

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

) CASE NO.
JOSEPH DELGRECO & COMPANY, INC.)
and JOSEPH DELGRECO)
Plaintiff,)
)
vs.)
) <u>NOTICE OF REMOVAL</u>
DLA PIPER, LLP (US))
)
Defendant.)

Pursuant to Rule 9027 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and 28 U.S.C. §§ 1334 and 1452(a), defendant plaintiff Joseph DeGreco & Company, Inc. (the “Plaintiff ”), in a civil action pending in the Supreme Court of the State of New York, New York, JOSEPH DELGRECO & COMPANY, INC. and JOSEPH DELGRECO v. DLA PIPER, LLP (US) (the “Action”), by its undersigned attorneys, gives notice that the Action is hereby removed to the United States District for the Southern District of New York (the “District Court”). Removal is based upon the following:

JURISDICTION AND BACKGROUND

1. On July 6, 2010, Joseph DelGreco & Company, Inc. and Joseph DelGreco commenced the Action in state court. The Action has been assigned Index No. 650821/2010. (A copy of the Summons and Complaint in the Action is attached hereto as Exhibit "A").

2. The Action is based upon claims arising from defendant's negligent and reckless conduct.

3. The Action seeks the recovery of \$17,000,000.

4. The Action is in its early stages.

5. On October 8, 2009, Joseph DelGreco & Company, Inc. filed a voluntary Chapter 11 Bankruptcy Petition with the United States Bankruptcy Court for the Southern District of New York. The case was designated Chapter 11 Case No. 09-16041 (ALG) and referred to the Honorable Allan L. Gropper for all purposes.

6. The allegations in the Action arise under and/or are related to Joseph DelGreco & Company, Inc.'s Chapter 11 case under the Bankruptcy Code.

7. Thus, removal of the Action is appropriate under 28 U.S.C. § 1452(a), which allows for the removal of claims and causes of action in a civil action, other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power.

8. The District Court has jurisdiction over the Action pursuant to 28 U.S.C. §§ 1334 and 1452(a).

9. This Court derives its authority to hear and determine the Action on reference from the District Court pursuant to 28 U.S.C. §§ 157(a) and (b)(1) and the District Court's General Order of Reference.

VENUE

10. Venue for removal purposes is proper in this Court pursuant to 28 U.S.C. § 1452(a) and Bankruptcy Rule 9027(a), because the Action is pending in a court in this District and the District Court has jurisdiction under 28 U.S.C. § 1334.

CORE/NON-CORE PROCEEDINGS

11. This action is a “core proceeding” within the meaning of 28 U.S.C. § 157(b)(2)(A) and (O).

MISCELLANEOUS REQUIREMENTS

12. All prerequisites for removal under 28 U.S.C. § 1452 and Bankruptcy Rule 9027 and any other applicable provisions of law have been met.

13. Joseph DelGreco & Company, Inc. will promptly file a true and correct copy of this Notice of Removal with the Clerk of the Court from which the Action was removed.

14. Joseph DelGreco & Company, Inc. will promptly serve a true and correct copy of this Notice of Removal upon counsel for all parties with an interest in the removed Action.

15. Pursuant to Bankruptcy Rule 9027(a), copies of all process and pleadings in the underlying Action are annexed hereto as Exhibits.

WHEREFORE, Joseph DelGreco & Company, Inc. removes the Action to the United States District Court for the Southern District of New York, and requests that the Action be transferred and referred to the United States Bankruptcy Court for the Southern District of New York pursuant to 28 U.S.C. § 157(a) and the District Court's General Order of Reference.

Dated: New York, New York
July 23, 2010

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Company, Inc.
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By: /S/ Joel M. Shafferman
Joel M. Shafferman