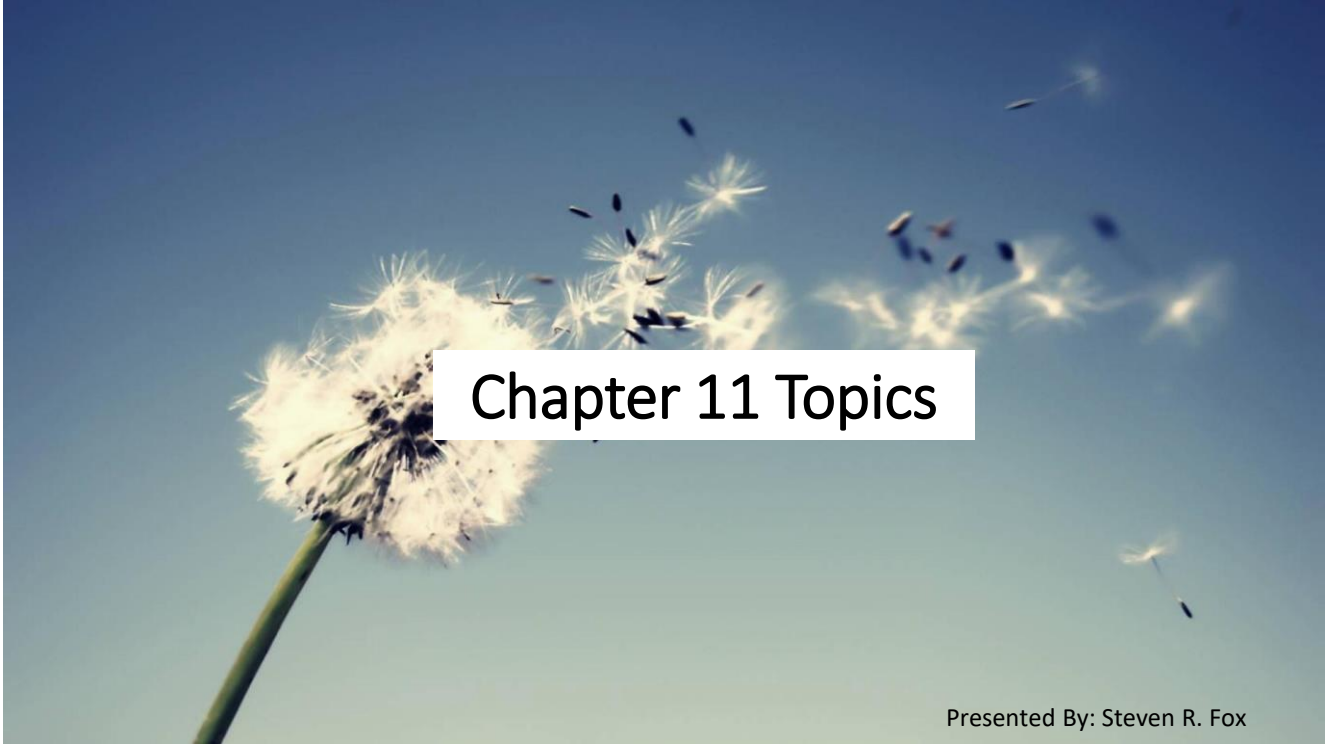

Chapter 11 Topics
Presented By: Steven R. Fox

Chapter 11 Bankruptcy

- Types of Bankruptcy
- Cash Collateral
- Actual Business Reorganization
- Disclosure Statement
- Plan



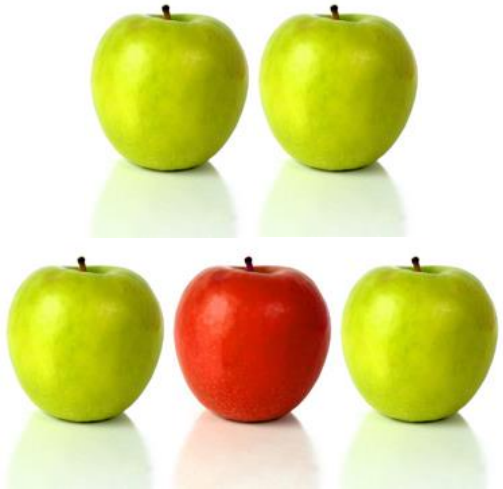
Different Types of Bankruptcy

- Chapter 7
- Chapter 13
- Chapter 11



Different Types of Chapter 11

- Conventional
- Small Business Debtor
- Single Asset Real Estate
- Individual
- Subchater V (SBRA)



