

PUBLICATIONS

Update on Bankruptcy Preference Insider Liability

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

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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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