

# Sun-Sentinel

## Lawyer's Scandal Is A Windfall For Others

December 05, 2009|By Tonya Alanez Staff Writer

FORT LAUDERDALE — The fall of Rothstein Rosenfeldt Adler as a result of attorney Scott Rothstein's alleged settlement swindle is so big, providing work for so many attorneys representing investors, that it's being called "the lawyer's relief act."

At least that's what Miami attorney Ed Shohat is calling it. He's not involved, but as someone who specializes in complicated white-collar criminal defense, he said: "These cases cannot be handled without very high-quality, experienced lawyers at the helm. ... You're already attracting an all-star cast of professionals here."

The case has far-reaching, monied tentacles and area attorneys are being tapped to represent not only investors who fell for the scheme but Rothstein and some of the 70-plus attorneys who worked at his former firm. The litigation will last for years and generate huge fees.

Rothstein was charged Tuesday with running a \$1 billion Ponzi scheme since at least 2005, selling settlement blocks from bogus sexual harassment and labor-related cases in which confidential agreements had been reached, according to federal prosecutors.

With criminal and civil ramifications, nearly every area of legal expertise will get called into the fray, Shohat said, including criminal defense, bankruptcy, professional liability, tax, insurance and securities lawyers.

"The list goes on and on," Shohat said. "There's probably very few fields that aren't going to be touched one way or another at the end of the day."

While some lawyers will work for free representing friends who have gotten entangled in Rothstein's mess, many will command high fees in litigation that will play out "for years to come," said Joel Hirschhorn, another Miami criminal defense attorney not associated with the case.

"You're talking about tens of millions of dollars apiece in fees," Hirschhorn said.

The criminal defense attorneys would be paid up front or bill by the hour, with some of the best commanding as much as \$900 an hour, Hirschhorn said. Bankruptcy attorneys would likely charge \$350 to \$600 an hour, and litigators would likely negotiate contingency fees from 10 percent to 50 percent, he said.

INFORMATIONAL BOX:

Rothstein's attorney is Marc Nurik, a non-equity partner at Rothstein Rosenfelt Adler, who quit the firm to represent his former boss. Nurik, 58, specializes in white-collar crime. It is rumored he will earn \$750,000 to \$1million defending Rothstein.