

Hard Money Lending Issues in Bankruptcy

October 29, 2019

5:30PM-6:00PM-REGISTRATION | 6:00PM-7:00PM-PROGRAM | 7:00PM-8:00PM-NETWORKING RECEPTION

CALIFORNIA
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California Lawyers Association
Business Law Section Insolvency Law Standing Committee

Frequently, a business debtor will resort to private, unregulated lenders to finance its operations. The resulting credit facilities are usually easier to obtain than a traditional bank loan, but come with more strings attached. Moreover, the lender is usually far more active in monitoring and protecting its interest in these risky loans. Therefore, when a business files bankruptcy, the debtor is immediately confronted with a host of unique issues that may determine its future survival, and the lender is confronted with the possibility that it will not receive the full benefit of its bargain.

In this program, debtors' counsel will learn:

- What a "hard money" loan is and how it affects the debtor's business.
- What "factoring" is, and how it may differ from other private lending.
- How to spot a "true sale" of the debtor's assets to a lender versus an ordinary transfer for security, and the difference that a "true sale" may make in bankruptcy.
- How to avoid lender attempts to restrict bankruptcy options, and judicial attitudes towards such restrictions.
- In Chapter 11, how to help the debtor navigate cash collateral and post-petition financing issues in order to effectuate a successful outcome.

Creditors' counsel will learn:

- How to secure your clients' rights in collateral after a business files bankruptcy.
- How to avoid being dragged through a costly Chapter 11 bankruptcy in which your client might be "crammed down" and its rights altered.
- When and how to assert a lender's right to foreclose on its collateral or, at a minimum, obtain adequate protection of its interest.

On-Line Registration: https://www.ieventreg.com/2019_lending_issues

Earn 1 Hour of MCLE Credit. Includes legal specialization, Bankruptcy Law

PANELISTS:



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Honorable Scott H. Yun
*United States
Bankruptcy Court*

LOCATION:

ALSTON & BIRD

333 S. Hope Street
16th Floor
Los Angeles, CA 90071

*Parking will be validated for cars
arriving after 5:30 PM*

Law student: \$25

Government/nonprofit: \$35

CLA members: \$55

General: \$75

At the Door: \$75