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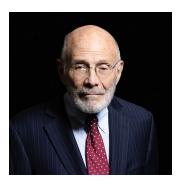
Court's Sensible Analysis Saves Banker Fees in Bankruptcy

Law360

January 4, 2017

"Transaction fees are part of the standard, negotiated base compensation for the investment banker," held the U.S. Bankruptcy Court for the Southern District of New York on Dec. 16, 2016. *In re Relativity Fashion LLC*, 2016 Bankr. LEXIS 4339, *10 (Bankr. S.D.N.Y. Dec. 16, 2016) (Wiles, B.J.). The court denied objections to the transaction fees sought by two investment bankers, P and H, ruling that the objecting parties (a fee examiner, the debtor and a secured lender) had no right under Bankruptcy Code § 328(a) to challenge the transaction fees. Id. at *25. Moreover, said the court, it "had no power to give anyone else [other than the U.S. trustee in this case] the right to assert objections based on ["reasonableness"] standards." Id. In this article, of counsel Michael Cook discusses the court's opinion in *Relativity Fashion*, which is relevant reading not only for investment bankers and their counsel, but also for lawyers and other business bankruptcy professionals.

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