



# RESOLUTE NAVIGATOR

## EXPERIENCE AND RESULTS IN MANAGING BANKRUPTCY AND RECEIVERSHIPS

### Experience Counts!

There's no question that COVID-19 has caused many companies unprecedented difficulties. In times like these, it has never been more critical to pick trusted and experienced restructuring and turnaround firms. At Resolute, we specialize in securing, resolving, and enhancing financial assets and business operations. Founded by two partners with more than 40 years of combined experience, we have what it takes to respond efficiently and quickly to the critical threats our clients face.

When faced with financially distressed situations, many companies are left to pursue remedy in the Bankruptcy Courts. Alternatively, when companies do not address their difficulties, creditors looking to maximize value and protect their collateral may seek receivership to resolve the situation their borrowers find themselves in.



### **BANKRUPTCY**

The Company's Option

Chapter 11 is a viable choice for many distressed companies to utilize of their own volition. The broad protections built into the well established Code allow the company and related professionals to accomplish the goal of reorganizing the entity, allowing for continued operations. It is a very formal legal procedure set forth for dealing with financial and other issues that allows for a resolution based on an equitable outcome. Unlike a receivership, there can be a myriad of professionals and committees all with specific duties and responsibilities during the pendency of the case.



### **RECEIVERSHIP**

The Lender's Option

Lenders opt for a receivership when they are forced to take action to protect their collateral. Receiverships are most commonly a State law remedy as opposed to a Chapter 11 restructuring which is governed by Federal law. The State Court, typically at the request of the creditor, appoints a receiver who in turn, acts as an officer of the Court with a fiduciary duty to the Court and all constituents. Lenders should choose a receiver that has an understanding and know-how of dealing with complex situations, which is most important in cases where going concern value must be preserved. Under the right circumstances, a receivership can be an effective process to assert control for investors or creditors of a troubled asset.



At whatever stage of distress, our team can step in to provide stability and resolution. Learn more about Resolute's battle-tested experience in helping both distressed companies and lenders regain control of difficult situations.

## Bankruptcy Services We Provide

*Our experienced team offers support in the following areas to help businesses navigate a bankruptcy:*

### **SECURED LENDERS**

We provide representation for lenders that hold a lien position on assets that collateralize their loans to ensure maximum capital recovery. This includes providing Plan Feasibility assessments and fair and equitable interest rate determinations during bankruptcy proceedings.

### **FINANCIAL ADVISOR TO DEBTORS**

Following the broad protections built into the Bankruptcy Code, we assist the company and related professionals to accomplish the goal of reorganizing the entity thereby allowing it to continue to operate.

### **UNSECURED CREDITORS COMMITTEE**

Our team provides analysis to unsecured creditors during bankruptcy proceedings, allowing them to maximize their recovery.

### **CHAPTER 11 TRUSTEE**

In extenuating circumstances, the court may appoint a Chapter 11 Trustee to either replace or supplement existing management and operate the business during the pendency of the case.

### **SPECIAL EXAMINER**

We work to conduct a thorough investigation of the debtor's affairs and present our findings in a professional manner.

### **REAL ESTATE BROKER/ADVISOR**

When appointed by the court, we work to initiate and complete the sale of real property as ordered.

### **LIQUIDATING TRUSTEE**

Assist with capital recovery efforts by maximizing value and further managing funds from the sale of an asset to pay expenses and distribute capital to owed creditors.

## Bankruptcy and Liquidating Trust Experience Across Industries



### **MEDICAL**

Assisted \$80MM radiology company through Chapter 11 process with a confirmed plan of reorganization in under 9 months.



### **TRANSPORTATION**

Chapter 11 Liquidating Trustee for one of the largest privately-owned bus operators in the United States. Anticipated claim recovery rate is 300% over expectations for unsecured creditors.



### **RETAIL**

Financial Advisor to 15 location, multi state skateboard and clothing retailer, providing 13-week budgets, budget-to-actual reporting, monthly operating reports, and liquidation modeling.



### **SENIOR LEVEL MANAGEMENT**

Interim Chief Executive Officer for multi state operation diagnostic radiology services in Chapter 11. Responsible for review and assessment of short and long-term projected cash flows, management of day-to-day operations, and strategic alternatives for maximizing the enterprise value and recovery.



### **FOOD SERVICE**

Took over day-to-day operations for \$45MM enterprise that owned 15 franchise restaurants in three states. Staved off predatory cash advance lenders and successfully administered the sale of 11 Chili's restaurants and related properties for nearly \$12.5MM.

## Receivership Services We Provide

*We stabilize or potentially increase the enterprise value and decrease the potential of total default. Our services include:*

### **EQUITY**

Through both federal and state court appointed receiverships our team facilitates the continued operation or rehabilitation of an asset before sale to a third party.

### **RENTS & PROFITS**

We quickly assert control, identify the best available options, and execute along a path to achieve the maximum return of capital for any assets. We facilitate the continued operation or rehabilitation of assets, as well sales, avoiding Lenders being on chain of titles.

### **INVESTMENT FRAUD OR PONZI SCHEME**

Through both federal and state court appointed receiverships, our team asserts control over illicit businesses and unwinds the transactions to identify victims and asset recoveries. Our seasoned team members have assisted with the pursuit of adversary claims and have been instrumental in recovering funds for investors and victims.

### **SPECIAL MASTER**

When forensic accounting or management of a litigation process is key, our team provides an efficient and detailed investigation to determine any misappropriations or fraud allegations. We either replace or supplement existing management and operate the business during the pendency of the case.

## Receivership Experience Across Industries



### **CONGLOMERATE**

Receiver to an over \$200MM diverse company with over \$65M debt obligation. Conglomerate had over 100 sub-entities in manufacturing, aerospace, residential and commercial real estate, sports/entertainment, livestock, and full-service gas station and car wash. Swiftly gained control of business operations, moved to safeguard asset values, and systematically decentralized with minimum disruption to reduce personnel and cost at the corporate level. Conducted the successful sale of the marketable assets with approximately 64% of debt recovered.



### **MEDICAL**

Receiver for \$70MM parent company of two hospitals. Managed operations and devised a closure plan to safely transfer all patients and strategically decommission all services. Wind down included the closure of two functioning pharmacies and decommissioning of nuclear medicine and diagnostic medical equipment. Secured more than 250,000 patient records and completed a patient care wind down that met State regulations.



### **MANUFACTURING**

Receiver on \$30MM custom window and door manufacturer, delivering the sale of the enterprise and assets, retiring all outstanding secured debt in full, and remitting partial payoff to all unsecured trade debt.



### **REAL ESTATE**

Receiver on a \$10.5MM loan for Master planned community with 792 acres. Rolute's diligence with the property resulted in a full payoff of the loan for the Secured Lender.