

# JENNER & BLOCK

RESTRUCTURING AND BANKRUPTCY



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## RESTRUCTURING AND BANKRUPTCY

### **Our lawyers handle a wide range of matters in high-profile, complex domestic and cross-border corporate reorganizations.**

We represent public and private companies, investors, lenders, creditors, and equity holders in bankruptcy cases, out-of-court restructurings, debt for equity exchanges, “internal” reorganizations, and distressed asset purchases and sales. We advise clients on credit issues, derivatives, structured finance and liability minimizing strategies. We also represent trustees, examiners, creditors’ committees, equity committees and retiree committees in chapter 11 cases, as well as trustees in chapter 7 cases.

### **We have a nationally recognized bankruptcy litigation practice.**

We have tried complex insolvency-related lawsuits and adversary proceedings throughout the country. Our lawyers have both prosecuted and defended high-stakes clawback, breach of fiduciary duty and successor liability cases. We have represented stakeholders in contested debtor-in-possession financing, trustee appointment and plan confirmation hearings. Our lawyers have successfully argued dozens of bankruptcy appeals, including landmark cases before the U.S. Supreme Court. And we serve in fiduciary and independent capacities, conducting fraud and internal examinations and acting as or representing the examiner or trustee in a wide range of cases. Our distinctive client profile typically allows us to serve conflict-free in litigated bankruptcy matters.

### **Our lawyers are considered authoritative sources in the industry.**

The members of our practice are regular presenters at bankruptcy and restructuring conferences throughout the world. Five members of the practice are Fellows of the American College of Bankruptcy; two are members of the National Bankruptcy Conference (including its former chair); two are members of the International Insolvency Institute; several are contributing authors or editors of *Colliers on Bankruptcy*, the leading bankruptcy treatise, with one of our lawyers serving as the treatise’s co-editor in chief; and several teach bankruptcy law and corporate restructuring at top law schools.

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## REPRESENTATIVE RESTRUCTURING AND BANKRUPTCY EXPERIENCE

### BANKRUPTCY LITIGATION

#### **Ambac Assurance Corporation**

Represented hedge funds holding \$1+ billion of RMBS in challenging the rehabilitation plan of Ambac Assurance, ultimately permitting the holders to realize substantial recoveries.

#### **The Babcock & Wilcox Company**

Defended debtors' parent company McDermott International against fraudulent transfer claims asserted by the asbestos claimant's committee in its subsidiary's bankruptcy case.

#### **Bernard L. Madoff Investments Securities**

Representation of numerous clawback defendants in the Madoff SIPA liquidation proceeding and related Fairfield Sentry Ltd. BVI liquidation; reached first Madoff settlement for third largest feeder fund.

#### **Capmark Liquidating Trust**

Represented liquidation trust pursuing claims against swaps counterparties.

#### **Canopy Financial**

Prosecuted numerous clawback and other actions in fraud case involving forged financial statements and the misappropriation of funds from thousands of individual HSAs.

#### **Chicago Tribune**

Representation of Sam Zell in connection with LBO fraudulent transfer litigation arising from transaction in which Chicago Tribune became owned by an employee stock ownership plan.

#### **Consolidated Industries Corporation**

Obtained \$70 million fraudulent transfer judgment against the debtor's former owners.

#### **Corp. Resource Services/TS Employment**

Representation of chapter 11 trustee in clawback and malpractice lawsuits arising from bankruptcy involving \$200 million in unpaid payroll tax liabilities.

#### **DACCO Transmission NY, Ltd.**

Examiner and examiner's counsel investigating law firm conflicts and disclosure issues.

#### **Delphi Automotive Transmission NY, Ltd.**

Successfully defended major supplier against \$90 million clawback claim.

#### **Emerald Casino**

Representation of bankruptcy trustee in trial against the casino's former directors and officers, obtaining a \$272 million trial judgment arising from casino's loss of its gaming license.

#### **EXDS Inc. (Exodus Comm.) Liquidating Trust**

Representation of liquidating trust in all post confirmation matters and clawback litigation.

#### **Essar Steel Minnesota**

Represented global steelmaker in pursuing \$1.4 billion claim against debtor and affiliates.

#### **Federal Mogul Asbestos P.I. Trust**

Representation of the trust in First Circuit appeal from judgment limiting the trust's claims against its insurance carrier.

#### **Griffin Trading Group**

Represented chapter 7 trustee in trial against commodity broker's owners for breach of fiduciary duty arising out of misuse of customer segregated funds, including successful appeal.