Cash Collateral (§363)

- The Debtor is allowed to operate a business during Chapter 11



Cash Collateral (Cont.)

- The Debtor must obtain:
  - Court Approval
  - Creditor Consent



Cash Collateral (Cont.)

- Adequate Protection



Business Reorganization

- Why businesses fail
- Leadership
- Updating the business model



Business Reorganization (Cont.)

- Teaching businesses how to function
- Revenue streams
- Creative problem solving



Business Reorganization (Cont.)

- Making sure they don't file again
- Shows key players this case is serious
- After the case?



Disclosure Statement (§1125)

- Allow creditors to make an informed decision
  Regarding the Plan
- Should contain Adequate Information
- Are you smarter than an 8th Grader?



Disclosure Statement (Cont.)

- Description of business and filing
- Financial information
- Assets and liquidation analysis



Disclosure Statement (Cont.)

- Describe the Plan
- Post-Confirmation
- Pending/contemplated litigation



Plan (§1129)

- Feasibility
- Classes
- Voting



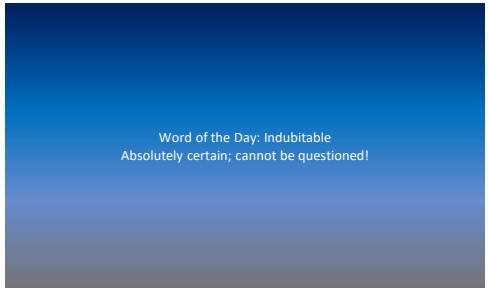
Plan (Cont.)

- Cramdown (§1129(b))
  - This is scary
  - But not actually
- Secured/Unsecured
- Absolute Priority Rule



Plan (Cont.)

- Competing Plans
- Confirmation
- Post-Confirmation Issues



Conclusion

Chapter 11 Cases Are Difficult

Get Help and Ask Questions

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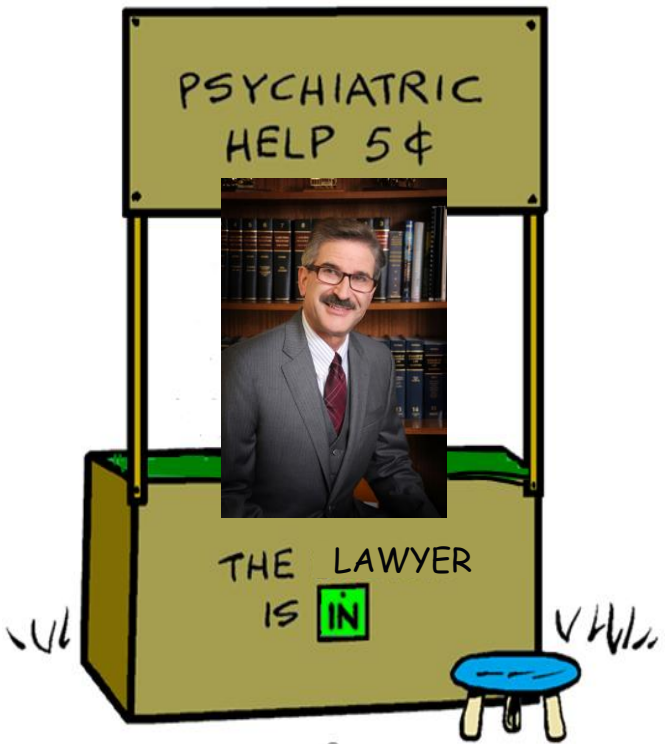


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