

2009 Year in Review



CARTER LEDYARD & MILBURN LLP

Partners for Your Business®

2009 Year in Review

Letter to Clients and Other Friends	1
Strategies	2
Employment	3
Insolvency and Creditors' Rights	4
Maritime	5
Real Estate	6
Condemnation	7
Environment	8
Washington, DC Office	10
Gateway to America®	12
Domestic Transactions	16
Money Matters	17
Internal Investigations and White-Collar Defense	18
First Amendment	19
Compensation and Benefits	19
Intellectual Property	20
Art Law	21
Trusts and Estates	22
Tax-Exempt Organizations	23
Civic Priorities	24

CARTER LEDYARD & MILBURN LLP

Partners for Your Business®

To Our Clients and Other Friends

For our clients, 2009 meant challenging times but, in many cases, rewarding opportunities. As you read the *Year in Review*, you will see that our clients met adversity with aplomb and imagination.

We were often able to help them succeed. Our assistance ran the gamut from antitrust to zoning, with some unique sub-specialties in the mix as well. There may not be another firm of comparable size with nationally recognized practices in art, maritime and environmental law.

Our offshore clients - from Canada, Ireland and the United Kingdom to Israel and Japan – saw opportunity here. We helped provide a *Gateway to America®* in such diverse transactions as securities registrations for Canadian energy companies, a Danish-U.S. ethanol joint venture, advice on the Foreign Corrupt Practices Act and an international arbitration in Washington, DC.

The pace of disputes increased in state and federal courts and in administrative agencies. In matters ranging from employment, securities and defamation to condemnation, intellectual property and white-collar defense, CL&M lawyers were in courtrooms across the land representing our clients. Needless to say, our creditors' rights and insolvency lawyers had a busy year. So too did our Washington, DC office, especially on behalf of our chemical company clients in regulatory and intellectual property matters.

We salute our clients for their successes in hard times — and look forward to helping them as times improve.

Carter Ledyard & Milburn LLP

CL&M represents a shareholder of DHB, Inc. in an appeal challenging the approval of a settlement of a shareholder derivative lawsuit. Other shareholders had alleged that former officers and directors of DHB, Inc. had inflated earnings and the price of DHB's stock. A settlement was negotiated which would require DHB to indemnify the former CEO and CFO from any liability under Section 304 of the Sarbanes-Oxley Act. Under Section 304, if a public company restates its financial reports as a result of misconduct, the CEO and CFO must reimburse the company for any bonuses, incentive compensation, or trading profits earned during that period. Our client objected to the settlement, arguing that the indemnity was against public policy because it undermined the purpose of the law. The Department of Justice and the SEC filed an amicus brief in support of our position. We argued the issue before the U.S. Court of Appeals for the Second Circuit and a decision is expected shortly.

CL&M represents an individual former owner of property in New Jersey in litigation arising out of an oil spill on the property. The New Jersey Schools Development Authority condemned the property and then sued the most recent prior owner for alleged clean-up expenses resulting from the spill. That defendant brought our client into the litigation, and we successfully sought to bring prior owners and operators of the property into the lawsuit to contribute to the clean-up costs.



We successfully represented **The Bank of New York Mellon Trust Company, N.A.** in a landmark case before the Delaware Court of Chancery and Supreme Court. *San Antonio Fire & Police Pension Fund v. Amylin Pharmaceuticals, Inc.* involved a first-ever challenge to a common provision in an indenture agreement that allowed noteholders to redeem their notes at face value if there was a "change in control" of the company issuing the debt as contrary to the rights of shareholders under Delaware corporate law. The "change in control" provision was potentially invoked when Carl Icahn and another investor initiated a proxy contest to take control of Amylin's board of directors. The case was litigated at the trial level in six weeks, including depositions and summary judgment motions, in order to obtain a ruling before the scheduled shareholder meeting.

CL&M dealt with pre-trial issues in defamation lawsuits on behalf of libel plaintiffs against two of the broadcast TV networks' newsmagazines and against a major upstate New York newspaper. We engaged in a series of pre-publication and post-publication negotiations with media in the television, newspaper and book publishing industries seeking accurate and fair reporting or corrections of broadcasts, news articles and books. CL&M was also active in a federal court litigation involving a client's First Amendment right to advertise its products in interstate commerce free of harassing threats of litigation and demands for disclosure of proprietary business records from local prosecutors acting under state consumer protection statutes.

Calculating lost profits in the event of a breach of a non-compete agreement or other restrictive covenant can present knotty issues for injured employers. As a result, many employers in the financial field have turned to the use of contract provisions to measure the loss that an employee will be liable for if a non-compete contract is breached. Against a tapestry of conflicting decisions concerning the enforceability of contract provisions providing for liquidated damages in the case of a breach of the agreement, we established that employment contract formulae extrapolating past financial performance over the balance of the contract term or non-compete period were rational and reasonable for use in financial industry employment agreements.

We were successful in obtaining a decision and judgment before the trial court barring damages in a case alleging breach of contract and fiduciary duty by a client who originates and manages environmental assets, on the grounds that damages were impermissibly speculative. CL&M prevailed on the court to find that where lost profits are based on claims that a defendant failed to secure a business opportunity from a third party over whom the defendant did not exercise control, it would be impermissibly speculative to prove damages based on profits that could have been achieved if the transaction had been concluded. If upheld on appeal, the result could bar a claim for \$260 million.



Jeffrey L. Loop, who joined us as counsel, advises corporate and individual clients in litigation matters, including licensing claims, prosecuting copyright infringement and ICANN

domain claims against various defendants, and right of privacy/publicity and copyright claims. He also has experience with international commercial arbitration and antitrust matters.

Employment

As the economy continued to struggle in 2009, many of our clients faced difficult corporate reorganizations and reductions in force. We provided advice concerning severance, separation agreements, releases and waivers of employment claims, the WARN Act, COBRA benefits, the American Recovery and Reinvestment Act, and other employment termination issues. We provided general employment advice concerning manuals, policies and procedures, and wage and hour laws.

Claims of wrongful termination and employment discrimination were common. We continued to represent our clients in a variety of such cases before agencies and courts, including the EEOC, the NYSDHR and both state and federal courts. We also used mediation to resolve a number of employment claims at the pre-litigation stage, saving our clients both the time and expense of full litigation.

We have extensive experience in the area of restrictive covenants and protection of trade secrets. We counseled clients on best practices for protecting themselves from losing employees and information to competitors, including drafting appropriately-tailored contracts and employment policies and going to court to enforce noncompete agreements. We also counseled clients to help minimize the risks in hiring employees from competitors and defended clients when hiring decisions led to litigation.



Insolvency and Creditors' Rights

The sharp rise in business bankruptcy filings in 2009 kept the CL&M Insolvency and Creditors' Rights Group busy.

We represented **The Bank of New York Mellon** as indenture trustee for debt issues in several major bankruptcy cases. In Charter Communications, noteholders of issues represented by CL&M received, as a result of the confirmed Chapter 11 plan, cash and new notes representing the full value of the notes together with interest. In the ProtoStar bankruptcy case in the District of Delaware, the communications satellite that secured the notes of which BNYM was trustee was sold during the course of the bankruptcy case for \$215 million; this successful sale is expected to result in a significant distribution to holders of the note issue.

When the short-lived National Sports Museum on lower Broadway filed a bankruptcy case as a result of its inability to generate sufficient revenue to continue operations, a large number of individuals, corporations, foundations and other organizations which had lent memorabilia to the museum found themselves faced with an application by the bankruptcy trustee to sell these artifacts to raise revenue to pay the museum's creditors. CL&M represented several dozen memorabilia owners in litigating their rights, and negotiating a method of returning the historic and one-of-a-kind items to their rightful owners.



