

Bankruptcy & Creditors' Rights Practice Group

The Bankruptcy and Creditors' Rights Practice Group has experience representing many of the numerous parties and interests that interact in bankruptcy and creditors' rights matters. We are actively involved in:

- chapter 11 reorganization;
- chapter 7 liquidation;
- non-judicial loan restructuring, “workouts” and other alternatives to the bankruptcy process;
- acquisitions of assets in distressed situations, including §363 sales in bankruptcy;
- commercial loan management and recovery;
- asset recovery and commercial foreclosure; and
- bankruptcy and creditors' rights litigation in state and federal courts.

Our attorneys regularly represent financially troubled entities, secured lenders, trustees, unsecured creditors, official creditor and equity committees, commercial landlords, receivers, sellers, purchasers, shareholders, and investors in all aspects of in-court and out-of-court workout, restructuring, and reorganization matters, including:

- negotiation and confirmation of plans of reorganization/liquidation;
- debtor-in-possession financing and cash collateral arrangements and contests;
- foreclosures, replevins and other disputes regarding lenders' rights and remedies;
- Uniform Commercial Code sales;
- receiverships;
- preference and fraudulent transfer litigation;
- assignments for the benefit of creditors;
- automatic stay litigation and enforcement;
- bankruptcy sales;
- assumption and rejection of property leases and executory contracts;
- objections to discharge; and
- landlord-tenant disputes.

Our bankruptcy and creditors' rights attorneys have assisted clients in the following areas:

DEBTORS

- Represented a health care clinic in its reorganization efforts, including operational restructuring and the simultaneous appeal of an adverse judgment affecting the Debtor's cash flow.
- Represented a system process manufacturer in §363 sale of their businesses and the negotiation and confirmation of a liquidating plan.
- Represented certain debtors as part of a Detroit-based international auto parts manufacturing enterprise in the sale of business and liquidation of remaining assets, including collection and avoidance actions against the debtors' former director.
- Represented a physician practice management company in liquidation of practice assets through divestiture/structured settlement transactions with affiliated physician practices, which led to the confirmation of a liquidating plan in their Delaware chapter 11 cases.

- Represented a non-hazardous waste disposal entity in its operational restructuring efforts which included resolving its complex, multi-year litigation with a lessor and competitor and resulted in the successful confirmation of the debtor's plan of reorganization.
- Represented a small cartage company in its successful financing negotiations with multiple secured creditors and the eventual voluntary dismissal of its pending chapter 11 case.
- Represented an Atlanta-based telecom company in chapter 11 liquidation proceedings.
- Represented a telecom company in its successful chapter 11 reorganization through a merger transaction.
- Represented a Denver-based nationwide metal recycler in its multistate assignment for the benefit of creditors.

SECURED / UNSECURED CREDITORS

- Defended CLEC providing telecommunications services to an ISP debtor in an injunction proceeding brought before the bankruptcy court, wherein debtor sought to force our client to "port" certain telephone numbers to the debtor's new service providers. Obtained reversal from 7th Circuit in expedited appeal of the bankruptcy court's injunction order forcing porting of the numbers.
- Represented a large financial institution as the senior lender holding claims in excess of \$45 million in the matter of an operating paper mill. Guided the client through a cash collateral dispute, §363 sale, and several mechanic lien disputes.
- Represented a national gas company in asserting its environmental-related claims in the bankruptcy case of a marine equipment manufacturer. The gas company was a PRP with respect to heavily contaminated property in Illinois owned by the debtor.
- Represented a large financial corporation in a variety of matters, including the attempted chapter 11 reorganization (and eventual liquidation) of an Illinois-based textile manufacturer, and several state court foreclosure proceedings involving SBA guaranteed loans.
- Represented a senior secured lender in its successful recovery of \$21 million in several related liquidating chapter 11 cases.

TRUSTEES, RECEIVERS, AND PLAN ADMINISTRATORS

- Represented the chapter 7 trustees in the prosecution of thousands of nationwide preferential transfer and fraudulent conveyance actions resulting in multi-million dollar recoveries for estates.
- Represented the chapter 11, and subsequently, the chapter 7 trustee in the liquidation of an aluminum plate manufacturer.
- Represented a court-appointed receiver in negotiations with lenders, developers and municipalities in seven related commercial foreclosure cases pending against a bankrupt real estate developer in northern Illinois and southern Wisconsin relating to hundreds of parcels of real estate originally valued in excess of \$40 million.
- Represented a chapter 11 debtor, and subsequently, the plan administrator in prosecuting certain preference claims and objections to proofs of claims.

COMMITTEES

- Represented creditors' committee in a chapter 11 case of California wholesale electricity exchange, where unsecured creditors received 100 percent distribution on allowed claims.
- Represented the creditors' committee of a Catholic publishing company in its successful attempts to obtain an "upfront" recovery as well as participate in the asset purchasers' future revenue stream.
- Represented a committee of equity security holders opposing prepackaged plan.

ASSET PURCHASERS

- Represented the owner of a group of national fast food restaurants in negotiations and bid on the assets of a corporation in the context of its chapter 11 proceedings in New York.
- Represented the purchasers of business and personal assets from chapter 7 estates.

OUTSIDE IN-HOUSE BANKRUPTCY COUNSEL

The Bankruptcy and Creditors' Rights Practice Group also offers outside in-house bankruptcy counsel services to a number of corporate clients. Cognizant that many in-house legal departments do not have uniquely focused bankruptcy and creditors' rights experience, our attorneys serve as in-house counsel from an outside perspective.

Our outside in-house bankruptcy services provide a number of our corporate clients with the ability to forward all bankruptcy-related issues directly to our bankruptcy practitioners for evaluation, analysis, and recommended next steps. Often the initial evaluation is as simple as a description of the letter, notice or pleading received, its potential ramifications, and a recommendation that no other action be taken. Other times we may identify time sensitive issues and recommend immediate involvement to protect and preserve our clients' interests. Either way, our clients are secure in the knowledge that the matter has been reviewed and analyzed by counselors experienced in these specific types of matters. Our many offerings include, but are in no way limited to:

- review of bankruptcy-related correspondence, notices and pleadings and counseling in regard thereto;
- completion and filing of proofs of claim;
- creditors' committee formation and membership responsibility issues;
- automatic stay violation issues;
- critical vendor eligibility issues;
- representation in preferential transfer/fraudulent conveyance proceedings;
- unexpired lease/executory contract assumption and rejection issues; and
- plan of reorganization process guidance.

for further INFORMATION,
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