

Bankruptcy, Restructuring & Insolvency

Overview

Munsch Hardt's Bankruptcy, Restructuring & Insolvency practice ranks among the largest and most experienced insolvency practices in the Southwest. Our practice has been consistently ranked by *Chambers USA – Texas* since 2005, as well as regionally every year since 2010 in the categories of "Bankruptcy and Creditor Debtor Rights / Insolvency and Reorganization Law" and in the area of "Litigation-Bankruptcy" by *U.S. News – Best Lawyers®* "Best Law Firms", published by *Woodward/White, Inc.* Both our group and individual lawyers are recognized for their impressive track record and breadth of experience.

On behalf of our clients, we regularly participate in bankruptcy cases and out-of-court restructurings in Texas and throughout the United States involving sophisticated and complex legal matters. The team represents all major constituencies in bankruptcy, restructuring and insolvency matters, including:

- Ad Hoc and Official Committees
- Asset Purchasers
- Bondholders and Indenture Trustees
- Chapter 7 and Chapter 11 Trustees
- Debtors
- Equity Holders
- Insurers
- Landlords
- Lenders and Lender Groups
- Post-Confirmation Trustees and Plan Agents
- Receivers
- Secured Creditors
- Unsecured Creditors

Our vast experience encompasses virtually all major industries, specifically including energy, health care, hospitality, insurance, manufacturing, real estate, retail, technology, telecommunications, transportation and utilities.

Why We're Different

Our Bankruptcy, Restructuring & Insolvency practice team consists of seasoned professionals who are fully versatile both in and out of the courtroom. The leaders in the group have been through several economic cycles, which helps them to better understand and address the challenges businesses face when operating under demanding economic conditions. They are adept at every facet of the bankruptcy and restructuring process. Clients appreciate our in-depth knowledge of matters and our ability to anticipate the positions that will be taken by opposing parties and the court, or other decision-makers. This insight allows our clients to better evaluate possible outcomes, develop strategies, assess risks and ultimately plan for the future.

In addition, we strive to use smaller, focused teams of experienced professionals, rather than larger groups of transitory attorneys, to provide clients with excellent results. This approach is not only cost-effective, but it also makes it easier for our clients to know the attorneys working on their matter.

For a brief summary of some of the matters on which the attorneys in the Bankruptcy, Restructuring & Insolvency group have worked, please see the following:

- Asset Acquisition & Disposition
- Committees
- Creditors
- Cross-Border Insolvency
- Debtors
- Fraud & Asset Recovery
- Insolvency Litigation
- Receiverships
- Trustees

Experience

Health Care Representation

Represented Texas Health Resources in its \$116.5 MM acquisition of Forest Park Medical Center, located in Fort Worth, Texas, through a bankruptcy court auction and sale process. The hospital reopened in September 2016 as Texas Health Hospital Clearfork.

Insurance Representation

Represented the Official Committee of Unsecured Creditors of Life Partners Holdings, Inc., filed in the Northern District of Texas. The debtor filed Chapter 11 after entry of a \$47 MM judgment in favor of the SEC. Life Partners involved over 22,500 investors holding interests in over 3,500 life insurance policies with an aggregate face value exceeding \$2.4 B. This was one of the largest fraud cases in Texas. The committee worked with the Chapter 11 trustee, who was appointed after management was removed, to develop a joint Chapter 11 plan, which was confirmed after a 5-week contested confirmation hearing. This was the first "life settlement" company to successfully emerge from bankruptcy with a confirmed Chapter 11 plan.

Transportation Representation

Represented the agent of a fifteen member lender group to SH 130 Concession Company. SH 130 was a public-private partnership organized to construct and operate a major United States toll road, comprising 41 miles of a 90-mile bypass around the city of Austin, Texas. SH 130 and its two parent companies filed for Chapter 11 relief in the Western District of Texas. A Chapter 11 plan was successfully negotiated pursuant to which the lender group, holding in excess of \$1.2 B in debt, received a combination of cash payments, newly-issued debt instruments and ownership of the project.