A maritime client who owns and charters commercial vessels asked the firm to assist it in the bankruptcy case of Eastwind Maritime, Ltd., a New York-based shipping company which unexpectedly filed a Chapter 7 liquidating bankruptcy with approximately 70 vessels on the high seas and more under construction in shipyards around the world. We assisted our client in negotiating the takeover of several ship construction contracts, negotiating the favorable disposition of charter party agreements, and enforcing maritime liens that had arisen for various types of damages flowing from the inability of Eastwind to continue in business.

We successfully represented parties in interest in the bankruptcy case of luxury jeweler Fred Leighton Holdings. A settlement between CL&M's clients and the other principal parties allowed the court to confirm a consensual plan of reorganization which resulted in a multi-million dollar payment to our clients.



Maritime



CL&M represented a global pharmaceutical company in an action to recover damages based upon a marine terminal operator's mistaken salvage sale of the client's multi-million dollar shipment of antibiotics. We obtained a precedential decision in favor of our client from the trial court, which held that the salvage sale may be governed by the standard of "commercial reasonableness" under the state Uniform Commercial Code rather than the procedure set forth in the terminal operator's schedule, published on its website in accordance with the federal Shipping Act. After the decision was rendered, rejecting the terminal operator's attempt to refer the case to the Federal Maritime Commission, a settlement was reached with all defendants through mediation.

We represented the **Circle Line-Sightseeing Yachts, Inc.** in its lease of Pier 81 and Pier 83 in Manhattan from the Hudson River Park Trust for operation of its sight-seeing cruises on the Hudson River.

At the end of 2009, CL&M secured release of millions of dollars of attached funds for various maritime clients. For years, plaintiffs in maritime disputes all over the world had come to New York to attach electronic fund transfers ("EFTs") passing through New York intermediary banks en route to or from overseas banks. The funds would be held in New York as security while the merits of the dispute were litigated, often in a foreign arbitration. In 2002, the U.S. Court of Appeals for the Second Circuit had approved the practice of attaching EFTs under Rule B of the Supplemental Admiralty Rules in the case *Winter Storm Shipping, Ltd. v. TPI*. But on October 16, 2009, the Second Circuit reversed course in *The Shipping Corp. of India Ltd. v. Jaldhi Overseas Pte Ltd. ("Jaldhi")*, and ruled that attachment of EFTs under Rule B was not permitted. CL&M prevailed in the Southern District of New York and in the Second Circuit against plaintiffs who unsuccessfully argued that the facts of *Jaldhi* were distinguishable from their particular cases or that for other reasons *Jaldhi* should not be followed.



Real Estate



Collegiate Church Corporation continued its negotiations with developers regarding development of an assembled site in Manhattan, and as well as in connection with the possible sale of a ground lease of property also located in Manhattan. CL&M also advised **Collegiate** in negotiation of project management and planning contracts for the proposed development of properties in Manhattan.

Comprehensive Care Management Corporation continued to expand its program of managed care for the elderly. CCMC entered into leases in the Bronx and Queens, completed new facilities in Manhattan and on Long Island, and contracted for design and construction of facilities at sites in Brooklyn. CCMC also entered into a lease for its new headquarters in the Hutchinson Metro Center in the Bronx.

New York Institute of Technology entered into a lease of property in Long Island that will house a clinical facility to be run by NYIT's College of Osteopathic Medicine.

CL&M represented a property owner in a 99-year lease of a building and land in Manhattan. The lease gave the landlord a right to participate in gross revenues of the property once they exceeded a certain threshold amount. The lease also included a mechanism for the landlord to accrue uncharged CPI escalations, which were otherwise subject to a floor and a cap.



Construction

CL&M represented **Trinity Real Estate** with respect to design, construction and operations contracts involving its extensive lower Manhattan commercial real estate portfolio. The contracts covered architectural, engineering, geotechnical, fire protection, construction, project management, and construction management services, and operating, maintenance and repair services. We also represented Trinity in connection with damages arising out of building construction by neighboring property owners, and in another situation in order to avoid damage resulting from operations on neighboring sites and to contractually coordinate work on both sites. **Trinity Real Estate** leased space at 200 Hudson Street to media company Drumbeat Digital.



Brooks S. Clark, who joined us as a partner, advises clients on commercial real estate transactions, including sale-leasebacks, mortgage and mezzanine finance, intercreditor arrangements, loan restructurings, and joint venture and hotel franchise agreements. He has represented investment banks as equity investors on over 100 sale-leasebacks by Fortune 500 companies, and portfolio and securitized lenders on over \$2 billion in construction, permanent and bridge loans secured by condominiums, office and industrial buildings, retail malls and hotels.

Condemnation



The firm represented the **Metropolitan Transportation Authority** in connection with eminent domain acquisitions in Queens, Brooklyn, Putnam and Dutchess counties. The representation included acting as trial counsel in a valuation trial, preparation for another fee valuation trial, and the negotiation and settlement of various easement and fixture claims.

CL&M represented the **Empire State Development Corporation** in separate proceedings in the Supreme Court, in the Appellate Division, and in the Court of Appeals, New York's highest court, in connection with ESDC's Columbia University educational mixed-use development project. The \$6.28 billion project will transform a 17-acre site in West Harlem into a modern educational facility with significant open space and other public benefits.

The firm also represented **ESDC** in compensation claims arising out of ESDC's acquisition of property for the 42nd Street Development Project. ESDC received a favorable decision on a fee claim tried by CL&M when a claimant was awarded less than 1% of the additional compensation it was seeking.

CL&M continues to act as Special Condemnation Counsel to the **City of New York** and the **Hudson Yards Development Corporation** in connection with the No. 7 Subway Extension - Hudson Yards Rezoning and Development Program. CL&M assisted the City with resolution of numerous fee and fixture claims. CL&M is assisting with the defense of fee claims valuing acquired property interests in excess of \$500 million. We also serve as Condemnation Counsel to the **New York City Economic Development Corporation** in connection with the Willets Point Redevelopment Project, which has been approved by the New York City Council.

CL&M represents the **Port Authority of New York and New Jersey** in connection with its Access to the Region's Core ("ARC") Project involving the construction of two new railroad tunnels under the Hudson River and construction of a deep subsurface station under 34th Street between Sixth and Ninth Avenues. The ARC Project will more than double the capacity of the PATH rail system. It is expected to cost \$8.7 billion and take nearly a decade to complete.

CL&M continues to represent **ESDC** and its subsidiary, the **Lower Manhattan Development Corporation**, in connection with acquisition by eminent domain of property needed to facilitate the redevelopment of the World Trade Center site, including new streets and sites for new development, as well as subsurface easements. CL&M has been located in lower Manhattan for over 150 years, and we are delighted to assist our client neighbors in their revitalization of downtown.



John R. Casolaro, who was named a partner, is a member of the Litigation and Real Estate Departments. He has extensive experience advising clients on exercise of the eminent domain

power, including project planning, retention of and consultation with real property and fixture appraisers, defense of public authorities in federal and state courts in connection with their exercise of the eminent domain power, real property valuation proceedings, appellate practice, construction contract preparation, litigation and arbitration.