#### **Highland Capital Management**

Representation of fund's investors in breach of fiduciary duty arbitration claims against fund manager and subsequent chapter 11 case.

#### **hhGregg**

Represented consignor challenging debtor's and lender's use of \$10+ million in consigned goods proceeds that were not delivered to consignor.

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## **Lake States Commodities**

Defeated at trial and on appeal attempts to recover alleged fraudulent transfers made to investors in this Ponzi scheme.

## **Lancelot Investors Fund, L.P.**

Representation of the chapter 7 trustee of hedge funds that were largest investors in the Petters ponzi scheme in clawback, fraud and other bankruptcy litigation.

## ***Law v. Siegel***

Successfully defeated in the U.S. Supreme Court a chapter 7 trustee's attempt to vest bankruptcy judges with equitable discretion to disregard Bankruptcy Code protections for individual debtors.

## **Lehman Brothers Holdings, Inc. Examiner**

Authored the landmark 2,200-page "Valukas Report," applauded for its clarity and usefulness.

## **Los Angeles Dodgers**

Representation of Fox Sports' regional sports network in broadcast rights litigation arising in the Los Angeles Dodgers bankruptcy case.

## **Magnatrx**

Represented company's bankruptcy liquidation trust in fraudulent transfer, breach of fiduciary duty and alter ego claims against former owners.

## **Midway Airlines**

Successfully defended Northwest Airlines against bankruptcy trustee's claims of breach of 363 sale agreement with bankrupt airline.

## **Midwest Equipment**

Defeated bankruptcy trustee's fraudulent transfer claim against Harrah's casino on summary judgment.

## ***NextWave Communications v. FCC***

Overtaken in the U.S. Supreme Court the FCC's wrongful repossession of billions of dollars' worth of wireless phone spectrum after NextWave's chapter 11 filing.

## **NKK (National Steel Corp.) Litigation Trust**

Prosecuted claims against former owner, settling for \$75 million (75% of claimed amount).

## **Peregrine Financial**

Represented National Futures Association, the debtor's self-regulatory reorganization, in litigation and internal investigations arising from this commodity broker fraud case.

## **PG&E Corporation**

Representing PG&E in criminal and other litigation related to its chapter 11 bankruptcy case arising from California wildfire claims.

## **Physiotherapy**

Defended CEO of medical services company in bankruptcy litigation involving of breach of fiduciary duty and fraudulent transfer claims.

## **Rupari**

Defended the former officers and inside directors against breach of fiduciary duty claims.

## **Sentinel Management Group**

Representation of liquidation trustee in \$1+ billion investment advisor fraud case, including clawback trials and appeals involving "safe harbor" and novel customer property issues; trials and appeals against Sentinel's lender, which accepted putative customer property as collateral for loans; claims against its auditors; claims against brokers who sold securities to Sentinel; and claims against Sentinel's insiders.

## **Veluchamy**

Defended recipient of alleged fraudulent transfers at trial in which our client was the only defendant who escaped liability.

## ***Wellness International Network v. Sharif***

Landmark U.S. Supreme Court victory establishing the bankruptcy courts' jurisdiction to hear and decide bankruptcy-related litigation.

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## DEBTORS AND TRUSTEES

### **Arlington Hospitality Inc.**

Debtor's counsel in chapter 11 case and related sale to Sunburst Hotel Holdings, Inc.

### **Canopy Financial, Inc.**

Debtor's counsel in liquidating chapter 11 case involving misappropriation of HSA accounts.

### **Chicago Athletic Association**

Debtor's counsel in chapter 11 case and related section 363 sale.

### **Covanta Energy Corporation**

Representation of Covanta Energy and more than 150 subsidiaries in their chapter 11 cases, resulting in a successful reorganization.

### **Energy Future Intermediate Holding Co.**

Independent counsel for intercompany conflicts matters in energy company's chapter 11 case.

### **Firestar Diamond Inc.**

Chapter 11 trustee in bankruptcy cases of U.S. subsidiaries of a diamond empire involved in \$1 billion Indian bank fraud.

### **General Motors**

Represented GM in the ground-breaking section 363 sale sponsored by the U.S. Treasury.

### **Harrah's Jazz Company/JCC Holding Cp.**

Represented land-based casino in New Orleans in 3-year contested chapter 11 reorganization and subsequent "chapter 22" case.

### **Muskegon Redev. Ltd. Div. Housing Assn.**

Debtor's counsel in successful chapter 11 reorganization of tax-credit financed affordable housing development.

### **New York City Off Track Betting Corp.**

Representation of debtor in first chapter 9 municipal bankruptcy filed in New York State.