Fiduciary Representation

Represented the joint liquidators of Stanford International Bank in the liquidation proceedings pending before the High Court of Antigua and Barbuda in Antigua, involving more than \$5 B in claims. The joint liquidators reached a global agreement with the United States Department of Justice and the SEC receiver in the proceeding commenced in Texas regarding \$300 MM in assets located in Canada, Switzerland and the United Kingdom.

Hospitality Representation

Represented Texas Grand Prairie Hotel Realty, LLC and certain of its debtor affiliates in their Chapter 11 cases filed in the Northern District of Texas. The debtors own and operate four Hyatt Place hotels in Texas. The case was significant because the debtors were able to confirm a plan on cramdown of the senior lender and obtain a rate of interest under the Till formula approach, which was the first time this had been applied in this Circuit to a contested Chapter 11 plan and which was substantially less than the rate demanded by the secured lender. The order confirming the Chapter 11 plan was appealed to the United States Court of Appeals for the Fifth Circuit, which affirmed the cramdown and the interest rate, leading to new and significant precedent in the Fifth Circuit.

Fiduciary Representation

Represented the Chapter 11 liquidating trustee in an international fraud case involving litigation and asset recovery in the Bahamas, Germany, Isle of Man, Luxembourg, Switzerland, the United Kingdom and various other countries. As counsel for the trustee, Munsch Hardt recovered approximately \$80 MM in a bankruptcy case with scheduled assets of less than \$300,000.

Telecommunication Representation

Represented the Chapter 7 trustee of VarTec Telecom, Inc. and its debtor affiliates in litigation brought against the debtors' former directors and officers seeking damages in excess of \$100 MM for claims based on breaches of fiduciary duties, gross negligence, avoidance of fraudulent transfers and conversion.

Energy Representation

Represented the receiver appointed in a proceeding commenced by the SEC against 63 separate defendants, in connection with an oil and gas Ponzi scheme involving approximately \$500 MM raised from more than 8,000 investors. After 27 of the corporate defendants filed for relief under Chapter 11 in the Northern District of Texas, the receiver was also appointed to serve as the Chapter 11 trustee for these entities. A joint plan of reorganization was confirmed within a year of the bankruptcy filings, which paid creditors 100% of their allowed claims plus interest.

Fiduciary Representation

Represented the Chapter 7 trustee appointed in the bankruptcy case filed by Caroline D. Wyly in the United States Bankruptcy Court for the Northern District of Texas. This is one of the largest individual bankruptcy cases ever filed in the United States. The IRS asserted a claim against the debtor in excess of \$1.2 B for unpaid income taxes, gift taxes, penalties and interest. The case involves many difficult legal and jurisdictional issues, most of which involve attempts by the trustee to bring into the United States foreign assets under the control of trusts created by the debtor and her late husband in the Isle of Man.

Practice Leaders



Kevin Lippman

Dallas
214.855.7553
klippman@munsch.com

Related People

Thomas Berghman
John Cornwell
Christopher Johnson
Kevin Lippman
Jay Ong
Deborah Perry
Davor Rukavina
Julian Vasek

Related Practices

Bankruptcy, Restructuring & Insolvency
Asset Acquisitions
Committees
Creditors
Debtors
Cross-Border Insolvency
Fraud & Asset Recovery
Insolvency Litigation
Trustees
Receiverships

Related Industries

Financial Services
Construction
Energy
Health Care
Hospitality
Insurance
Manufacturing
Real Estate
Retail
Technology & Telecommunications
Transportation

Achievements

Chambers USA – Texas (2005-2019)

Turnaround Atlas Award – Chapter 11 Restructuring of the Year (2017)

Turnaround Management Association – Large Turnaround of the Year Award (2017)

