

Bankruptcy trustee files motion against former Pearlman lawyer

Contributed by Lou Pearlman Writer
Wednesday, 19 September 2007

Sara K. Clarke | Sentinel Staff Writer

2:04 PM EDT, September 19, 2007

Bankruptcy trustee Soneet Kapila has asked that Lou Pearlman's former lawyer be jailed if she doesn't provide documents and information sought by the bankruptcy estate.

Kapila filed a motion Tuesday asking the bankruptcy court to hold Reza Rene Chamberlain in contempt.

Kapila alleges that Chamberlain "has engaged in a pattern of outrageous and contemptuous conduct that is and has been designed to obstruct, frustrate, impede, delay and prevent" the court-appointed trustee from doing his job and locating assets. Kapila is trying to recover more than \$100 million that banks claim they are owed by Pearlman, as well as more than \$300 million in claims by individual investors.

Pearlman, 53, once a high-profile entrepreneur, lost his businesses and belongings after banks and investors sued him into bankruptcy last winter, alleging they are owed hundreds of millions of dollars. The court, through Kapila, has been liquidating Pearlman's property to pay them.

Pearlman is in Orange County Jail facing federal fraud charges.

Chamberlain was scheduled to be deposed in early August, but failed to appear, the motion alleges. When she was finally deposed more than a month later, she repeatedly asserted attorney-client privilege. Kapila asserts in the motion that she refused to answer non-privileged questions.

The motion asks that Chamberlain be compelled to answer deposition questions, produce her lap-top and other electronically stored information for inspection by a court-appointed expert, and let the court look at mail belonging to Pearlman, among other things.

Kapila said he is concerned that Chamberlain may have destroyed documents relating to Pearlman's estate, and he intends to make a criminal referral against Chamberlain

Posted at Orlando Sentinel

Sara K. Clarke | Sentinel Staff Writer

2:04 PM EDT, September 19, 2007

Bankruptcy trustee Soneet Kapila has asked that Lou Pearlman's former lawyer be jailed if she doesn't provide documents and information sought by the bankruptcy estate.

Kapila filed a motion Tuesday asking the bankruptcy court to hold Reza Rene Chamberlain in contempt.

Kapila alleges that Chamberlain "has engaged in a pattern of outrageous and contemptuous conduct that is and has been designed to obstruct, frustrate, impede, delay and prevent" the court-appointed trustee from doing his job and locating assets. Kapila is trying to recover more than \$100 million that banks claim they are owed by Pearlman, as well as more than \$300 million in claims by individual investors.

Pearlman, 53, once a high-profile entrepreneur, lost his businesses and belongings after banks and investors sued him into bankruptcy last winter, alleging they are owed hundreds of millions of dollars. The court, through Kapila, has been liquidating Pearlman's property to pay them.

Pearlman is in Orange County Jail facing federal fraud charges.

Chamberlain was scheduled to be deposed in early August, but failed to appear, the motion alleges. When she was finally deposed more than a month later, she repeatedly asserted attorney-client privilege. Kapila asserts in the motion that she refused to answer non-privileged questions.

The motion asks that Chamberlain be compelled to answer deposition questions, produce her lap-top and other electronically stored information for inspection by a court-appointed expert, and let the court look at mail belonging to Pearlman, among other things.

Kapila said he is concerned that Chamberlain may have destroyed documents relating to Pearlman's estate, and he intends to make a criminal referral against Chamberlain

Posted at Orlando Sentinel