



## Bankruptcy – Avoidance and Other Litigation

Our group regularly represents defendants in preferential transfer and fraudulent conveyance avoidance actions, breach of fiduciary duty, filed by debtors or trustees in Chapter 7 or 11 bankruptcy cases. We provide a cost-effective defense of these claims, whether the amounts at issue are relatively small or substantial. Our lawyers aggressively defend avoidance claims by seeking to have them dismissed or favorably settled based upon a variety of defenses. For example, we often can assert the ordinary course of business, subsequent new value and other defenses to eliminate or reduce liability for a preference claim. We also have resolved many avoidance claims through mediation.

In addition to avoidance actions, we regularly defend former directors and officers of companies in bankruptcy against allegations of negligence, fraud and breach of fiduciary duty. We also frequently defend lenders, suppliers, vendors and other creditors in adversary proceedings relating to breach of contract, property turnover and other claims.

### Representative Matters

Representative bankruptcy cases in which we defended avoidance claims include:

- AE Liquidation Inc. (Delaware)
- Aloha Airlines (Hawaii)
- Agriprocessors (N.D. Iowa)
- American Camshaft (E.D. Michigan)
- Bombay Company (N.D. Texas)
- Beth Israel Hospital (New Jersey)
- IT Group (Delaware)
- Le-Nature's, Inc. (W.D. Pennsylvania)
- Lyondell Chemicals (S.D. New York)
- Linens Hold./LNT Serv. (Delaware)
- Noble Int'l (E.D. of Michigan)

### Related Practices

Financial Restructuring and Bankruptcy

- NWL Holdings (Delaware)
- Rhodes Inc. (N.D. Ga.)
- SemGroup (Delaware)
- Sitnal (S.D. New York)
- TWTR/Tweeter OPCO (Delaware)
- UMS Holdings (E.D. Pennsylvania)
- WCI Communities (Delaware)
- XMH /Hartmarx (E.D. Illinois)