U.S. News – Best Lawyers® “Best Law Firms”, published by *Woodward/White, Inc.* – Bankruptcy and Creditor, Debtor Rights / Insolvency and Reorganization Law (2010-2019)

U.S. News – Best Lawyers® “Best Law Firms”, published by *Woodward/White, Inc.* – Litigation – Bankruptcy (2010-2019)

Newsroom

Press Release: Munsch Hardt Attorneys Named Bankruptcy & Creditor/Debtor Rights Super Lawyers 2010

In The News: The final chapter of a \$50 million Ponzi scheme that caught many high-profile coaches

In The News: Munsch Hardt Nabs McKool Smith Bankruptcy Atty In Houston

Press Release: Munsch Hardt’s Bankruptcy, Restructuring & Insolvency Practice Group Adds Shareholder to its Growing Houston Office

Speech: Bankruptcy for Estate Planners: What you Need to Know, or at Least be Aware of

Press Release: Chambers USA 2019 Ranks Five Munsch Hardt Practice Groups and Nine Lawyers

Press Release: 14 Munsch Hardt Attorneys Named on the Super Lawyers 2019 Rising Stars List

Speech: Workout Tactics and Other Strategies to Avoid Chapter 11 Bankruptcy

Oral Argument: Life Partners Creditors’ Trust v. Cowley; Case Nos. 17-11477, 17-11480, 17-11488, 18-10051, and 18-10056

Press Release: Munsch Hardt Ranks Among Nation’s Top Firms in 2019 Best Law Firms List

Press Release: Munsch Hardt Again Recognized as Industry Leader in 2018 Chambers USA

Speech: Structuring Pre-Bankruptcy Transactions

Press Release: Introducing Munsch Hardt’s Newest Shareholders

Speech: 'Chapter 3' Cases: What's the (Viable) Exit Strategy?

Speech: Environmental Issues in Distressed Asset Transactions

Press Release: Munsch Hardt Recognized as Industry Leader in 2016 Chambers USA

In The News: Munsch Hardt Snags Norton Rose Bankruptcy Pro In Houston

Press Release: Bankruptcy, Financial Restructuring and Insolvency Practice Group Grows in Houston

Speech: Receiverships and Bankruptcies - What's Changed

In The News: Billionaire Kelcy Warren Sued Over \$20 MM Cancer Center Loan

Press Release: Munsch Hardt Earns Top-Tier Rankings in 2016 Best Law Firms List

Press Release: Thirteen Munsch Hardt Attorneys Recognized as 2015 Texas Super Lawyers

Press Release: Seventeen Munsch Hardt Attorneys Recognized as 'Best Lawyers in America 2016'

Press Release: Munsch Hardt Practice Groups, Lawyers Recognized as Industry Leaders in 2015 Chambers USA

Article: The Domestic Oil & Gas Industry's Current Debt Problem – A New Chapter of an Old Book

Speech: Confronting the Downturn

In The News: SEC Cites 'Misleading' Life Partners Release In Trustee Bid

In The News: Chamberlain Hrdlicka Accused of Exploiting Client Info

Press Release: Munsch Hardt Earns 2015 Top-Rankings from U.S. News-Best Lawyers® Best Law Firms

Press Release: Munsch Hardt Attorneys Recognized as 2014 Super Lawyers

Press Release: Nineteen Munsch Hardt Attorneys Recognized as 'Best Lawyers in America 2015'

Press Release: Munsch Hardt Recognized as Industry Leaders in 2014 Chambers USA

In The News: Female Powerbroker Q&A: Munsch Hardt's Deborah Perry

In The News: Ex-Howrey Partners' Clawback Deal Will Pressure Holdouts

Article: Environmental Liabilities and the Chapter 7 Trustee

Article: Secrecy in Bankruptcy: Sealing the Record and Confidentiality Agreements

