CONFIRMING A CHAPTER 11 PLAN

# Pre-Petition Evaluation of the Case and Client

## Impact of Pro-Snax

## Is there a business to save?

## Is the client sincere about saving the business?

## Is management capable of running/saving the business?

## Is a §363 Sale the best alternative?

## The magic question – If you had no debt, can you run cash flow positive?

## Turnaround Consultant?

## Need a DIP Loan?

### Loans to Own?

### DIP to Own?

# Key Confirmation Elements

## Treatment of Secured Creditors

### Do you really need the secured creditor to vote in favor – Sec. 1129(b)(2)(A)

### Cramdown standards

### Cramdown Interest rate [See, feasibility]

## Treatment of Unsecured creditors

## Do you really need the unsecured creditors to vote in favor – Sec. 1129(b)(2)(BClassification Tips and Tricks -

### Convenience Class and impariment

### Deficiency Claims separately classified

## Impairment/Reinstatement Option for Dissenting Classes

## Confirmation Blocking Claims - Claim Objections for Voting, Estimation of Contingent Unliquidated Claims for voting

## Absolute priority

### What does it really mean?

### Do you really need an auction?

### Exclusivity as a Market Test

## Feasibility –

### Nature of the Business

## Nature of the Interest Rate Calculations post-petitionPlan Releases, Exculpations

# Elements of the Disclosure Statement

## Description of the Business

## History

## Cause of Bankruptcy Filing

## Summary of Assets and Liabilities

## Ownership, management, compensation

## Significant event in the bankruptcy case – pleadings/orders

## Plan Description (copy and paste)

## Means for Execution (how do we get paid)

## Description of Pending Litigation

## Chapter 5 Causes of Action

## Alternatives

## Federal Tax Consequences

## Liquidation Analysis

## Claims Analysis

## Cash Flow Model