

# UNDERWOOD

## Creditor Representation



Underwood lawyers appear in bankruptcy proceedings throughout Texas and the Southwest with levels of representation ranging from routine creditor representation to the trial of complex contested matters and adversary proceedings.

We commonly represent creditors in proceedings involving the following:

- **Claim Filing:** The filing of a proof of claim has evolved from a relatively simple process to one with some complexity, especially in consumer cases. The firm routinely assists creditors in preparation and filing of claims. For unsecured trade creditors in commercial cases, this remains a relatively simple practice; however, for secured creditors, especially those secured by an individual's principal residence, this process requires experienced counsel and staff.
- **Stay Relief:** The automatic stay found in Section 362 of the Bankruptcy Code stops all debt collection efforts. For many secured lenders, obtaining relief from the automatic stay, or alternatively, receiving adequate protection for collateral interests can be very time sensitive. Our lawyers understand the procedures found in all four federal districts in Texas.
- **Cash Collateral and Adequate Protection:** In Chapter 11 cases, protection of a secured lender's interest in newly generated cash proceeds (referred to as "cash collateral claims" under the Bankruptcy Code) can be a critical early or even "first day" issue in a bankruptcy case. We have experience in trying contested cash collateral disputes and also documenting negotiated, and often complex, cash collateral orders that can allow a debtor in possession to operate while providing some oversight and protection for the secured lender. Other forms of adequate protection are often necessary to protect a secured creditor's interest. Such needs can arise in cash collateral or automatic stay litigation.
- **Reaffirmation Agreements:** In individual cases, the Bankruptcy Code allows an individual Chapter 7 debtor three choices for dealing with property that secures outstanding indebtedness. For those debtors wishing to retain collateral through and after a Chapter 7 case, a reaffirmation agreement is generally required. Reaffirmation agreements must comply with applicable bankruptcy code and rules requirements. The firm regularly guides consumer lenders through this process so that a secured debt can be resolved by either a prompt surrender of collateral or an enforceable reaffirmation agreement.

## Related Attorneys

- Roger Cox
- Samantha Espino
- C. Jason Fenton
- Kenneth W. Fields
- Cara Kennemer
- Mike Smiley