Environment: Land Use, Energy and Climate Change



On December 28, 2009, **Spectra Energy Corp** announced that it had signed binding precedent agreements with Chesapeake Energy Corporation, Consolidated Edison and Statoil Natural Gas for an expansion of its existing Texas Eastern Transmission and Algonquin Gas Transmission pipeline systems to deliver natural gas to the New Jersey and New York area. The 16-mile pipeline will be capable of transporting up to 800 million cubic feet per day of new natural gas supplies to the region and is targeted to be in service in the fourth quarter of 2013. The proposed expansion will connect Texas Eastern's existing pipeline on Staten Island to the Con Edison system in Manhattan, upgrade five miles of existing pipeline in New Jersey and New York with larger diameter pipeline, and add facilities on Spectra Energy's existing Algonquin pipeline system. CL&M is New York counsel to Spectra Energy for this project. Spectra Energy operates approximately 19,100 miles of transmission pipeline, more than 285 billion cubic feet of storage, and natural gas gathering and processing operations, as well as local distribution assets in the United States and Canada.

The **Metropolitan Transportation Authority (MTA)** and the **Long Island Rail Road** completed the environmental and land-use approval process for a six-million-square-foot transit-oriented development over the western half of LIRR's John D. Caemmerer rail yard on Manhattan's far West Side. The Western Rail Yard Project, to be built principally on a new deck constructed above the busy, active rail yard, will include eight high-rise buildings surrounded by a new open space network and will contain roughly 5,000 apartments (including affordable housing), 2 million square feet of commercial space, retail space, a new public school, and nearly 5.5 acres of open space, including connections to the High Line Park. The project also includes additional affordable housing at two new buildings to be built off-site. The Western Rail Yard Project will complement the City's 2005 rezoning of the Hudson Yards area, and will be served by the MTA's No. 7 subway line, which currently is being extended to the area. In exchange for air-rights parcels over the Western Rail Yard and the nearby Eastern Rail Yard, the MTA will receive over \$1 billion to support its capital program.

CL&M advised the MTA in its role as co-lead agency for the environmental review under the New York State Environmental Quality Review Act for both the Western and Eastern Rail Yards projects, as well as the extension of the No. 7 subway line. We also advised the MTA on the rezoning, completed in December 2009, of the Western Rail Yard under New York City's Uniform Land Use Review Procedure.



Roosevelt Island Operating Corporation (RIOC), a New York State public benefit corporation, is undertaking development of new public open space, refurbishment of the Tramway between Roosevelt Island and Manhattan's East Side, and improvements to other infrastructure on the Island. CL&M serves as land-use and environmental counsel to RIOC in these matters, which include a new Southpoint open space in conjunction with the Trust for Public Land and the development of New York's long-awaited Franklin D. Roosevelt Four Freedoms Memorial adjacent to that open space.

CL&M regularly advises clients on managing their Superfund liability under the Comprehensive Environmental Response Compensation and Liability Act, Resource Conservation and Recovery Act and related state laws. In one current matter, CL&M represents a former property owner in a New Jersey "Spill Act" lawsuit involving enforcement by a New Jersey state agency against various past owners and operators of a brownfield site.

The **Long Island Power Authority** (LIPA) completed, with our assistance, the planning, environmental review and approval of the largest solar energy project in New York State, which will provide 50 megawatts of clean renewable energy to Long Island ratepayers. LIPA is entering into contracts to purchase solar power from BP Solar International Inc., which will construct ground-mounted solar panels at the Department of Energy's Brookhaven National Laboratory site, and from enXco Development Corp, which will install solar panels on carports at Suffolk County-owned parking lots and railroad stations. This solar project supports New York State's 45x15 initiative, which calls for New York to meet 45 percent of its electricity needs through improved energy efficiency and renewable sources by 2015.

Summit Development/Greenfield Partners advanced its Chappaqua Crossing project, the adaptive reuse and redevelopment of the former Reader's Digest campus in Chappaqua, New York. The project includes new market-rate and affordable housing for both seniors and families, reconfiguration of existing office space for more efficient commercial use, preservation of 50 acres of open space and other amenities for the community. CL&M is assisting in the environmental and land-use review of the project.



Christine A. Fazio, who was named a partner, is Co-Director of the Environmental Practice Group and a member of the Litigation Department. She has substantial experience

with environmental impact analyses, project permitting and administrative proceedings, land use, corporate compliance, environmental audits, maritime and energy law. She is an adjunct professor of Land Use Law at Fordham University School of Law and has published numerous articles on environmental issues. She previously worked at the U.S. Environmental Protection Agency, Region 2, and was also an Environmental Forestry Volunteer in the Dominican Republic.

Washington, DC Office



CL&M continues to represent generic pesticide manufacturers and importers in data compensation matters under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) as administered by EPA. These generic companies typically produce or obtain products overseas and provide customers with lower-cost alternatives to branded products. We represent these companies in commercial disputes over the amount of compensation owed to the “brand name” registrants for reliance on their data in obtaining the generic registrations. We engage in complex and confidential arbitrations before the American Arbitration Association and lengthy negotiations aimed at settling these disputes to reduce our clients’ uncertainty and minimize their costs. Our success in pesticides data compensation matters is the hallmark of our pesticides practice.

This year we handled a data compensation arbitration concerning one of the most widely used pesticides in the United States, where our client was opposed by several major multi-national pesticide registrants. In another case, we persuaded the arbitration panel to dismiss the case on jurisdictional grounds. Over the past two years we have defended more than a dozen cases brought against our clients by individual companies and industry coalitions. We litigate fiercely while actively (and usually successfully) pursuing settlements resulting in cost savings and certainty for our clients.

This year we added a well-respected regulatory FIFRA practice, which expands our capabilities to cover every stage of the regulatory process for the full range of pesticides, from household to agricultural to antimicrobial products. CL&M works closely with our staff scientists to analyze products, assess data compensation exposure, develop registration strategies, compile and submit to EPA and state agencies application packages, and oversee the registration process. We counsel our clients, and work closely with EPA and state agencies, throughout the regulatory process. We place, monitor and defend laboratory studies, draft and produce product labels, and obtain EPA tolerances. We also represent pesticide manufacturers, importers, distributors and applicators in enforcement matters.

CL&M also represents clients in nuclear licensing and related proceedings. In addition to our involvement in the **Yucca Mountain** licensing proceeding, we were engaged by a prominent national trade organization to represent and advise it in connection with NRC licensing proceedings involving the proposed construction of several new nuclear units, and numerous related state and federal environmental proceedings.

We also represent companies that produce natural gas from shale formations by using drilling methods that entail hydraulic fracturing. This technique allows the recovery of unconventional natural gas supplies much further below the earth's surface than was previously possible in a safe, efficient and environmentally responsible manner. This energy source has the potential to reduce U.S. dependence on foreign oil and polluting coal, and to be a clean transition fuel until alternative energy sources become commercially viable and plentiful. CL&M advises one of the leaders in this area on aspects of demand, pricing, regulatory issues, and government oversight of the industry. We also work with others in the industry to promote ways to improve the U.S. energy supply while reducing pollution.

The DC office also continued its broad commercial litigation practice. This representation has varied from working with our New York office on international trademark infringement litigation to advising shareholders of a Virginia limited liability company on potential causes of action against the company's officers and directors.



Telisport W. Putsavage, who joined us as a partner, has a science-based pesticide practice representing companies in all segments of the pesticide industry, with a focus on agricultural

chemicals. His practice includes federal and state pesticide registration and compliance counseling as well as enforcement defense. In FIFRA data compensation matters, he represents both owners of data and generic pesticide companies that rely on such data, and has achieved successful negotiated conclusions of numerous data compensation disputes. He formerly served as Assistant Counsel for the New York State Department of Environmental Conservation (NYSDEC) and as an Assistant Attorney General representing the Maryland Department of the Environment.

