

ATTORNEYS

Eva Marie Carney

Jon Kibbe

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Distressed Debt and
Claims Trading

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"Champerty And The Assignability of Legal Claims" by Eva Marie Carney and Jon Kibbe

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New York's highest court is poised to decide whether litigation claims may be purchased and asserted by a debt holder or whether the arcane doctrine of champerty, as codified in New York by statute, may bar a debt holder from bringing a lawsuit on assigned claims. Recently the New York court accepted a request by the U.S. Court of Appeals for the Second Circuit to provide some definitive answers to three unresolved issues of champerty law and scheduled briefs to be filed this summer. Partners Lucinda McConathy, Eva Marie Carney and Jon Kibbe explain in the attached memorandum the issues that the New York court has been asked to address and the potential importance of the decision it will hand down.

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