

Hugh Marshall, Jim Daniels and Mike Gorman obtain confidential settlement in a case alleging fraud, conspiracy and aiding and abetting fraud against borrower's prior lender

[Hugh Marshall](#), [Jim Daniels](#) and [Mike Gorman](#) recovered for Client bank a confidential settlement from Defendant on allegations of fraud, conspiracy and aiding and abetting fraud. A borrower who had defaulted on a multi-million dollar loan confessed that he never owned any of the collateral he had pledged to secure Client bank's loan. Client bank subsequently learned that the Defendant, borrower's prior lender, knew that the fraudulent borrower did not own all the collateral he had pledged to Defendant and that Defendant encouraged the borrower to pursue alternative financing despite that knowledge. Plaintiff sued Defendant for fraud, conspiracy to commit fraud and aiding and abetting fraud. After heated pre-trial litigation, the parties agreed to settle for a confidential sum.