

Bankruptcy proceedings are often complex and require the assistance of qualified financial expertise. Whitley Penn professionals are well versed in bankruptcy and solvency issues, addressing the positions of secured creditors and debtors, and assisting with reorganization strategies.

## Consulting and Advisory Services

Whitley Penn assists clients and their counsel with issues prior to and during bankruptcy proceedings by providing the following services:

- **Adequate Protection:** Determination of current value of collateral and an estimate of the extent to which the collateral may decline in value, moving forward to determine whether a debtor-in-possession should retain the right to use the property or if a stay should be lifted, giving creditors access to the property
- **Asset Recovery:** Using sources of reference such as preferences, fraudulent transfers, and requests for reclamation while determining whether a debtor was insolvent at the time of a transfer at issue
- **Plan Confirmation / Feasibility:** Offering guidance with development of a reorganization plan related to solvency feasibility, cram down, and the organization value of the debtor
- **Liquidation Value:** Assisting the court's understanding of liquidation values if some creditors do not vote in favor of a plan, and establishing the liquidation value of a debtor
- **Valuation of Intangible Assets:** Analyzing reorganization value, sale of intangible assets, secured creditor collateral position, cancellation of indebtedness income, and licensing transactions



## Analysis Considerations

Whitley Penn has the capability to provide solvency analyses and opinions in bankruptcy matters by addressing:

1. Whether fair value of the business's assets exceed its liabilities (the balance sheet test)
2. Whether the business has adequate capital to engage in business (the adequate capital test)
3. Whether the business has the ability to pay debts as they become due (the cash flow test)

Whitley Penn also analyzes issues of alter ego through consideration of a broad range of financial and economic factors associated with companies and affiliates.