

SEPTEMBER 16, 2026 | NEWS

Shumaker Secures Federal Appellate Win in Pro Bono Bankruptcy Case

TAMPA, FL — Shumaker has secured a significant appellate win in the United States District Court for the Middle District of Florida on behalf of pro bono client Calvin Godwin, following a multi-year legal dispute involving complex questions of bankruptcy and fiduciary law.

U.S. District Judge William F. Jung issued an order on September 15 affirming the Bankruptcy Court's judgment in Godwin's favor and overruling the plaintiffs' objections on appeal.

The case stems from Godwin's involvement with Global Team Electric, LLC (GTE), an electrical contracting company he co-founded. GTE had entered into collective bargaining agreements requiring the company to make monthly fringe benefit contributions to union employee benefit plans.

After the company experienced financial difficulties and fell behind on certain required contributions, the Carolinas Electrical Workers Retirement Fund, National Electrical Benefit Fund, and Family Medical Care Plan (the Funds) challenged the dischargeability of the debt in Godwin's personal Chapter 7 bankruptcy proceeding.

The Funds argued that Godwin's handling of company funds constituted a breach of fiduciary duty that met the requirements for the debt to be excepted from discharge under federal bankruptcy law.

Following a multi-day trial, the Bankruptcy Court determined that the plaintiffs had not met the legal burden required to establish nondischargeability under 11 U.S.C. § 523(a)(4). The plaintiffs subsequently appealed.

On appeal, the District Court reviewed the Bankruptcy Court's legal conclusions, factual findings, trial record, and credibility determinations. Judge Jung concluded that the Bankruptcy Court applied the proper legal standard and that its factual findings were not clearly erroneous.

Central to the case was the U.S. Supreme Court's decision in *Bullock v. BankChampaign, N.A.*, which established the level of intent required for a debt arising from a fiduciary's conduct to be excepted from discharge. The standard requires actual knowledge of wrongdoing or a level of reckless conduct treated as

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equivalent under criminal law.

The District Court ultimately determined that the Bankruptcy Court's findings were "reasoned, free of clear error" and affirmed its judgment.

"This was a complex case that turned on a very specific and demanding standard under federal bankruptcy law," said Shumaker Partner Steve Berman. "Our role was to make sure our client had strong representation throughout the appellate process and that the Bankruptcy Court's findings were properly defended on appeal. We are pleased that the District Court affirmed the judgment."

Shumaker represented Godwin on a pro bono basis, reflecting the firm's broader commitment to providing legal representation in matters where individuals may otherwise have difficulty accessing experienced counsel.

"Pro bono representation is about ensuring that everyone has meaningful access to the legal system, regardless of the complexity of the case," Steve added. "Our attorneys take that responsibility seriously, and we are proud of the work the team put into this appeal."

Steve Berman argued the case alongside colleagues Seth Traub and Chase Robinson.