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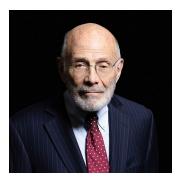
Update on Bankruptcy Preference Insider Liability

Seventh Circuit Holds Minority Member of LLC Liable As Statutory Insider in Longview Aluminum

March 2012

The Seventh Circuit held, on Sept. 2, 2011, that a minority member of a limited liability company (LLC) was a "statutory insider" for purposes of bankruptcy preference liability. *In re Longview Aluminum Company, LLC*, 657 F.3d 507, 510 (7th Cir. 2011). As the court explained, it "not only look[ed] to the individual's title, but also his relationship to the company." *Id.* The facts of the case, however, undermine the court's legal analysis.

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