

## Bankruptcy and Creditors' Rights

**Whether you're a bank with troubled loans or a borrower facing financial troubles, there's never just one solution. That's why no cookie cutters reside in Carrington Coleman's toolkit, and why it's so essential to understand the goals of every client.**

Carrington Coleman knows banks and the businesses into which they loan. We also know that negotiating solutions versus litigating is often a complex decision. Understanding the differences and finding the right solutions to fit both the facts and the client's business objectives are hallmarks of our practice. "Anyone can figure out a way to burn it down," says firm Partner Michael Sutherland. "That's sometimes necessary but doesn't take much skill. But fixing the company and its problems is the most rewarding work there is."

### A broad range of creditors and borrowers

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Our range of lender clients is broad, including large regional banks, lending groups and other lenders, secured creditors, and creditors' committees, some of which we have represented for decades. We also represent corporate borrowers, trustees, contract parties, licensors, and the like. Among them are oil and gas companies, landlords, tenants, healthcare companies, multi-family housing entities, airlines, retailers, and restaurants, as well as not-for-profits and municipalities. But we're not here just to win a fight; we're also very good at bankruptcy-proofing acquisitions, transactions, contracts, and other agreements.

### A "breath of fresh air" for many clients

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We're proud to be a middle-market practice because most cases don't need the huge firm and its phalanx of lawyers exploring every angle, relevant or not, on the client's nickel. We're tough but always do the right thing for the client. We fight smart – precisely and professionally. Importantly, we pick the battles that ought to be fought. According to one client's CFO, we're "a breadth of fresh air" (after he'd seen a national law firm piling on too many lawyers in the case). And, while we may be in the middle market, our reach is national, working with creditors and debtors throughout the U.S.

### Helping companies rebuild from the COVID effect

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The COVID pandemic has been brutal for many industries, including restaurants, retail chains, hospitality enterprises, healthcare providers, and the like, with bankruptcies spiking or "waiting in the wings." As pandemic-related props dissipate or disappear altogether, to stay viable many companies will have to reorganize, rebuild their markets, and infuse fresh capital. Other businesses that are cyclical by nature, such as home building and commercial office space leasing, will have to adjust to their current realities. All of this means clients will be turning to Carrington Coleman's bankruptcy and insolvency lawyers for their experience and skill in helping companies use the bankruptcy and insolvency laws to recreate themselves and, hopefully, stay in business.

## Areas of Focus

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### **Core Bankruptcy Cases**

Our litigation efforts can involve intense battles over whether a plan of reorganization may be confirmed; whether the automatic stay should be lifted to permit foreclosure; whether contracts may be cured, reinstated, assigned or terminated; or whether significant assets or the entire business should be sold. But while litigation is often necessary, our team regularly consults with clients on ways to avoid litigation through skilled negotiations and by drafting contracts and other agreements in a way that helps avoid bankruptcy in the first place.

### **Non-core Bankruptcy Litigation**

Insolvency often generates a host of litigation, which we defend and prosecute aggressively. We have considerable experience in sorting out where and how such litigation should proceed and be resolved. Among them are:

- Complex and often expansive professional liability claims against directors and officers, attorneys, accountants, and other professionals involved
- Insurance coverage disputes
- Lender liability disputes
- Inter-creditor disputes and litigation
- Preference actions
- Fraudulent transfer litigation
- intellectual property disputes

## Primary Contacts

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