

SERVICE

Bankruptcy, Workout and Business Reorganization



ATTORNEYS

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Bankruptcy, receiverships, and other legal mechanisms are frequently employed by businesses to effectuate a reorganization, liquidation, or going concern sale. Financially distressed businesses and their principals, creditors, and other interested third-parties require legal representation to assist them in formulating and implementing strategies to protect their interests and otherwise to advance their objectives based on established legal principles and good business sense.

The firm maintains a diverse and sophisticated bankruptcy and workout practice that cuts across numerous industries, roles, and legal settings. In larger cases, the bankruptcy group teams up with other practice groups within the firm, especially litigation, corporate and real estate.

CHAPTERS 11 AND 7 (REORGANIZATION AND LIQUIDATION).

The firm's practice encompasses substantial experience in chapter 11 reorganizations. We represent debtors in possession, trustees, creditors' committees, secured and unsecured creditors, DIP lenders, landlords, purchasers of assets and equity holders. We also represent both debtors and creditors in business-related chapter 7 liquidations.

RECEIVERSHIPS.

Under the right circumstances, state court receiverships provide a less expensive and more effective alternative to bankruptcy. Members of the firm have been involved in nearly all aspects of state court receiverships, including representing receivers, petitioning for appointment of receivers, and defending against such petitions.

OUT-OF-COURT WORKOUTS.

Out-of-court loan workouts and restructurings are generally preferable to bankruptcy and other court or administrative tribunals. They provide greater flexibility, are less costly, and are

generally more predictable. Their success, however, depends entirely on the outcome of a voluntary negotiation. The firm has substantial experience in conducting complex workouts, with several attorneys possessing the depth of legal skills over a broad spectrum of legal areas to achieve our clients' objectives in negotiation.

DIVERSITY OF INDUSTRIES.

The firm's practice in business reorganization and liquidation cuts across a wide diversity of industries, including real estate, health care, manufacturing, transportation, technology and other service industries.

EXPERIENCE

- Chapter 11 counsel in liquidation of largest granite curbing company in the United States, including the sale of five quarries located in three states, and the controlled liquidation of over \$1 million in curbing and other granite inventory, resulting in payment in full of principal secured claim and settlement of priority wage claims of over 60 former employees.
- Chapter 7 counsel to individual real estate developer with over \$50 million of foreign debt, including an effective restructuring of U.S. real estate business.
- Successful prosecution of objection to discharge through trial and appeal on behalf of creditor against debtor whose inadequate record-keeping practices in insurance business prevented a sale of assets.
- Co-counsel to Creditors Committee in chapter 11 reorganization and settlement of debtor's guaranty of nearly \$20 billion in securitized and privately held student loans involving over 15 national financial institutions and several securitization trusts.
- Successful prosecution and recovery of fraudulent transfers on behalf of bankruptcy trustee arising from corporate principal having caused bankrupt corporation to transfer assets to him in exchange for services having little or no value.
- Successful defense through trial of creditor in bankruptcy trustee's challenge to security interest in bankrupt's chattel paper portfolio, eventually valued at \$3.6 million.
- Representation of buyer in chapter 11 acquisition of largest hockey retail chain in Midwest.
- Successful defense through summary judgment of national law firm in \$70 million legal malpractice claim brought by chapter 7 trustee.
- Counsel to state court receiver in real estate fraud case in which 17 real properties aggregating \$3 million in value were successfully recovered for the benefit of the receivership estate and its creditors.