

Involuntary Bankruptcy Petition against PMA in Illinois Dismissed

Editorial Staff

In a front page story in the Jan. 28, 1994 issue of "DC," we reported the \$1,888,734 judgment awarded against Practice Management Associates (PMA) in Florida, and the involuntary bankruptcy filed on PMA in Illinois. We noted in the article that PMA attorneys had filed a motion to dismiss the involuntary bankruptcy petition.

Judge Meyers of the U.S. Bankruptcy Court for the Southern District of Illinois, has now dismissed the involuntary petition of bankruptcy.

PMA filed for dismissal on the legal grounds that an involuntary case may not be commenced when a debtor (PMA) is the subject of a bona fide dispute. The court found PMA in dispute with the petitioner of the involuntary bankruptcy (attorney Larry Beard) in litigation in DuPage County Circuit Court (Illinois), and in Circuit Court in Florida.

Based on the existence of a bona fide dispute between the petitioner and the debtor, the motion to dismiss was granted.

PMA has filed a petition for costs, attorneys' fees, and damages against the petitioning creditors and attorney Larry Beard.

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