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## **Partner Richard Levy Speaks To New York Times About Bankruptcy Claims Against Madoff**

Partner Richard Levy, Jr., Chairman of Pryor Cashman's Bankruptcy Group, was interviewed by *The New York Times* on November 24, 2009 for its article entitled "Start Date of Ponzi Scheme Is Critical to Claims."

The article discusses a motion pending in federal bankruptcy court in Manhattan which argues that Madoff's long-term investors cannot accurately calculate their losses until they know whether any of their original profits were legitimate and, to determine that, they must know when the Ponzi scheme began.

While the Madoff bankruptcy trustee is calculating investor losses as the difference between the cash paid into an account and the cash taken out, the motion argues that if some of an investor's early profits were in fact legitimate, those earnings should count as part of the cash paid into the Ponzi scheme.

When asked to comment on this argument, Levy responded: "It is an interesting, novel and potentially very important thesis that makes perfect sense. There had to be a starting point. If it wasn't a Ponzi scheme from the start, I don't see how you can dismiss the legitimate profits from the initial investments."

Pryor Cashman LLP represents numerous Madoff victims.

To read the article, please [click here](#).