

FIRM WINS FRAUDULENT TRANSFER TRIAL, AWARD OF ATTORNEYS' FEES AND PUNITIVE DAMAGES

We represented a creditor who had obtained an arbitration award against a former employee for nearly \$300,000. Rather than paying, the former employee transferred his 50% interest in his house to his wife via a quitclaim deed and set up a residence in Florida to avoid payment. Our clients filed a fraudulent transfer action, alleging that the husband and wife conspired to defraud our client, and seeking our attorneys' fees and punitive damages. The former employee evaded service and avoided discovery, and the wife gave misleading testimony regarding the transfer. We ultimately obtained correspondence between the former employee, his wife, and their asset protection counsel regarding the transfer, which the trial court held was subject to the "crime fraud" exception to the attorney-client privilege. That correspondence showed the fraudulent intent of the former employee and his wife. After a 3 day bench trial, the court adopted our proposed order nearly in full, cancelled the quitclaim deed, and held that our client was entitled to attorneys' fees and punitive damages. Our client will now have a secured interest in the former employee's home.

For more information, please contact Richard L. Robbins.