

NEWS & INSIGHTS

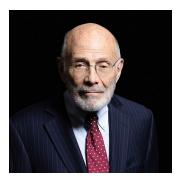
PUBLICATIONS

Seventh Circuit Voids Lien-Securing Rescue Loan

April 2016

A "bank [making a secured rescue loan] had information that should have created the requisite suspicion ... to conduct a diligent search for possible dirt" — *i.e.*, whether the debtor had the right to pledge \$312 million of customer securities, held the U.S. Court of Appeals for the Seventh Circuit on Jan. 8, 2016 in *In re Sentinel Management Group, Inc.* In this article, of counsel Michael L. Cook discusses the court's decision, which reversed the district court, voided the defendant bank's lien as a fraudulent transfer, and rejected the bank's good-faith defense.

Related People



Michael
Cook
Of Counsel
New York

Practices

BUSINESS REORGANIZATION

Attachments

 $\stackrel{ullet}{-}$ Download Article