In The News: Dallas Law Firm Moves Into New Houston Digs

In The News: Reservoir Exploration Files for Chapter 11 with Plan

Press Release: Munsch Hardt Ranks Among U.S. News – Best Lawyers 2014 “Best Law Firms”

Press Release: Munsch Hardt Attorneys Selected As 2013 Super Lawyers

Press Release: Best Lawyers 2014 Recognizes Munsch Hardt Attorneys

Press Release: Munsch Hardt Practice Areas and Attorneys Recognized by Chambers USA

In The News: The Scooter Store Proposes 'Aggressive' Sale

Press Release: U.S. News Best Lawyers Recognizes Munsch Hardt Attorneys as Texas' Best

Press Release: Thomson Reuters Names Munsch Hardt Attorneys 2013 Rising Stars

Press Release: Chambers USA Names Munsch Hardt Attorneys Leaders In Their Field

Article: Five Things Every Young Business Lawyer Needs to Know About Bankruptcy

Press Release: U.S. News - Best Lawyers Best Law Firms Features Munsch Hardt

In The News: Vanderra final DIP hearing delayed

In The News: Vanderra to seek final OK to tap DIP, cash

Press Release: U.S. News - Best Lawyers Recognizes Munsch Hardt Attorneys

Press Release: Munsch Hardt Attorneys Recognized by Thomson Reuters Super Lawyers 2012

Press Release: International Who's Who of Asset Recovery Lawyers Adds Munsch Hardt Attorneys to Membership

Article: Texas Law Schools Flourish at Annual Conrad B. Duberstein National Bankruptcy Moot Court Competition

Press Release: Best Lawyers Recognizes Munsch Hardt Attorneys

Press Release: Munsch Hardt Receives Honor Recognition from Chambers USA

Speech: Walking the Line: Hot Topics in Ethics

Press Release: Four Munsch Hardt Attorneys Named Texas Rising Stars

Press Release: Lippman Named Head of Insolvency, Restructuring and Creditors' Rights Group

Press Release: Munsch Hardt Ranks High in US News & World Report/Best Lawyers 2011-2012 Best Law Firms Survey

Article: Trade Creditors in Bankruptcy

Article: Survey of Texas Bankruptcy Court Opinions Addressing the Applicability of Till in Chapter 11 Cases

Press Release: Munsch Hardt Recognized in Chambers USA 2011

Press Release: Munsch Hardt Attorney Named Among Leading Insolvency and Restructuring Lawyers

Article: How to File an Electronic Bankruptcy Proof of Claim

Article: The Basics of Cash Collateral and DIP Financing

Press Release: Russell Munsch Named Among the Who's Who Legal: Texas Recipients

Press Release: Six Munsch Hardt Attorneys Named Leaders in Their Field by Chambers USA 2010

Article: Commercial Landlord Issues in Bankruptcy

Article: What Every Bankruptcy Attorney Needs to Know About Cash Collateral and DIP Financing

Article: What Every Landlord Should Know About Non-Residential Tenant Bankruptcies

Article: What Every Young Lawyer Should Know About Non-Residential Tenant Bankruptcies

Press Release: Munsch Hardt Lawyers Designated Bankruptcy & Creditor/Debtor Rights Super Lawyers

Press Release: Chambers USA Award Recipients

Article: A Primer on Commercial Landlord Issues in Bankruptcy

Press Release: Munsch Hardt Announces Attorney Promotions

Press Release: ACQ Names Munsch Hardt the Insolvency & Restructuring Law Firm of the Year

Press Release: Five Munsch Hardt Attorneys Achieve Texas Rising Stars Honors

Press Release: Munsch Hardt Names New Shareholder in Dallas Office

Article: Claims Trading: New York District Court Gets Bullish on Bankruptcy Claims Market

Article: Family Law Issues Under the Bankruptcy Reform Act

Article: Avoid Bursting the Dot.com Bubble

Article: Ethical Issues and Malpractice Prevention: Preparation of the Schedules and the Statement of Financial Affairs