

Financial Services

Lathrop GPM has an abundance of experience providing sophisticated counsel in all aspects of financial services, including bankruptcy, restructuring and creditors' rights. The firm represents secured and unsecured creditors, debtors, creditors' committees, receivers, landlords and bankruptcy trustees, regularly handling all aspects of complex bankruptcies, workouts, reorganizations, debt restructurings, creditors' rights and remedies, loan enforcement and restructuring, and asset sales and acquisitions. The clients we serve include:

- Secured lenders
- Banks
- Franchisors
- Indenture trustees
- Trade vendors and other unsecured creditors
- Real estate lenders and lessors
- Equipment financiers/lessors
- Agricultural enterprises and lenders
- Creditors' committees
- Insurance companies
- Student loan guarantors

Our team services clients nationwide with extremely varied needs and challenges. It encompasses not only complex bankruptcy and creditors' rights matters, but also other disciplines in which we utilize the firm's experience in:

- Insurance law (regulation insolvency, fraud, coverage claims and negotiating with insurers and co-insureds)
- Real estate law (sales and leases of nationwide assets, prioritizing liens and restructuring mortgages)
- Receiverships (secured creditor receiverships to preserve value of going-concern collateral pending sale or liquidation and fraud receiverships for federal agencies such as SEC and FTC to

- maximize return to defrauded investors and consumers)
- Environmental law (negotiating settlement of nationwide environmental claims and advice concerning liability)
- Corporate law (restructuring equity and pre-bankruptcy reorganization)
- Labor (litigating and negotiating issues involving liability under Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act and union collective bargaining agreements)
- Intellectual property (advice concerning impact to license agreements)
- Tax (strategize and evaluate minimal negative tax implication related to real estate transactions and labor laws)
- Litigation (complex debt collection litigation and related defense of lender liability claims including securities fraud, Equal Credit Opportunity Act, Racketeer Influenced and Corrupt Organizations Act and Anti-Tying claims)

We have represented virtually every type of party in connection with creditors' rights, loan enforcement, workout, and bankruptcy matters. Our banking and creditors' rights attorneys have appeared as primary counsel for secured and unsecured creditors and other parties in interest in cases across the country.

Representative Experience

- Represented a company, formerly the nation's largest retail seller of vehicle service contracts, in Chapter 11 bankruptcy proceedings following charges from several states' attorneys general for aggressive marketing and violations of telemarketing rules. The proceedings involved issues related to employee benefits, tax and employment law. Litigation ensued against the two brother owners in the U.S. District Court for the Eastern District of Missouri to recover money they plundered from the company, having spent lavishly on luxury homes, cars, boats and travel. The case was ultimately settled on the eve of the owners' depositions.
- Represented a lender in providing debtor in possession financing to a group of companies in Delaware Chapter 11 cases. Our client then acquired substantially all of its collateral by credit bidding at an auction of the collateral.

- Represented court-appointed receiver in an SEC securities fraud enforcement action stemming from the Capital Enhancement Club, a Ponzi scheme that affected more than 1,500 investors in the United States, European Union and Australia. Recovered \$10.6 million from parties in the United States, Scotland, Latvia and St. Martin.
- Represented a strategic buyer in its acquisition of a business as a going concern at an auction in a Delaware Chapter 11 case.
- Represented a computer and electronic products manufacturer as secured lender a bankruptcy case in Virginia, pursuing recovery of magnetic resonance imaging (MRI) machines or payment of reasonable value.
- Represented an indenture trustee in connection with three North Carolina assisted living projects whose bonds were in default. We assisted the trustee in creating a strategy to market the facilities and generate competitive bidding at auctions.
- Represented a court-appointed receiver for nine entities whose investment programs defrauded investors and other creditors of more than \$60 million. We assisted the receiver in liquidating assets and distributing proceeds. We commenced fraudulent transfer and other litigation on behalf of the receiver in three states.
- Represented a quick service restaurant franchisor in the Chapter 11 case of a multi-unit franchisee, including the sale of its units.
- Represented numerous preference defendants in jurisdictions throughout the U.S. Cases have ranged from small amounts in disputes to multi-million dollar actions. All cases have been either successfully settled or dismissed.
- Represented creditors' committees in various Chapter 11 bankruptcies filed in Minnesota. We assisted our clients in either negotiating favorable terms for unsecured creditors or in converting the case when reorganization was not in the best interest of the unsecured creditors.
- Represented a bank in a Chapter 11 case regarding a hotel property, including negotiation of agreements for use of cash collateral and a plan of reorganization.
- Represented a hotel franchisor in a Chapter 11 case of a franchise with several hotels and helped recover all post-petition debts, a satisfactory return on unsecured debt, and new arrangements with purchasers.
- Represented a secured supplier of equipment to a major steel producer in a Chapter 11 bankruptcy. We asserted untested lien

rights and a potentially flawed secured position, yet successfully negotiated a near total recovery.

- Represented a major automobile dealer in the purchase of a financially distressed auto dealership through a foreclosure sale under Article 9 of the U.C.C.