Andrew D. Weissman, who joined us as counsel, has over 30 years experience as a senior-level consultant and corporate advisor, generally at the CEO level. In recent years, he has gained a widespread national reputation for his ability to anticipate major dislocations in U.S. and global energy markets and the integration of energy and environmental policy, particularly with respect to climate change. Earlier in his career, he helped to pioneer the use of "cap and trade" programs, receiving national attention for negotiating the first sale of acid rain SO₂ emission allowances in the U.S. and many subsequent deals involving other pollutants. He has represented more than 40 major electric utilities and independent power producers on numerous complex energy regulatory and policy issues before the Federal Energy Regulatory Commission (FERC), numerous state public utility commissions, the White House, the Department of Energy, U.S. EPA, state Governors and legislatures in several regions of the country.

Gateway to America®



Canada

Securities

CL&M assisted **National Bank of Canada** in its CDN \$3 billion commercial paper program.

We assisted **Shelter Bay Energy Inc.**, a company providing oil exploration services, with its offering of CDN \$615 million to various institutional investors including Riverstone Holding LLC, Goldman Sachs & Co., and Crescent Point Energy Trust.

CL&M helped **Progress Energy Resources Corp.** (TSX: PRQ), operating primarily in the Deep Basin of Northern Alberta and the Foothills of Northern British Columbia, with its offering of \$200 million principal amount of convertible Subordinated Debentures. Underwriters in this deal were led by BMO Capital Markets.

We assisted **TriStar Oil & Gas Ltd.** (TSX: TOG), an independent energy company engaged in the exploration, development and production of oil and gas in east Africa, with its CDN \$205 million offering of subscription receipts.

CL&M represented **PetroBakken Energy Ltd.** (TSX: PBN), a Bakken-focused, light oil exploration and production company, in its issuance of CDN \$750 million of convertible bonds.

Tax

We acted as special U.S. counsel to large Canadian multinationals and provincial governments counseling on crucial taxation issues in a cross-border transaction.

Mergers & Acquisitions

We were counsel to **Orion Oil & Gas Ltd.** (TSX : OIP), a development-focused oil and gas company, in its acquisition of Wintraysan Capital Corp.

We assisted **Mullen Group Income Fund** (TSX: MTL.UN), an open-ended income fund that owns a network of independently operated businesses, in its conversion to a corporation and the simultaneous offering and the sale of its convertible subordinated debentures for an aggregate amount of \$125 million.

We assisted **PetroBank Energy** in connection with the acquisition of TriStar and a strategic spin-off creating a new publicly listed company, PetroBakken Energy Ltd.

We also assisted **Crocotta Energy Inc.** (TSX: CTA), an emerging junior oil and natural gas company engaged in the acquisition, exploration, development, and production of oil and natural gas reserves in Western Canada, with its acquisition of Salvo Energy Corp.

Financial Services

We counseled **BMO** in connection with their U.S. brokerage activities, including trading by their U.S. branches, as well as their swaps with U.S. parties or where a U.S. entity is the manager of the swap with a foreign entity.

We have also advised **Scotia Capital** on Rule 15a-6 issues for the U.S. broker-dealer operations of The Bank of Nova Scotia.



Australia

We assisted **Prana Biotechnology Limited** (NASDAQ: PRAN), an Australian company established to commercialize research into Alzheimer's disease and other major age-related neurodegenerative disorders, in a private placement of its ordinary shares to an institutional investor in the United States. We subsequently assisted **Prana Biotechnology Limited** in filing a registration statement for the resale of the shares issued in the private placement.

We represented Australian-based **Hampton Hall Ltd.** in U.S. litigation matters.

Bermuda

We represented **Flagstone Reinsurance Limited**, a Bermuda-based reinsurance and insurance company, in connection with U.S. securities issues.

We represented **Orient-Express Hotels Ltd.** (NYSE: OEH), a hotel and travel company focused on the luxury end of the leisure market with well-known and highly acclaimed properties, in a registered direct offering of 8,490,000 class A common shares for gross proceeds of approximately \$55 million.

Denmark

We represented **Danisco A/S** (OMX Copenhagen: DCO), a world leader in food ingredients, enzymes and bio-based solutions, in general corporate and U.S. litigation matters and in connection with their ethanol joint venture with DuPont.

United Kingdom

We represented **Cambrian Mining Plc** (AIM: CBM) in its acquisition by Western Canadian Coal Corp. by way of a UK Scheme of Arrangement valuing Cambrian at approximately \$104 million.

CL&M advised **BlueGem Capital Partners LLP**, a private equity fund, in its bid to purchase 40% of Panmure Gordon Plc for £17.3 million.

We advised London-based **City Index Ltd.** in matters relating to its U.S.-acquired businesses. CL&M represented London-based **Taube Hodson Stonex Partners Limited** in connection with its U.S. operations. We represented **Smallbone USA Inc.** in the sale of U.S. assets for an undisclosed amount. We represented **Genetix Group plc** (London: GTX) in the U.S. aspects of its acquisition by way of tender offer by Danaher Corporation. We represented **Shazam Entertainment Limited** in the U.S. aspects of an investment by KBCP Holdings, Inc. We represented **Sword Group** in the purchase of AgencyPort Insurance Services, Inc., a U.S. company engaged in insurance distribution technology. We represented London-based **Numis Corporation PLC** in connection with U.S. regulatory and employment matters.

Offshore Funds

CL&M represented a number of offshore investment funds during the year, notably the **Polar Capital Group, Fleming Family & Partners** and the **Saudia Arabia Investment Fund**. A typical transaction involved a U.S. private placement to sophisticated investors contemporaneous with a listed retail distribution offshore.

We helped investment manager **Bedlam Asset Management plc** to secure a mandate from a U.S. state retirement fund, and we advised BAM on procedures for maintaining its private investment fund for benefit plan investors.

CL&M represented **The Montpelier Fund** and the **Macquarie Goodman Fund** in connection with their U.S. investors.



Israel

As in past years, CL&M's Israeli practice continued robustly. CL&M assisted the **Eurocom Group**, one of Israel's largest privately owned holding groups, and its affiliate **012 Smile.Communications Ltd.** (NASDAQ: SMLC), in connection with the pending acquisition of a controlling interest in Bezeq - The Israel Telecommunication Corp. (TASE: BZEQ), Israel's largest telecommunications provider, in a cash transaction valued at approximately NIS 6.5 billion, or approximately \$1.8 billion.

We also assisted **012 Smile.Communications Ltd.** in connection with the sale of its legacy telecom business to Ampal-American Israel Corporation (NASDAQ: AMPL) for NIS 1.2 billion, or approximately \$324 million.

We served as U.S. counsel to **STARLIMS Technologies Ltd.** (NASDAQ: LIMS), a leading provider of laboratory information management systems, in connection with its sale to Abbott (NYSE: ABT), for approximately \$123 million in cash.

We advised **EZchip Semiconductor Ltd.** (NASDAQ: EZCH), a provider of network processors, in connection with an underwritten public offering of its shares and shares of selling shareholders, resulting in aggregate gross proceeds of approximately \$46.6 million. Jefferies & Company acted as the sole manager for the offering.

We represented **EZchip Semiconductor Ltd.** in connection with an exchange offer with current and former employees of its majority-owned subsidiary, EZchip Technologies Ltd., a provider of high-speed network processors, increasing its ownership interest from approximately 99% to 100% on an outstanding basis.

We assisted **cVidya Networks Inc.**, a privately-owned leading provider of telecom revenue assurance, data integrity and dealer management products, in connection with the financing of its acquisition of ECtel Ltd. (NASDAQ: ECTX), a leading provider of Integrated Revenue Management™ (IRM®) solutions for communications service providers, in a cash transaction valued at approximately \$21 million. We also acted as U.S. counsel for cVidya Networks Inc. for the U.S. securities and corporate aspects of securing a loan from an Israeli venture lending fund.

