

What Middle Market Lenders Need to Know about Subchapter V

By: Heidi J. Sorvino and Amy E. Vulpio

Journal of Corporate Renewal

10.20

Most middle market lenders probably paid little attention when the Small Business Reorganization Act (SBRA) — popularly known as Subchapter V, referring to the new Subchapter V of Chapter 11 of the Bankruptcy Code — took effect in February 2020. Only businesses with combined secured and unsecured debts of less than about \$2.7 million qualified for this new subspecies of Chapter 11 relief.

Heidi Sorvino and Amy Vulpio explain what lenders need to know if a borrower proposes a Subchapter V filing or, worse, files one without consulting its lender first.

Read more in the *Journal of Corporate Renewal*.

This correspondence should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only and you are urged to consult a lawyer concerning your own situation and legal questions.

