

Katten

Katten Muchin Rosenman LLP

INSOLVENCY AND RESTRUCTURING

Our Clients

Katten's Insolvency and Restructuring practice advises debtors, lenders, creditors, official and unofficial committees, fiduciaries, and other parties in complex bankruptcy proceedings, out-of-court restructurings and related state law enforcement actions. We are a recognized market leader in the representation of financial institutions (including in their capacity as administrative agents or indenture trustees) and lender groups in the bankruptcy context.

Our Services

Our national team offers practical, innovative solutions to the complex business and legal issues that arise in the restructuring process, with a focus on resolving clients' economic objectives. We provide proactive, front-end counseling to clients in structuring commercial transactions to identify and minimize risks related to insolvency and bankruptcy. Financial institutions, in their capacity as administrative agents, seek our assistance in restructuring large syndicated loans as well as "club" and middle-market loans. Our lender clients rely on us for thoughtful advice and prompt, market-tested structures and documentation in debtor-in-possession, exit and other bankruptcy-related financings. We are one of the leading firms to represent indenture trustees in connection with credit default administration and related litigation.

Katten's Insolvency and Restructuring attorneys have significant experience representing financially strained enterprises, including as Chapter 11 debtors, in various

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- *Chambers USA*
 - Bankruptcy/Restructuring (California, Illinois) 2019, 2018
- *The Legal 500 United States*
 - Restructuring (including Bankruptcy): Corporate 2019, 2018
- *U.S. News – Best Lawyers®* "Best Law Firms"
 - Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law (National, Chicago, Los Angeles, Orange County) 2019, 2018
 - Litigation – Bankruptcy (National, Chicago) 2019, 2018



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fields such as energy, technology, consumer products, retail and data-collection, and related services. We also represent buyers and sellers of businesses and assets in distressed situations, including in the context of bankruptcy proceedings and through the use of various state law procedures. We frequently represent stalking-horse and other third-party bidders in bankruptcy sales. Our team works closely with the firm's corporate and transactional attorneys to provide the optimal mix of experience in any transaction.

Our attorneys have represented official and *ad hoc* unsecured creditors' committees and individual committee members with respect to various matters that

arise during bankruptcy proceedings, including potential conflict situations involving committee membership and the ability to continue trading. Clients appreciate our ability to effectively guide diverse groups with competing interests toward a reorganization strategy that maximizes recovery for all stakeholders.

Clients often request our counsel in contested matters and adversary proceedings pending before the bankruptcy, district and circuit courts, including in the prosecution of actions with respect to the automatic stay, the use of cash collateral, a debtor's exclusive right to file a plan of reorganization, and the plan disclosure and confirmation process. Our attorneys have been highly successful in the defense of preferences, fraudulent transfers, lender liability and various insolvency-related lawsuits. We also prosecute litigation outside of bankruptcy to enforce our clients' liens, security interests, guarantees and other payment rights. By taking an efficient, productive approach to negotiations and litigation, we avoid both academic debate on esoteric legal points and unnecessary acrimony.

Our Experience

- Lead counsel to WIS International, Inc. and affiliated multinational entities in the successful out-of-court restructuring of \$300 million of senior and mezzanine debt claims. This involved the sale of Canadian and European subsidiaries and the resolution of various tax and litigation claims. Katten's team worked with several groups with diverse interests and oversaw an expedited and economic transformation of the companies.
- Representation of Bank of America as the administrative agent on behalf of a nine-lender syndicate in connection with the restructuring of a defaulted \$160 million credit facility owned by Golden Gaming, a Las Vegas-based operator of four casinos (one with an adjacent hotel), 40 gaming taverns and a 154-location slot-route operation. Half of the lending syndicate was hedge funds with very different goals than the other half of the syndicate, comprised of institutional banks. Katten attorneys worked to bring everyone together to successfully resolve the issue out of Chapter 11, which saved enormous amounts of time and litigation costs.
- Lead counsel to institutional lender Bank of America, the administrative agent in the restructure of a defaulted \$100 million loan to Las Vegas-based, nonprofit, specialty oncology hospital Nevada Cancer Institute. Once Nevada Cancer filed for Chapter 11 in Las Vegas, Katten attorneys were able to help devise a solution that met all of the stakeholders' needs: sell Nevada Cancer Institute to a hospital affiliated with University of California, San Diego to ensure uninterrupted service to patients, and a decent resolution for Bank of America.
- Lead counsel to collateral and indenture trustee for \$725 million first lien senior secured notes issued by Cengage Learning Acquisition Corporation in the \$7 billion debt restructuring of this textbook publisher. Chapter 11 case filed in the US Bankruptcy Court for the Eastern District of New York.
- Lead counsel to a vitamin and nutritional supplement retailer, and affiliated entities, as debtors in their pending Delaware Chapter 11 cases. These cases involved complicated supply and lease agreements and resulted in a successful sale of substantially all of the client's assets. Katten worked with all constituents to greatly accelerate the typical marketing-to-closing timetable.
- Lead counsel to a Chinese investment group in a \$360 million acquisition of a 5,000-unit multifamily real estate project located in Texas and Maryland through the restructure of multi-tranche commercial mortgage-backed securities (CMBS) debt in Chapter 11 case of the prior owner. The transaction was accomplished by discounted purchases of existing debt from certain pre-petition creditors with conversion of debt to equity in the bankruptcy proceeding, with the client ultimately assuming the remaining CMBS debt at favorable restructured terms.
- Lead counsel to indenture trustee for \$6.4 billion first lien notes issued by Caesars Entertainment Operating Company, owner and operator of Caesars Palace Hotel and Casino in Las Vegas and 38 owned or managed gaming and resort properties located in 14 states and five countries, operating primarily under the Caesars, Harrah's and Horseshoe brand names. The Chapter 11 case is pending in the US Bankruptcy Court for the Northern District of Illinois (Chicago).
- Lead counsel to the Official Committee of Equity Security Holders in Chapter 11 case of Tronox, Inc. in the Southern District of New York. Tronox is an

