

Plan of Reorganization Solicitation

HIGHLIGHTS

- Donlin Recano acted as claims, noticing, balloting and distribution agent for the client's chapter 11 bankruptcy.
- Donlin Recano successfully prepared the Plan of Reorganization solicitation of approximately \$150 million in public bonds.
- Donlin Recano's strategic approach resulted in significant debt reduction.

AST'S INTEGRATED SERVICES MODEL

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CHALLENGE

A Nashville, Tennessee-based restaurant chain filed for Chapter 11 bankruptcy. Donlin Recano & Company, Inc. (Donlin Recano) served as the claims, noticing, balloting and distribution agent to effectively prepare the Plan of Reorganization solicitation of approximately \$150 million in public bonds that were held primarily through the Depository Trust Company (DTC).

SOLUTION

Donlin Recano worked to obtain acceptances from noteholders to participate in the Roll-up DIP financing. In addition, Donlin Recano compiled noteholder data and coordinated with the Trustee to initiate DWAC withdrawals as well as with the Administrative Agent to issue DIP loans. As a result, over \$12 million in the principal amount of notes was surrendered, over \$6 million in loans was disbursed to borrowers and over \$13 million in loans went under the Roll-up Facility.

As a part of the effort to facilitate the distribution, Donlin Recano set up a corporate action event with DTC, which involved two Contra CUSIPs due to a variation in disbursement mechanics and the amount of notes held. Subsequently, Donlin Recano successfully issued the new restricted stocks and cash disbursement.

RESULTS

Donlin Recano guided the regional restaurant chain in restructuring its balance to reduce debt from approximately \$400 million to just over \$100 million, while significantly lowering its interest expenses. Moreover, AST continues to serve as transfer agent for the newly issued securities.