We acted as U.S. counsel for **Paieon Inc.**, a privately-owned medical imaging company in the field of real-time imaging for cardiac navigation, in connection with a private placement of its securities.

We continue to represent numerous public and private Israeli companies in connection with their activities in the U.S., including regulatory matters, such as U.S. securities laws and standards of U.S. stock exchanges, corporate governance requirements, mergers and acquisitions, employment matters, litigation, trademarks and patents, real estate matters, executive compensation and tax planning.

Singapore

We assisted **MP & Silva**, a leading international sports media company headquartered in Singapore, when it opened a new office in New York City to handle regional sales and distribution of media rights.

Japan

We advised and assisted **Kaneka Nutrients LLP** in preparing various distribution agreements for their dietary supplement products and for federal regulatory labeling compliance.

We assisted **Asahi Polyslider Co.** in connection with its negotiations for its agreement with a distributor for sale of medical products in the U.S. and in connection with FDA registration compliance.

We advised and assisted **Kaneka Corporation**, a \$4 billion producer of chemical products including resins, pharmaceutical intermediaries, food supplements, synthetic fibers, and fine chemicals, in negotiation and preparation of their agreement with a celebrity artist for promotion of Kaneka branded hair fiber products.

We assisted **LSI Computer Systems, Inc.** in a shareholder buyout and cancellation of a shareholders' agreement.



Yasuhiro Saito, who joined the firm as a partner in the Litigation Department, focuses on complex commercial litigation, securities litigation, bankruptcy litigation, and white-collar crime and SEC enforcement investigations and actions. He represents major multinational corporations in various industries, including banking and finance, manufacturing, insurance, accounting, pharmaceutical, and media/broadcasting. Mr. Saito is fluent in Japanese.



Germany

We provided general corporate advice to **Accovion Inc.**, a German research corporation, **Schuler SMG GmbH & Co.**, a German manufacturer of metalforming products, systems and services, and **Symrise Inc.**, a German-based flavors and nutrition company, in connection with their U.S. operations.

France

We successfully represented **Ingenico SA** (Euronext Paris : ING), a French public company and manufacturer of payment systems, in securing dismissal of a suit filed by PointPay International in the U.S. District Court for the Southern District of Florida alleging claims of breach of contract and tortious interference.

Ireland

We represented **Trinity Biotech plc**, a public company that develops, manufactures and markets diagnostic test kits, in litigation against former shareholders of a company purchased by Trinity. The litigation asserted that the former shareholders overstated the revenue of the target company and thus received additional payments from Trinity to which they were not entitled. CL&M obtained a judgment for the full amount sought against one of the shareholders and Trinity settled with the remaining shareholders.

CL&M represented a private software company and its members in the sale of membership interests to an Irish broker-dealer and arrangements for employment and consulting agreements for the principals of the seller. The transaction included cash consideration and an earn-out over a period of years.



Domestic Transactions



CL&M represented **CooperSurgical, Inc.** in its acquisition of JLJ Medical Devices International LLC, a company manufacturing a product used to evacuate smoke in laparoscopic surgical procedures in hospital operating rooms and alternative surgical sites. CooperSurgical develops, manufactures and markets to medical professionals and hospitals medical devices, diagnostic products and surgical instruments and accessories used primarily by obstetricians and gynecologists.

We assisted **DMI Technology Corp.**, a New Hampshire-based global provider of fractional-horsepower motor and motion control solutions for both industrial and commercial applications, in its acquisition of substantially all of the assets of Automotion Incorporated, a manufacturer of brushless AC and DC motion control technology, specializing in embedded industrial OEM servo applications.

Victualic Company, the world's leading manufacturer of mechanical pipe joining and fire protection systems, acquired AquaFlex USA, a leading provider of flexible connectors for sprinkler heads.

Actronix, Inc., which specializes in custom cable assemblies and wire harnesses for a variety of industries, greatly expanded its work for medical device manufacturers and military contractors in 2009. We helped the company navigate the complex requirements of government regulations for its defense work and export controls, pursue patent and trademark strategies to protect its intellectual property and negotiate contracts with key suppliers and customers.

We helped our client **Blabbelon LLC** form a company to build a voice over internet protocol (VOIP) for its innovative "push-to-talk" technology for online gaming, including related patent and trademark issues.

CL&M represented **Underdog Ventures, LLC**, which manages customized community venture capital funds, in a strategic alliance with the Vancouver City Savings Credit Union ("Vancity"). Vancity purchased a substantial minority interest in Underdog and intends to be a major supporter of a venture fund to be managed by Underdog, with a particular focus on British Columbia, social ventures and entrepreneurial development.

CL&M assisted **Linkstorm, Inc.**, an online advertising technology company, in raising capital in a later round venture financing.

Global Partners Fund, a private equity fund, consolidated its control rights in portfolio company **Imperial Parking Corporation**, a leading provider of parking services. CL&M advised and represented GPF in this endeavor. CL&M also advised and represented Global Partners Fund in connection with possible claims against former fund sponsor Babcock & Brown Ltd. relating to an investment in Coinmach Service Corp.

We continued to represent **Thoroughbred Racing Associations of North America, Inc.** and **Thoroughbred Protective Bureau, Inc.** with issues involving the U.S. thoroughbred racing industry.

We assisted **Pentagram Design, Inc.**, the provider of design services across the full spectrum of graphics, identity, architecture, interiors and products, with the tax efficient corporate reorganization of its California operations.

Justine M. Clark, who joined us as a partner, has handled business including asset-backed lending transactions, credit enhancement, acquisition financing, tax-exempt bond financing, leasing, leveraged buyouts, recapitalizations and debt restructuring (both inside and outside bankruptcy), capital markets transactions including Rule 144A and Regulation S debt and equity offerings, collateralized debt obligations, synthetic securities and derivatives, and investment funds.

Money Matters



Broker-Dealers

CL&M represents companies seeking to become U.S. registered broker-dealers. In 2009, we represented **Coltin Securities, LLC**, **Foros Securities LLC**, **Wafra Securities Corporation**, **Screen Capital Securities LLC** and **Liquid Capital Securities LLC** in becoming FINRA members. We represented several clients in connection with FINRA Continuing Membership Applications (“CMA”) involving change of ownership or business activity, including **CSCA Capital Advisors LLC**, **JJP Euro Securities LLC** and **Mainsail Group LLC**. We represented **Lightyear Capital LP** in connection with FINRA CMAs for its acquisitions of broker-dealers from ING. We have also advised FINRA members whose new business plans have not been deemed by FINRA to be a “material” change.

Investment Advisers

CL&M counsels many registered and unregistered investment advisers. We prepared New York and Connecticut investment adviser registrations for **Chatfield Capital Group LLC**. We advised **Ascendant Advisors LLC** (f/k/a Pension Management Company), a Texas registered investment adviser, in connection with regulatory matters.

Transfer Agents

We advise transfer agents on compliance with Rule 144A transfer restrictions of securities issued by foreign issuers in connection with cross-border transactions offered pursuant to Regulation S and Rule 144A.

Hedge Funds and Investment Companies

CL&M formed and represented numerous U.S. and offshore hedge funds during the last year, as well as providing advice regarding ongoing regulatory issues for **The Roaring Brook Funds**, **The Blue Hill Funds**, **GCA Credit Opportunities Master Fund, Ltd.**, **GCA Credit Opportunities Offshore Fund, Ltd.** and **GCA Credit Opportunities Fund, LLC**.

