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Mark Powers writes “Someone who owes you money files for bankruptcy. Now what?” for the Worcester Business Journal

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Attorney Mark Powers addresses the dicey issue of what creditors can do when their counterparties file for bankruptcy in a recent article for the *Worcester Business Journal*, “Someone who owes you money files for bankruptcy. Now what?”

According to Mark, time is of the essence when dealing with a bankruptcy case, so working quickly can help ensure a good result. He says in the article:

Upon the filing of a bankruptcy petition by your counterparty, you should assemble and review all documents relevant to the relationship. If you are a bank that extended credit to a delinquent borrower, you need to review your loan documents, confirm your mortgages and other security documents and instruments are properly signed, valid, enforceable and perfected; educate yourself on the bankruptcy issues unique to your counterparty, and determine whether you can obtain an order from the bankruptcy court granting you relief from the automatic stay to exercise rights and remedies. A customer’s bankruptcy filing often causes banks to engage separate bankruptcy counsel to more effectively navigate the bankruptcy process and to identify deficiencies in its loan documents.

You can read “[Someone who owes you money files for bankruptcy. Now what?](#)” on the *Worcester Business Journal* website.