international manufacturer of pigments used in paint and other materials. Tronox filed for bankruptcy protection to address legacy liabilities including environmental remediation and litigation costs it incurred when it was spun off from former parent Kerr McGee, Inc. Total funded debt exceeded \$850 million.

- Representation of Hartford Computer Group, Inc./Nexicore Services, Inc. as debtors in their Chapter 11 cases in the Northern District of Illinois. This is a cross-border transaction and includes Canadian insolvency proceedings. Transaction includes Canadian assets and Katten coordinated with Canadian co-counsel on insolvency, mergers and acquisitions and tax matters to consummate the transaction.
- Defense of a Cayman Island hedge fund against a \$324 million preference action brought by the creditors' committee in the *In re Refco, Inc.* Chapter 11 case in the US Bankruptcy Court for the Southern District of New York.
- Lead counsel to institutional lender as administrative agent for second lien lenders in the restructure of \$266 million credit in the Penton Media Business Holdings (Penton Media) pre-packaged Chapter 11 case in the US Bankruptcy Court for the Southern District of New York. Penton Media publishes 113 business magazines, hosts trade shows, conferences and road shows, and provides various electronic media offerings and other Web-based media products. Plan was confirmed in less than one month after petition date.
- Lead counsel to administrative and collateral agent for the \$275 million second lien credit facility issued by Revel AC, Inc. and secured by the Revel Hotel and Casino in Atlantic City in connection with the Chapter 11 case in the US District Court for the District of New Jersey.
- Lead counsel to indenture trustee for \$250 million secured bonds in connection with the Chapter 11 bankruptcy of Green Field Energy Services in Wilmington, Delaware.
- Lead counsel to Wilmington Trust, N.A. as successor administrative agent in the restructure of \$550 million in defaulted senior notes issued by Green Valley Ranch Gaming, LLC in its Chapter 11 case in Reno, Nevada. Representing more than 50

lenders and Wilmington Trust, Katten sought a swift resolution in this challenging case. Further complicating the matter, in April 2012, Station Casinos, the Las Vegas-based gaming company which owns Green Valley Ranch, filed a prepackaged Chapter 11 bankruptcy reorganization plan for the resort and other joint ventures and subsidiaries as Station Casinos itself emerged from almost two years in bankruptcy. Attorney was at the center of the creditor negotiations, helping to devise a clear path for the lenders which was ultimately approved by the bankruptcy court.

- Lead counsel to the Official Committee of Equity Security Holders in Chapter 11 case of Solutia, Inc. in the Southern District of New York. Solutia is a multinational manufacturer of high-performance chemical-based materials for industrial and consumer use with more than \$2 billion in reported consolidated liabilities as of the petition date.
- Lead counsel to indenture trustee for \$200 million notes issued by Nortel Networks Limited (Canada) in connection with the \$7 billion Nortel sale proceeds allocation dispute litigation in the joint proceedings in the US Bankruptcy Court for the District of Delaware and the Ontario, Canada, Superior Court of Justice.
- Lead counsel for The Bank of New York Mellon Corporation, the collateral and indenture trustee, in the restructure of \$143 million mortgage notes issued by a Circus Circus (MGM) and Eldorado Joint Venture and secured by Silver Legacy Resort Casino in Reno, Nevada. Silver Legacy, the largest hotel and casino in Reno, is an 87,300-square-foot casino with a 37-story hotel tower containing 1,711 guest rooms. The Chapter 11 case, filed on May 17, 2012, is currently pending in this high-stakes bankruptcy matter.
- Lead counsel to U.S. Bancorp and co-lead of the Seventh Circuit and US Supreme Court brief-drafting teams in these related bankruptcy proceedings which involved an appeal through the US Court of Appeals for the Seventh Circuit all the way to the US Supreme Court. At issue was the ability of U.S. Bancorp and its co-lender to credit-bid on a plan of reorganization. The US Supreme Court unanimously ruled in our client's favor and made new law. *In re RadLAX* and *In re River Road*.

- Representation of a metals recycling company in its Chapter 11 proceedings in *In re Recycling Industries, Inc.*, US Bankruptcy Court for the District of Colorado.
- Representation of Robert R. McCormick Foundation and Cantigny Foundation, the former largest shareholders of the *Chicago Tribune*, in its

bankruptcies and in the related multi-district litigation fraudulent transfer actions, believed to be among the largest such actions ever litigated. These are cases of first impression relating to 11 U.S.C. § 546(e) and other fraudulent transfer defenses. Lead litigation counsel and member of the executive committee formed to represent the 20,000+ defendants.

