



Bankruptcy, Receivership & Creditors' Rights

CHAIR(S)

[Joseph Avanzato](#)

ATTORNEYS

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OVERVIEW

Our Bankruptcy, Receivership & Creditors' Rights Group assists clients in navigating wide-ranging, complicated insolvency issues that require sophisticated counseling. Applying extensive experience and know-how, we vigorously and effectively assert creditors' claims and resolve other insolvency issues in federal and state proceedings in numerous jurisdictions. We've successfully represented not only senior secured creditors but also junior lien holders and unsecured creditors in high-stakes insolvencies, preference actions and fraudulent conveyance actions in numerous bankruptcy cases, state receivership cases and related insolvency proceedings.

We also counsel our clients on how best to do business with/as a financially troubled entity, and advise on lender liability questions, tax matters arising from insolvency proceedings, and environmental concerns related to acquiring debtor assets. We also stand ready to assist in the insolvency process as Rhode Island court-approved receivers.

Areas of Concentration

- Creditors' rights in insolvency proceedings
- Counseling clients on insolvency issues
- Litigation and dispute resolution
- Receiverships
- Workouts

AP&S has represented clients in major bankruptcy cases in Rhode Island, including the following:

- City of Central Falls
- Almacs, Inc.
- Derecktor Shipyard (Robert E. Derecktor of Rhode Island, Inc.)
- American Shipyard, Corp.
- The Newport Creamery, Inc.
- Columbus Mortgage and Loan Corporation of Rhode Island, Inc.

AP&S has also represented clients in major receivership cases in Rhode Island state court, including the following:

- Landmark Medical Center
- Westerly Hospital
- Heritage Loan and Investment Company
- Alpha-Beta Technology, Inc.

REPRESENTATIVE MATTERS

- Successful representation of major unsecured creditor in cross-border insolvency that involved U.S. bankruptcy case (E.D.N.Y), receivership in Israel, litigation in U.S. federal court (S.D.N.Y), and litigation in Thailand.
- Successful representation of secured creditors in single-asset real estate cases in receivership, special mastership and bankruptcy.
- Successful representation of creditors in preference actions in numerous jurisdictions.
- Successful representation of creditors in adversary proceedings in numerous jurisdictions.
- Successful representation of secured creditor in connection with biomedical start-up company's default under a \$30 million loan. Our extensive experience in insolvency matters and familiarity with Rhode Island receivership law, we were able to prevent an attempted assignment for benefit for creditors in Massachusetts by instituting a receivership proceeding in Rhode Island. As a result – and due to our vigorous representation of our client during the proceeding – the debtor's assets were liquidated at a fair price and our client was paid a substantial amount toward its claim.
- In representing the bankruptcy trustee of a failed mortgage institution, AP&S attorneys litigated claims of fraud, breach of fiduciary duty and constructive trust against the failed institution's principal, which resulted in a \$2 million-plus judgment for the trustee. Significant monies were recovered from the fraudulent principal, assets were liquidated and creditors were paid a dividend.
- Another complex case on behalf of a secured creditor involved two types of collateral – one where only the first priority creditor had a lien and another where both the first-secured creditor and our client, as second-priority secured creditor, had liens. Faced with the possibility of the collateral being liquidated and the proceeds being paid to unsecured creditors and not our client, AP&S lawyers successfully argued to the bankruptcy court that our client, as the second-secured creditor, should receive the proceeds from the joint collateral. As a result, our client was paid a substantial amount on its claim.

SEMINARS / PUBLICATIONS

Seminars

- Joseph Avanzato and Robert J. Humm, Representing Small Business Clients: Dissolving a Business, NBI, March 2013.
- Joseph Avanzato, Municipal Insolvency and Bankruptcy, RI Bar Association Annual Meeting, June 2012.

AWARDS

- Rated Tier 1 Metropolitan “Best Law Firm” by U.S. News-Best Lawyer