Exchange Traded Products

In celebrating its fifth year anniversary, our client **SPDR® Gold Trust** (NYSE Arca: GLD) exceeded \$40 billion in assets for the first time. The Trust, the first exchange traded fund to track a commodity, is the world’s second largest exchange traded fund. Last year, we took the lead in registering 100 million new shares for the Trust.

We also represented **The Bank of New York Mellon** in its capacity as trustee for the ETFs Silver, Gold, Platinum and Palladium Trusts launched on the NYSE Arca in 2009, as well as for the **SPDR® S&P MidCap 400 ETF Trust**.

Distressed Debt

CL&M represented hedge funds, actively managed CLOs, broker-dealers, special purpose vehicles and other financial institutions in transactions involving distressed and par and near par bank loans, trade claims and securities. We negotiated and documented confidentiality agreements, “big boy” letters, trade confirmations, purchase and sale agreements, participation agreements, sub-participation agreements, netting letters and proceeds letters. Our clients achieved success across asset classes in the U.S., European, Latin American and Asia Pacific markets. We also provided valuable tax and bankruptcy advice in these areas.

Internal Investigations and White-Collar Defense



CL&M's white collar group represented clients with matters at every stage of the governmental and judicial processes – starting from the local, quasi-criminal administrative level all the way to the United States Supreme Court -- where CL&M filed two briefs. CL&M's clients came from a cross-section of society – from the powerless and indigent to several former high ranking executives of public corporations.

Currently, CL&M is representing **Dennis Kozlowski**, the Chief Executive Officer between 1992 and 2002 of Tyco International, Ltd. CL&M was hired by Mr. Kozlowski to challenge his New York state conviction in the federal courts. Late this past summer, we filed a petition for a writ of habeas corpus in the Southern District of New York. About a month later, the court determined that the habeas filing had succeeded in overcoming the initial threshold that many habeas filings fail to clear. The case has now been fully briefed and we await a decision from the court. In the habeas petition, CL&M argues that Mr. Kozlowski's constitutional right to present a defense was violated when the trial court quashed his subpoena for potentially exculpatory evidence sitting in the files of Tyco's outside law firm.

CL&M obtained the best result conceivable in its representation of another former corporate executive. In 2009, we obtained the dismissal of all criminal charges against the former Treasurer of Collins & Aikman, a now bankrupt major parts supplier to the auto industry.

Criminal Tax

Criminal tax investigations have also kept CL&M's white-collar and tax lawyers busy. Principally as a result of the settlement agreement reached in 2009 between the U.S. government and the Swiss bank UBS, many U.S. taxpayers became aware for the first time of their obligation to file TD F 90-22.1 ("FBAR reports") with respect to foreign financial accounts in which they have a beneficial interest or merely signature authority. In some cases, the taxpayers also failed to report the income from such accounts on their tax returns. The penalties for such derelictions are potentially very significant and include criminal sanctions. We have assisted numerous clients in connection with their participation in the IRS's "Voluntary Compliance" program, to limit their exposure to civil and criminal penalties.



First Amendment

CL&M's first amendment practice group continues to find itself at the center of ground breaking litigation in the constantly evolving delineation of boundaries between protected and regulable speech. In one case, *Bulldog et al. v. Galvin*, CL&M represents a plaintiff in a civil rights lawsuit who contends that his constitutional right to read hedge fund materials is infringed by certain aspects of the securities law regulatory regime. Specifically, CL&M's client contends that the regulation at issue improperly deprives him of his right to read statements made by an issuer of unregistered securities because it requires him to satisfy the Government's definition of a "sophisticated investor." CL&M's client also argues that the effect of the regulation is to unconstitutionally restrict the audience of those permitted to listen to certain commercial speech to the relatively small percentage of the population that satisfies the regulatory definition of an "accredited investor." The case is winding its way through the Massachusetts' courts and may eventually be worthy of attention from the United States Supreme Court.

Compensation and Benefits

CL&M counseled **Orient-Express Hotels Ltd.**, **Live Career, Inc.**, **EZchip Semiconductor Ltd.**, **Sword Inc.**, **Paieon Inc.**, **Secerno Ltd.**, **New Biology Ventures LLC**, **Baytex Energy Ltd.** and **Cambrian Mining Plc** among others on executive compensation matters, applying Internal Revenue Service guidance under Section 409A of the Internal Revenue Code to the design of equity-based incentive arrangements and executive deferred compensation plans. Additionally, we advised **G Capital Management, LLC**, **Global Credit Advisers LLC**, **STARLIMS Technologies Ltd.** and others regarding the application of Section 409A to various provisions in employment agreements. Where plans did not meet the requirements of Section 409A, including the impermissible discounting of stock options, we assisted clients with calculating penalties for administrative failures.

Benefits issues arise in the context of corporate transactions, as they did last year in transactions involving our clients **Gilat Satellite Networks Ltd.**, **CooperSurgical, Inc.**, **Sword Inc.**, and **BlueGem Capital Partners**.

We continue to advise private equity clients, including **Bedlam Asset Management, Plc**, **Fleming Family & Partners, Polar Capital Funds Plc**, **Stanfield Offshore Leveraged Assets, Ltd.** and **Alpern NGC Management, LLC** on structuring and administering investment funds within the complex ERISA plan asset regulations.

In the area of retirement plan compliance, CL&M counseled **Sea Containers America Inc.** on the termination of its two tax-qualified plans and an executive deferred compensation plan. We counseled **Polartech Limited** on the suspension of safe harbor matching contributions under its 401(k) plan and prepared safe harbor 401(k) plans for **Orient-Express Hotels Inc.**, **Mountbay Holdings Inc.** and **Charleston Place LLC**. Because 2009 was the deadline for adopting substantive changes to cafeteria plans, we advised **The '21' Club** on modifications to its cafeteria plan document. After a number of postponements, new document requirements finally went into effect in 2009 for retirement plans of tax-exempt entities, so we provided advice on compliance with these requirements to **The Andy Warhol Foundation for the Visual Arts** in connection with its 403(b) tax deferred annuity plan.

Intellectual Property

Trademark, Copyright, and Right of Publicity



On behalf of **Playtex Products, LLC**, we prevailed in oppositions against registration of the marks BINKY'S BABY BOUTIQUE and Design, and MEET THE BINKS, and obtained Express Abandonments of third-party applications for the marks BINKIGRIP, HEIRLOOM BINKY BRACELET, and BINXY. We also were successful in opposing applications for the marks SOAP GENIE, and PAPER TOWEL GENIE, filed by Sharper Image.

On behalf of **Sun Pharmaceuticals, LLC**, we prevailed in opposition to the mark BANANA GEL in El Salvador.



We successfully assisted **International Organization for Standardization (ISO)** in obtaining Express Abandonments of third-party applications for ISO PULL SYSTEM, and for ISO 9001-2000 CERTIFIED A14381 and Design.

Together with counsel from Washington, DC, we successfully moved to dismiss right of privacy/publicity and related claims brought by Mark Moynihan in the Supreme Court of the State of New York against clients **Orient-Express Hotels Inc.**, **Orient-Express Hotels Ltd.**, and **Venice Simplon-Orient-Express Inc.**

We represented **CD Digital Card**, a manufacturer of DVD discs, as a defendant in an action brought in the U.S. District Court for the Southern District of New York by DVD Format, a licensing organization, for alleged trademark infringement, unfair competition and other claims. CDDC asserted antitrust and other counterclaims and the case was resolved by dismissal of all claims with prejudice.



