

# Bankruptcy Services Creditor Solutions



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Dealing with bankruptcy filings from your customers requires a special set of skills and knowledge in order to make sure you can receive the maximum recovery to which you are entitled by law. RMS uses our own nationally recognized staff of attorneys, paralegals and

support personnel to provide our customers with the benefits of the only Creditor Services program of this type in the United States. Combine this unique level of legal expertise with RMS' over 165 years of business experience, and you get a team poised to maximize your recoveries and minimize your losses.

## Collecting from Your Bankrupt Customers

The RMS Bankruptcy Services team will effectively manage your bankruptcy related issues while keeping abreast of the growing, and rapidly changing, rules and regulations governing this specialized area of commercial law. Our services are offered at a much lower cost than the hourly rates charged by traditional providers, and for some services are provided on a contingent agreement whereby we only get paid if you collect. Working with RMS allows your business to seamlessly move your accounts receivables through a logical, effective progression of payment requests and when necessary, directly into bankruptcy servicing.



## Features and Benefits:

- Maximize recoveries from your customers who have filed for bankruptcy protection
  - Achieve 'Critical Vendor' status so that you may receive payments for pre-petition claims and post-petition invoices
- Minimize, or eliminate, payouts in the event of preferences or other avoidance demands
  - + 87% Success rate on Preference Defense
  - Contingent fee structure
- Reduce or eliminate the enormous quantity of paperwork your staff must review and process in association with these legal proceedings
  - No fixed overhead costs = net return improvement of 15-22%



## Services:

- Claims Management
- Preference Defense
- Bankruptcy Recoveries
  - Reclamation Handling
  - Critical Vendor Payments
  - Executory Contracts
  - Creditor Committee Participation

# Bankruptcy Services

## Creditor Solutions



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### Claims Management

RMS will timely and accurately file your proof of claim (POC) forms, review all related correspondence and manage your incoming court documents for the life of the bankruptcy. We advise on key issues such as claim objections, the sale of assets, disputes, or votes on reorganization plans. RMS will analyze and negotiate the resolution of objections to your claim from the debtor, and look for opportunities to enhance your recoveries.



### Preference Defense

Preference repayment demands can arise when you receive payment from a debtor in the 90 days prior to their filing for bankruptcy. Following their formal notification, you may be demanded to return payments made to you during this 'preferential' time period. RMS knows the critical timing required to act upon these demands as well as the valid defense to eliminate, or significantly reduce, them.

### Contact Us

Please contact me for a personal review of how RMS' Bankruptcy Services can help your business.

Steven D. Sass, Esq.  
RMS Vice-President, Legal Services  
307 International Circle, Suite 270  
Hunt Valley, MD 21030

Tel: 410-773-4040

Fax: 410-773-4057

Email: [steven.sass@rmsna.com](mailto:steven.sass@rmsna.com)

[www.rmsna.com](http://www.rmsna.com)

### Bankruptcy Recoveries

**Reclamation Handling** – Should you have delivered goods to a debtor, who within a few days then files for bankruptcy, you are eligible to file for the recovery of those goods. Acting quickly is critical to generating optimum recoveries and RMS has the ability to apply resources to this immediately and the experience to know exactly what needs to be done to be effective.

**Critical Vendor Payments** – In a Chapter 11 filing, a debtor can have a creditor approved by the U.S. Bankruptcy Court as a "critical vendor" if it is determined that the goods/services they provide are essential to the debtor's successful re-organization efforts. While a creditor can't force a debtor to name them as a critical vendor, awareness of the opportunity and knowledge of how to address it does at times provide the opportunity to enhance your recovery—often to 100%.

### Executory Contracts

– When an unfulfilled contract exists between a debtor who has filed for bankruptcy protection and their creditor, the debtor gets to decide whether to agree (assume) or refuse (reject) to perform its obligations under the contract. However, while the debtor decides, the creditor must continue fulfilling their portion of the contract. RMS works to encourage the debtor to 'assume' the contract and an obligation to pay.



**Creditor Committee Participation** – For large creditor claims, RMS may seek appointment to the Official Committee of Unsecured Creditors. Having this position provides one of the best opportunities to improve creditor recoveries in Chapter 11 cases. RMS can often impact the structure of the re-organization plan to drive result more consistent with the goals of our customers.