

Insolvency and Restructuring Update - November 2009

November 17, 2009 | Client Update

In two recent decisions, the U.S. Court of Appeals for the Fifth Circuit and the U.S. District Court for the Eastern District of Pennsylvania held that a debtor may prohibit secured creditors from credit bidding their debt at a sale of their collateral conducted under a plan of reorganization, provided that the plan of reorganization otherwise meets the “fair and equitable” standard articulated in section 1129(b)(2)(A) of the Bankruptcy Code (governing cramdown) with respect to such secured creditors.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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