CL&M continues to assist a wide variety of clients in copyright and trademark matters, including **Avalon Waterways Inc.** in the travel field, **THONET GmbH** in the furniture field, and **Big Brothers Big Sisters of New York City**.

One of our lawyers also assisted an entertainment company in a new, hush, hush project. Stay tuned . . .

Licensing and Franchising

CL&M advised on a variety of IP transfer agreements, including software development and license agreements, design agreements, distribution agreements and web site development agreements for many clients including **Pentagram Design, Inc.**, trademark licenses for our fashion client **Sixty USA**, and a character license for a prominent toy manufacturer.

We assisted a European high performance car manufacturer, a U.S. agricultural products company, and an educational center in structuring, negotiating and commencing franchise arrangements within the United States, and in resolving issues between the franchisor and franchisees.

We advised the **American National Standards Institute** in setting up a secure website to permit governmental access to private, voluntary standards relating to the smart energy grid initiative.



Patents

We successfully handled an extensive inter parte reexamination procedure in the U.S. Patent Office involving a software patent with broad coverage in the bond trading market and convinced the Patent Examiner to allow all pending claims.

CL&M also successfully prosecuted a patent covering a system and method for rapid emergency information distribution including conducting extensive personal interviews in the U. S. Patent Office with the Patent Examiner and attaining broad claim coverage.

We handled patent license negotiations for a medical device research organization and successfully concluded a number of license agreements in which our client licensed several patents in its patent portfolio to third parties.

Patent Litigation

We represented **Interactive Card Solutions** together with a consortium of other defendants in patent infringement litigation in the U.S. District Court for the Southern District of New York that resulted in dismissal of the action with prejudice and a settlement involving licensing of patents for interactive electronic cards.

CL&M represented a manufacturer of compact discs as a defendant in a litigation involving patent and trademark infringement issues, as well as allegations of breach of contract. We instituted a mediation procedure under the ADR rules in the Southern District of New York and settled the litigation without any compensation being paid by our client.

Art Law

The core issues for owners of visual art are usually title and authenticity - who owns the art and who created it, and of course how to buy, sell, care for and transfer it by gift or will as part of an estate plan. In a title dispute over the validity of a gift of sculpture, we represented a collector who purchased a sculpture by a major 20th century artist, Jacques Lipchitz. We represented the **Pierre and Tana Matisse Foundation** in an ownership dispute over a stolen Giacometti sculpture.

Our clients concerned with title and authenticity issues are collectors, museums, foundations which own art, including artist-established foundations, such as the **Andy Warhol Foundation for the Visual Arts** and the **Pollock-Krasner Foundation**, as well as dealers, and buyers and sellers of art at auction and privately.

For buyers, we advise on appropriate due diligence, especially when provenance is incomplete or unclear, as well as the terms of sale and relevance of catalogues raisonnés for buyer due diligence.

For artists such as **Robert Indiana**, as well as collectors, we advise on establishing tax-exempt foundations, sometimes established by the artists themselves as part of an estate plan and to protect their artistic legacy.

Issues of title and authenticity are increasingly being litigated in court as the value of visual art has risen over several decades. Success in these disputes requires a combination of litigation skills in the context of art, as well as a practical knowledge of art market custom and practice.



STORM KING AT FIFTY

Trusts and Estates



We are blessed with a wide variety of domestic and foreign clients with varied assets and interests, and they always provide a variety of challenges. The continuing uncertainty in the law requires us to continually review clients' plans. To the astonishment of many, the federal estate tax was effectively revoked (for a one year period) as of the end of the year. The federal government issued new rules relating to foreign accounts and required special filings for people who have such accounts, with draconian penalties for those who failed. There were significant changes in Swiss and British laws, on which clients needed advice.

Simply advising clients on how to deal with the possible repeal of the federal estate tax and the generation-skipping transfer tax, and the institution of carry-over basis, which affects the basis of assets in the hands of the persons who inherit them, raises numerous challenging questions. We worked with clients to develop responses to these issues and the continued protection of family assets. We kept everyone up to date when New York twice changed its statutes relating to powers of attorney.

We advised the estate of a prominent songwriter on the valuation of copyrights and how that valuation is affected by changes in the copyright laws. We helped a client find a tax-free way to make gifts to a disabled grandchild. And we assisted a fledgling trust company get off the ground.

Our work is often novel and exciting, but it is the everyday counsel given to clients that is most rewarding and enjoyable. As always, we drafted numerous wills, trusts and related documents, including prenuptial agreements, in 2009, to help old and new clients with their estate plans. We worked on many gift-giving programs, including the transfers of vacation homes and other real property, as well as gifts of business and investment assets likely to appreciate. With historically low interest rates (generally under one percent for loans of less than three years), many clients embarked on lending programs as a way to transfer assets to the next generation without gift tax cost, trusting that their descendants can obtain a rate of return on their investments greater than the low cost of borrowing.

Even with the economy slowing down, disputes and litigation continue. We successfully settled one will contest on terms favorable to our client, and we are nearing the successful settlement of another will contest. We were able to settle on terms favorable to a client/trust beneficiary a bitter family dispute relating to the improper acts of a trustee of very large family trusts. We represented the rightful owners of works of art that had been stolen decades ago in a suit against the estate of the deceased thief, when the death of the thief revealed where the art now reposed.



Karen T. Schiele, who was promoted to counsel, is a member of the Trusts and Estates Department. She advises a number of high wealth individuals, trustees and non-profit organizations with respect to wealth transfer, tax planning and administration. She has served as Secretary of the Estate and Gift Taxation Committee of the Association of the Bar of the City of New York since 2007.

Tax-Exempt Organizations



2009 was the first year public charities were required to file the new, significantly redesigned I.R.S. Form 990, and CL&M advised its charitable clients on how best to respond to the expanded reach of the new form. We helped many of our clients implement effective governance policies that addressed the new I.R.S. requirements while avoiding unnecessarily burdensome procedures.

We continued our work with **Museum of American Finance**, the **South Street Seaport Museum**, and the **Holland Masonic Historical Society** both on general legal matters and issues specific to institutions with collections. We provided corporate governance and intellectual property advice to **Storm King Art Center**. SKAC, located in Mountainville, New York, celebrates the interaction of art and nature with more than 100 sculptures of acclaimed modern and contemporary artists exhibited outdoors on 500 acres of Hudson Valley landscape.



Our trade association work included assisting the **Halloween Industry Association** with its sponsorship of the annual Halloween & Party Expo. HIA seeks to promote and build the celebration of Halloween in the United States. We also continued to act for **Materials Technology Institute, Inc.**, a research association of the world's major chemical process companies.

We continue to represent the **Regional Greenhouse Gas Initiative, Inc.**, established to assist the 10 states forming part of the Regional Greenhouse Gas Initiative to reduce greenhouse gas emissions in New England, New York, New Jersey, Delaware and Maryland through a regional cap and trade system. RGGI's auctions of emissions allowances continued throughout 2009, and regulations for emissions offsets programs are being developed. During the year, we advised RGGI on its tax reporting obligations, among other matters.

We continued to provide a range of services to the **Beth Abraham Family of Health Services** and its affiliates, in particular **Comprehensive Care Management Corporation**. CCMC continued to expand its program of managed care for the elderly in 2009 despite the difficult economy. CCMC entered into leases in the Bronx and Queens, completed new facilities in Manhattan and on Long Island, and contracted for design and construction of facilities at sites in Brooklyn.

In 2010, our presence in the not-for-profit sector will expand to include some of the major lenders in the health care and education space. We also anticipate significant involvement in the expansion of the "bank qualified bond" market, including advising on structuring bank investment vehicles to hold pools of bank qualified bonds for sale to eligible institutions.

