

Law firm can't solicit gas leak clients from Girardi Keese

By Jessica Mach
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The trustee tasked with handling the finances of Girardi Keese scored two victories Tuesday, when a U.S. Bankruptcy judge approved her plan to let a single law firm represent 8,202 plaintiffs in the Porter Ranch litigation, and barred a second firm from soliciting those plaintiffs.

Frantz Law Group APLC, which previously worked with Girardi Keese in the Porter Ranch class action, will proceed with the case on its own and reap 55% of any attorney fees, according to the terms of the deal that Girardi's trustee, Elissa D. Miller of SulmeyerKupetz APC, struck with Frantz in January.

Before U.S. Bankruptcy Judge Barry Russell approved the deal, Miller amended it to address the concerns of creditors who wanted assurance that Frantz would be limited in its ability to assign all or part of its responsibility for the litigation to other counsel; that Frantz is not entitled to interest or other charges for the advancement of cash; and that there is a release of any claims Frantz may have against Girardi Keese's estate.

Russell also issued a temporary restraining order to stop Abir Cohen Treyzon and Salo LLP, which is also known as ACTS, from soliciting Girardi Keese's Porter Ranch clients. These clients include, but are not limited to, the 8,202 plaintiffs the firm represents with Frantz. ACTS sent an email soliciting some of Girardi Keese's Porter Ranch

plaintiffs on Jan. 22, citing an agreement the firm reached with Girardi Keese last fall to assume responsibility for the cases. Miller filed an adversary proceeding and motion for a temporary restraining order against the firm on Jan. 25. *Miller v. Abir Cohen Treyzon Salo LLP*, 2:21-ap-01019-BR (C.D. Bankruptcy Ct., filed Jan. 25, 2021).

Russell ordered ACTS to "cease any further negotiation" with the 8,202 plaintiffs who were previously represented by both Girardi Keese and Frantz, and "make no further solicitations to any of the clients of Girardi" — regardless of whether they were previously only represented by Girardi Keese, or by both Girardi Keese and Frantz. Russell also said the firm had to take down a website ACTS had launched for the plaintiffs until a preliminary injunction hearing could be held in March.

"The clients are always free, and obviously do what they want," Russell said. "But I'm talking about pursuing those negotiations."

Russell added, "I'm not going to interfere with those that are the non-Frantz/Girardi [cases] that you've already started negotiations. But I am going to restrain [you] from any further trying to get new clients."

Boris Treyzon, a founding partner at ACTS, said he had no issues with this ruling. "It's a logical proposal," he said. "My only concern is as far as we know, none of the people we've signed are Frantz people."

In court filings and at the hearing,

Treyzon said the firm reached out to plaintiffs who were only represented by Girardi Keese, and not those who were jointly represented by Girardi Keese and Frantz. Russell said he would not rule on the issue, but believed ACTS did reach out to plaintiffs in the latter group.

The judge asked Treyzon whether he could submit to Miller a list of the Porter Ranch plaintiffs who have since agreed to work with his firm, so Miller can determine whether ACTS reached out to the correct group of plaintiffs. Treyzon agreed.

Russell had ordered Girardi Keese and its founder, famed attorney Thomas V. Girardi, into Chapter 7 bankruptcy on Jan. 13, after multiple creditors, including Girardi's former business partner Robert M. Keese, filed involuntary bankruptcy petitions against the attorney and his firm in December. *In re: Thomas Vincent Girardi*, 20-BK21020 (C.D. Cal Bankruptcy Ct, filed Dec. 18, 2020); *In re: Girardi Keese*, 20-BK12022 (C.D. Cal Bankruptcy Ct, filed Dec. 18, 2020).

Multiple lawsuits against Girardi and his firm allege he owes creditors and clients sums totaling millions of dollars. The Porter Ranch gas leak litigation, which plaintiffs' attorneys expect to net a settlement of up to \$2 billion, is considered the firm's largest asset. *Southern California Gas Leak Cases*, JCCP4861 (L.A. Super. Ct., filed Feb. 2, 2016).

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