

## NY Post Reports A Kelley Drye Win For Bankruptcy Case Labeled “Unprecedented”

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In an article entitled “Denied! Judge schools trustee seeking refund for tuition,” the NY Post reported on the “resounding” denial of a trustee’s bankruptcy claims against two Catholic schools, and characterized the outcome as follows: “Score one for Catholic schools and common sense.”

Serving as pro bono counsel for the Staten Island Catholic school, Our Lady of Mount Carmel-St. Benedicta, Kelley Drye special counsel **Benjamin D. Feder** and associates **Damon W. Suden** and **Levi M. Downing** prevailed in a motion to dismiss. The case was filed last March by New York’s Eastern District bankruptcy trustee, Robert Geltzer, who “sought to recover \$45,000 a bankrupt Staten Island couple spent on their kids’ tuition, arguing that the parents did not benefit from the expenditure.”

The article reports that Chief U.S. Bankruptcy Judge Carla Craig “shredded Geltzer’s case.” Her decision stated that “The trustee’s claims are based on a fundamentally flawed legal theory that is, moreover, at odds with common sense. The education provided ... to these minor children constitutes both a direct and indirect benefit to their parents, who, with their children, must be considered a single economic unit.”

Commenting on the decision, Mr. Feder noted that Judge Craig “recognized the implications of the trustee’s argument and the door that would be opened” if [Mr. Geltzer] prevailed.

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