Civic Priorities



Pro Bono Real Estate

One of our partners represented **Matthew Greenberg** and the board of the **Growing Up Green Charter School** (www.gugcs.org) in connection with the lease of an unused school building owned by the Parish of St. Peter's in the Archdiocese of the City of New York in Long Island City. We represented **Jessica Pliska**, the director and founder of The Opportunity Network (www.opportunitynetwork.org) in connection with the sublet of midtown office space. We also represented **Zeke Vanderhoek**, the principal and founder of The Equity Charter School (www.tepcharter.org) in connection with leasing space in Washington Heights, NYC.

Copenhagen Climate Change Conference

The **Copenhagen Climate Change Conference** was analyzed in the New York Law Journal by one of our partners, who attended the Conference as the Journal's international environmental columnist. This partner also teaches a course on climate change at Brooklyn Law School and has written extensively about pending federal and state climate change initiatives.

New Yorkers for Parks

New Yorkers for Parks (NYP) is one of the state's most important parks advocacy organizations. CL&M continues to provide *pro bono* services to NYP, advising on municipal efforts to use parkland for non-park purposes, amendments to laws affecting parks, and conservation of privately owned open space, among other matters.

Clean Water

One of our partners was named to the Board of Directors of the **JNF-Parsons Water Fund**, a part of the Jewish National Fund, which is working to address the on-going water crisis in Israel and to improve the supply and efficient use and reuse of water in Israel. In addition, our partner co-founded and was elected President of the **Water Resources Action Project, Inc.** (WRAP), a not-for-profit organization whose goal is to improve water quality for under-served communities in the Middle East.



Attorney Directory

Questions or Comments

If you have any questions or comments about any article, kindly contact Michael Shapiro (212-238-8676 or mshapiro@clm.com), Alan Bernstein (212-238-8795 or bernstein@clm.com), Tom Davis (212-238-8850 or davis@clm.com), Daniel McSwiggan (212-238-8760 or mcswiggan@clm.com), or Maria D. Velazquez at (212-238-8670 or velazquez@clm.com).

Joshua E. Abraham	212-238-8686	Mary Beth Werner Lee	212-238-8868
Bhavna Agnihotri	212-238-8765	Kenneth S. Levine	212-238-8622
Theodore Allegaert	212-238-8682	Alan Lewis	212-238-8647
Rita M. Antonacci	212-238-8751	Judith A. Lockhart	212-238-8603
Rose Auslander	212-238-8601	Jeffrey L. Loop	212-238-8681
Howard J. Barnet, Jr.	212-238-8606	Patricia Matzye	212-238-8730
Ann M. Batchelor	212-238-8694	Theodore Y. McDonough	212-238-8788
Edmund J. Behan	212-238-8630	Daniel J. McSwiggan	212-238-8760
Bryce C. Bernards	212-238-8844	Robert A. McTamane	212-238-8711
Alan J. Bernstein	212-238-8795	Karen E. Meara	212-238-8757
Elizabeth C. Black	212-238-8758	Leonard A. Miller	202-623-5706
Sandra Bourgasser-Ketterling	212-238-8618	Emily Milligan	212-238-8628
Jeffrey S. Boxer	212-238-8626	George Minkin	212-238-8702
Barbara B. Brown	212-238-8612	Vincent Monte-Sano	212-238-8808
Stephen V. Burger	212-238-8742	Barry S. Neuman	202-623-5705
Aaron R. Cahn	212-238-8629	Keith D. Nowak	212-238-8610
Chloé D. Caraballo	212-238-8892	Lee A. Ohliger	212-238-8716
Lawrence F. Carnevale	212-238-8617	Richard G. Pierson	212-238-8872
Clifford P. Case III	212-238-8798	Dan S. Pittman	212-238-8854
John R. Casolaro	212-238-8736	Michael K. Plumb	212-238-8794
Jerome J. Caulfield	212-238-8809	Telisport W. Putsavage	202-623-5704
Brooks S. Clark	212-238-8659	Laura A. Reeds	212-238-8718
Justine M. Clark	212-238-8644	Bruce A. Rich	212-238-8895
Faith Colish	212-238-8873	Della P. Richardson	212-238-8712
Richard B. Covey	212-238-8804	Christopher Rizzo	212-238-8677
H. Thomas Davis, Jr.	212-238-8850	Jinsoo J. Ro	212-238-8833
Margaret M. Drohan	212-238-8813	Sharon Rosen	212-238-8690
Matthew D. Dunn	212-238-8706	Joseph M. Ryan	212-238-8701
Jasmin J. Farhangian	212-238-8871	Yasuhiro Saito	212-238-8614
Christine A. Fazio	212-238-8754	Karen T. Schiele	212-238-8667
Zara F. Fernandes	212-238-8827	Gary D. Sesser	212-238-8820
Allison M. Fishkind	202-623-5711	Michael Shapiro	212-238-8676
Peter Flägel	212-238-8649	Catherine B. Sheehy	212-238-8684
Michael I. Frankel	212-238-8802	Pamela S. Shelinsky	212-238-8740
Kelly M. Frisch	212-238-8746	Heywood Shelley	212-238-8709
James Gadsden	212-238-8607	Ethan L. Silver	212-238-8687
Lynn M. Gallagher	202-623-5708	Morris N. Simkin	212-238-8708
Victor J. Gallo	212-238-8771	Scott M. Sisun	212-238-8728
Peter P. McN. Gates	212-238-8710	William H. Sloane	212-238-8623
Steven J. Glusband	212-238-8605	Brian G. Smith	212-238-8826
G. Christina Gray-Trefry	212-238-8696	William F. Sondericker	212-238-8656
Gerald W. Griffin	212-238-8672	Ronald D. Spencer	212-238-8737
Raphael S. Grunfeld	212-238-8653	Ethan I. Strell	212-238-8632
Bryan J. Hall	212-238-8894	Leonardo Trivigno	212-238-8724
John J. Hanley	212-238-8722	Libby Babu Varghese	212-238-8727
Macculloch M. Irving	212-238-8714	Andris J. Vizbaras	212-238-8698
Susan B. Kalib	212-238-8624	Theodore R. Wagner	212-238-8705
Jack Kaplan	212-238-8602	Judith Wallace	212-238-8743
David I. Karabell	212-238-8852	John J. Walsh	212-238-8849
Stephen L. Kass	212-238-8801	Andrew D. Weissman	202-623-5703
Donald J. Kennedy	212-238-8707	John K. Whelan	212-238-8810
Austin D. Keyes	212-238-8641	Christopher J. Young	212-238-8786
Richard N. Kim	212-238-8634	Mark R. Zancolli	212-238-8735
Guy P. Lander	212-238-8619	Robert J.A. Zito	212-238-8768
Stephen F. Lappert	212-238-8717		

Staff Scientists

Robert G. Butz, Ph.D.	202-623-5710
Janine M. Gydus	202-623-5707

Disclaimer: This *Review* may be considered attorney advertising under the rules of some states. The hiring of an attorney is an important decision that should not be based solely upon advertisements. Furthermore, prior results do not guarantee a similar outcome.

CARTER LEDYARD & MILBURN LLP

Partners for Your Business[®]

New York Financial District

2 Wall Street, New York, NY 10005

212-732-3200 Fax 212-732-3232

Washington DC

701 Eighth Street, NW, Washington, DC 20001

202-898-1515 Fax 202-898-1521

Midtown Manhattan

570 Lexington Avenue, New York, NY 10022

212-371-2720 Fax 212-371-4234

www.clm.com