Finalist, *Bankruptcy Category*
- AV Preeminent Judicial and Peer Rating by Martindale-Hubbell
- Recognized as an elite attorney by *Florida Trend Magazine*
- Recognized by Florida Super Lawyers
- The Best Lawyers in America, listed in the practice areas of Bankruptcy and Creditor-Debtor Rights/Insolvency and Reorganization Law (2010-18)

## Representative Matters

### Practice Area

### Representative Matters

Bankruptcy and  
Restructuring, Financial  
Frauds, Commercial  
Litigation, Creditors'  
Rights

Representation of bankruptcy trustee for two South Florida-based hedge funds that suffered \$651 million in cash-on-cash losses in a \$2 billion Ponzi scheme perpetrated by Thomas J. Petters in Minneapolis, the third-largest financial fraud in U.S. history. Prosecuted more than 140 adversary proceedings, including claims for accountant and attorney malpractice and clawback of fraudulent transfers, as well as a conspiracy claim against a global financial institution. Successfully prosecuted tort and novel fraudulent transfer claims against BMO-Harris Bank, N.A. resulting in a \$16 million recovery. Representation of client as a member of the Petters Company, Inc., Liquidating Trust Committee, responsible for overseeing and managing hundreds of millions of dollars in litigation claims.

Bankruptcy

Confirmed Chapter 11 Plan for trendy South Beach restaurant.

Bankruptcy

Representation of affiliate of BBX Capital in connection with protecting its interests as a secured creditor Chapter 11 bankruptcy of Robovault high tech storage facility in Fort Lauderdale.

Bankruptcy and  
Restructuring

Pan American Hospital - represented the successful purchaser of a landmark operating hospital for over \$34 million through a Chapter 11 Section 363 sale.

Bankruptcy and

Represented the Official Committee of Unsecured Creditors in

Restructuring	the Falcon Air bankruptcy.
Bankruptcy and Restructuring	Represented Creditors Committee in Cabi Downtown, LLC (Everglades by the Bay) twin 49 story downtown Miami condominium towers with over \$200 million in debt.
Bankruptcy and Restructuring	Representation of the official committee of unsecured creditors in a Chapter 11 case of sugar processing and retail business
Bankruptcy and Restructuring, Commercial Litigation	Supra Telecommunications & Systems, Inc. - represented the largest CLEC in the Southeastern United States in its Chapter 11 Reorganization, litigating numerous contentious matters with Bellsouth and successfully reducing Bellsouth's claim from approximately \$170 million to approximately \$37.5 million and ultimately confirmed a plan.
Bankruptcy and Restructuring, Commercial Litigation	New World Network International Ltd. - representation of a group of minority shareholders in a telecommunications Chapter 15 bankruptcy pending in the Southern District of New York and litigated whether a foreign proceeding in Bermuda should be recognized as a main proceeding as well as other venue issues.
Bankruptcy and Restructuring, Commercial Litigation, Creditors' Rights	Condominium Developer Workouts - during the downturn of the real estate and condominium market, represented numerous developers in workouts with senior secured and mezzanine lenders, including, Corus Bank, Fremont, Key Bank and Ocean Bank.
Bankruptcy and Restructuring,	New Florida Properties, Inc. (Blue and Green Diamond) - representation of the equity holder and its affiliates in

Commercial Litigation,  
Creditors' Rights

connection with the 630 unit landmark Blue and Green Diamond condominium projects on Miami Beach. Prosecuted tort claims against the senior secured participating lenders, including, Union Planters and Ocean Bank. MRB raised claims against the lenders for equitable subordination and lender liability resulting in the bank group waiving over \$6 million in debt and agreeing to permit the equity holder to retain control over the disposition of the units.

Bankruptcy and  
Restructuring,  
Commercial Litigation,  
Financial Frauds

Representation of the Chapter 7 Trustee and Michael Budwick served as the receiver appointed by the United States District Court in a \$19 million Ponzi scheme case perpetrated by Thomas Abrams. Brought a variety of litigation claims and reached a multi-million dollar settlement of an aiding and abetting claim against Fidelity Federal Bank & Trust, N.A.

Bankruptcy and  
Restructuring, Financial  
Frauds, Commercial  
Litigation

Represented group of major clawback defendants in Lancer Partners financial fraud case.

Bankruptcy and  
Restructuring, Financial  
Frauds, Commercial  
Litigation, Creditors'  
Rights

Represented largest creditor in Evergreen Securities bankruptcy in Orlando, Florida, involving \$214 million ponzi scheme.

Bankruptcy and  
Restructuring, Financial  
Frauds, Commercial  
Litigation, Creditors'

Represented largest victim in Ponzi scheme perpetrated by Scott Rothstein and Rothstein Rosenfeldt & Adler, P.A. law firm in Fort Lauderdale.

## Rights

Bankruptcy and  
Restructuring, Financial  
Frauds, Commercial  
Litigation, Creditors'  
Rights

Puig, Inc. - representation of the Official Joint Committee of Unsecured Creditors and then the Plan Administrator in connection with 26 debtor affiliates in the business of condominium conversions. The asserted unsecured claims exceeded \$100 million. Prosecuted claims against third parties include actions for avoidance of transfers, professional malpractice, usury, fraud and breach of fiduciary duty.

Commercial Litigation

Representation of shareholders of close corporation in eight figure settlement of lender liability claims against consortium of financial institutions.

Commercial Litigation

Representation of minority shareholders in derivative action related to corporation holding real estate investments with tens of millions of dollars in equity.

Commercial Litigation,  
Creditors' Rights

Represented owner of Grand Bay Hotel in Coconut Grove in successful workout with lender.

Commercial Litigation

Representation of the principal of a large South Florida based company accused of breach of fiduciary duty and negligence by the company's creditors.

Commercial Litigation

Represented multiple individual and corporate plaintiffs, including Berjaya Group (Cayman) Limited and Prime Gaming Philippines, Inc. in litigation against Duffy's Holdings, Inc. involving allegations of breaches of a stock purchase agreement regarding the multi-national restaurant chain of Roadhouse Grill, Inc.

Financial Frauds,  
Bankruptcy

Representation of the chapter 7 bankruptcy trustee of an entity through which its principal operated a \$40+ million ponzi scheme. The principal has been sentenced to more than 15 years in prison.

Financial Frauds,  
Bankruptcy and  
Restructuring

Court appointed Mark S. Meland as Receiver for Innovida Companies run by Claudio Osorio. After discovering an approximately \$50 million fraud, ceased operations and filed Chapter 11 for numerous entities. Mark S. Meland was appointed the Chapter 11 Trustee and liquidated tangible assets. Firm serves as litigation counsel to the Chapter 7 trustee in numerous avoidance and tort actions seeking to collect funds for defrauded investors.