### **USA Gymnastics**

Representation of debtor in its chapter 11 reorganization to address claims arising from the Nassar sexual abuse scandal.

### **Refco, LLC**

Representation of chapter 7 trustee acting as special counsel in first-ever sale of a commodity broker business in bankruptcy.

## DISTRESSED M&A AND FINANCE

### **Ellman International**

Represented of medical products manufacturer in extended workout and eventual sale of the company outside of bankruptcy.

### **Exelon Boston Generating Co.**

Counsel in out-of-court restructuring and sale of newly constructed power plants (2,700 MW of capacity) to a group of its secured lenders.

### **MF Global, Inc.**

Represented clearing organization CME Group in planning and implementing the only bulk transfer of undermargined customer accounts to other commodity brokers ever attempted, including \$550 million backstop for SIPC estate.

### **North American Bus Industries**

Represented syndicate of Hungarian banks in bus manufacturer's cross-border out-of-court restructuring and eventual sale to a third party.

### **Perpetua, Inc. (Burr Oak Cemetery)**

Counsel to agent and DIP lenders in Burr Oak Cemetery case precipitated by criminal grave-selling scheme.

### **W.R. Grace**

Representation of buyer of the debtor's gas membranes business in section 363 sale.

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## COMMITTEES

### **American Airlines**

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Representation of official committee of retired salaried and management employees in airline's chapter 11 case.

### **The Budd Company**

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Representation of official committee of executive and administrative retirees in chapter 11 case.

### **Capmark**

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Representation of ad hoc group of unsecured creditors in dispute with secured creditors over plan settlement.

### **Conseco Trust Preferred Committee**

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Represented trust preferred holders committee in insurance holding company's bankruptcy.

### **Greentown Casino, Inc.**

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Representation of official committee of casino's unsecured creditors.

### **Gourmet Kitchens, Inc.**

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Represented official committee of unsecured creditors in chapter 11 case.

### **Handy Andy Home Improvement Stores**

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Representation of creditors' committee in hardware store chain bankruptcy.

### **Keystone Consolidated Industries, Inc.**

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Representation of official committee of unsecured creditors in steel manufacturer's chapter 11 case.

### **Krochs & Brentano**

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Representation of the creditors' committee of the Krochs & Brentano bookstore chain.

### **Meruelo Maddux Properties**

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Representation of official committee of equity holders in chapter 11 real estate developer case.

### **Millcreek Broadcasting, LLC**

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Represented official committee of unsecured creditors in broadcaster's chapter 11 case.

### **Retirees of Northwest Airlines**

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Representation of the retirees in the carrier's Chapter 11 proceedings.

### **Orthodontic Centers of America, Inc.**

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Representation of official committee of unsecured creditors in chapter 11 case.

### **Pentacon**

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Representation of official committee of unsecured creditors in industrial parts distributor's chapter 11 case.

### **UAL Corporation**

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Representation of official committee of retired salaried and management employees in airline's chapter 11 case.

### **Walter Energy**

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Represented official committee of retired employees in coal mine operator's chapter 11 case.

## MUNICIPAL BANKRUPTCIES

### **City of Detroit, Michigan**

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Bankruptcy counsel to Barclays Capital in providing the first-ever chapter 9 "DIP" loan and exit financing to City of Detroit in its municipal bankruptcy case.

### **Detroit Institute of Arts**

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Representation of the art museum in the City of Detroit chapter 9 case, preserving priceless art collection for the City's revitalization.

### **Harrisburg City Council**

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Advice and representation of City Council of Harrisburg, PA in connection with the City's financial distress.

### **Commonwealth of Puerto Rico**

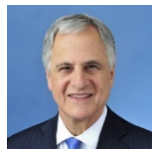
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Representation of official committee of retired employees in the Commonwealth's formal restructuring proceedings.

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## OUR CORE RESTRUCTURING AND BANKRUPTCY TEAM



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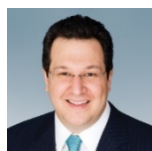
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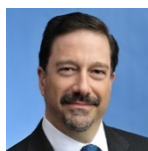
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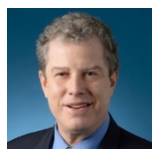
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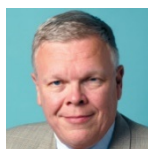
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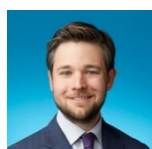
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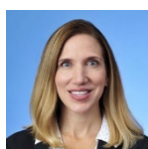
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