

## **Bankruptcy, Reorganization and Creditors' Rights**

Even in the most successful bankruptcy case, those involved rarely come out unscathed. For creditors, lenders and stakeholders often face uphill battles to recover some portion of their advances or investments in a distressed or failing business.

The attorneys in Pryor Cashman's Bankruptcy, Reorganization and Creditors' Rights Group anticipate and mitigate the impact of bankruptcy on our clients and their businesses. As trusted advisors and formidable advocates, we assist financially troubled entities and individuals, or their creditors, in evaluating in- and out-of-court options, and represent them when bankruptcy or insolvency proceedings ensue. With client goals always driving our strategy, we work efficiently to achieve cost-effective solutions that yield the maximum benefit.

### **What We Do**

From single-creditor claims to complex investment and debt instruments, Pryor Cashman's bankruptcy lawyers assist clients with strategic motion practice and evidentiary proceedings, contested matters, trials and appeals. Our clients include debtors and creditors, unsecured creditors' and equity holders' committees, landlords and lessors, indenture trustees, trade creditors, labor unions, pension funds and asset purchasers.

Largely representing creditors, we appear in federal and state courts, administrative agency proceedings, arbitrations and mediations, handling all phases of Chapter 11 and Chapter 7 bankruptcy proceedings, and state law insolvency and business dissolution proceedings. We also negotiate the terms of reorganization and restructuring plans for clients in a variety of industries, including manufacturing, retail, banking, real estate, and entertainment.

### **Bankruptcy and Insolvency-Related Litigation**

Our litigators have played pivotal roles in many high-stakes, high-profile bankruptcies and reorganizations, representing clients ranging from multibillion-dollar financial institutions and private equity and distressed debt funds to small and midsize companies, individuals, trusts and family offices. In the highly publicized *Madoff* case, we represent over 65 injured customers and clawback targets — from individuals and decedents' estates to family partnerships and sizable trusts — and have taken a lead role in key litigation that affects thousands of former Madoff customers.

We handle litigation in a full range of bankruptcy, financing and insolvency proceedings, including cases involving mortgage-backed securities and collateralized debt obligations for banks, private equity firms and hedge funds. Our lawyers also assert the interests of lenders and creditors in real property foreclosure proceedings. For example, in the following cases, we represented:

- *Res Cap*: mortgage originators sued by the ResCap Liquidating Trust seeking to hold our clients liable for tens of millions of dollars for alleged breach of contract  
*Dewey & LeBoeuf*: equipment lessors as creditors and as litigants against former firm insiders
- *Lyondell*: targets of avoidance actions commenced in connection with the debtors' failed leveraged buyouts

We have litigated complex mass tort bankruptcies, including high-profile asbestos cases such as W.R. Grace, representing asbestos property damage claimants, and Burns and Roe Enterprises, where we are counsel for the Representative of Future Asbestos Persons Injury Claims.

### **Corporate Bonds and Indenture Trustees**

Our Bankruptcy Group is highly regarded for its work with financial institutions serving as indenture trustees of publicly issued debt in bond defaults and issuer bankruptcy proceedings. Our lawyers have played prominent roles assisting indenture trustees who are members of official creditors committees in non-bankruptcy default situations, and in large, complex corporate bankruptcy cases such as Momentive, AMR Corporation, NewPage Corporation, Tribune Company and Cooper Standard.

Collaborating with attorneys from our [Corporate Trust] practice, we apply our team's unusually deep experience and substantial skills to help indenture trustee clients carry out fiduciary and contractual duties, facilitate distributions to holders resulting from issuer reorganizations and liquidations, coordinate bondholder communications, defend and prosecute litigation claims, and negotiate issuer reorganizations and restructurings.

### **Asset Sales and Claims Trading**

We frequently advise clients regarding the purchase of assets and contracts from debtors' estates and have represented stalking horse bidders, competing bidders, and third parties whose rights may be affected by a bankruptcy sale or contract assumption and assignment. Additionally, we support numerous prominent claims traders in all aspects of their transactions and in resolving disputes, litigating when necessary.