



John T. Carroll, III

Co-Chair, Bankruptcy, Insolvency & Restructuring

Wilmington

jcarroll@cozen.com | (302) 295-2028

John has substantial experience representing a broad spectrum of clients, including secured lenders, trustees, creditors' committees, and debtors-in-possession in bankruptcy proceedings and commercial loan workouts.

John has a substantial practice in representing trustees in bankruptcy and currently represents trustees in the notable bankruptcy cases of American Business Financial Services, Inc., Fenwick Automotive Products Limited, Hospital Partners of America, Inc., HRP Myrtle Beach Holdings, LLC, HomeBanc Mortgage Corporation, Monaco Coach Corporation, and Pope & Talbot, Inc. John served as interim trustee in the nationally prominent bankruptcy cases of the Foundation for New Era Philanthropy, Inc. and Nutri/Systems, Inc. John has also served as a Chapter 7 panel trustee and Chapter 11 trustee in the Eastern District of Pennsylvania and Delaware.

John is a member of the Board of Overseers of the Widener University School of Law, Wilmington, where he is also an adjunct professor currently teaching the Chapter 11 bankruptcy course.

John has regularly lectured on a variety of topics for various organizations, including the American Bankruptcy Institute, Pennsylvania Bar Institute, Commercial Law League of America, Pennsylvania Institute of Certified Public Accountants, Institute of Management Accountants, Endowment & Foundation Summit on Investment Management, National Business Institute, and National Association of Credit Managers.

John graduated from Villanova University in 1978 with a B.S. in accounting. In 1981, John received his J.D. from the Delaware Law School of Widener University. Since 1981, he has been concentrating his practice in the areas of commercial litigation, creditors' rights, bankruptcy, and restructuring. He is board certified in Business Bankruptcy Law by the American Bankruptcy Board of Certification and has received an AV Preeminent rating in Martindale-Hubbell. John has also been designated as a Super Lawyer in Delaware. John is licensed to practice law in Delaware, Pennsylvania, and New Jersey.

Experience

Counsel to debtor-in-possession in the United States Bankruptcy Court for the Eastern District of Pennsylvania in Chapter 11 of a not-for-profit Continuing Care Retirement Community (CCRC) which had been operating for 147 years providing skilled nursing care, independent living, and personal care services to the elderly. Successfully negotiated and obtained confirmation of consensual Chapter 11 plan of reorganization which resulted in 100 percent payment to bond holders and 100 percent to all general unsecured creditors. As a result of the reorganization, the reorganized debtor continues its mission as a not-for-profit corporation providing for benevolent care to the indigent elderly.

Counsel to the bankruptcy trustee in case of failed sub-prime lender, American Business Financial Services, Inc. and five affiliated debtors having approximately 26,000 creditors asserting claims in excess of \$800 million. As a result of successful administration and litigation, recoveries of approximately \$275 million have been made for the benefit of the creditors of the estates.

Special transaction counsel to the bankruptcy trustee of Hospital Partners of America Inc. and SJ

Practice Areas

- Bankruptcy, Insolvency & Restructuring
- Distressed Real Estate

Education

- Delaware Law School, J.D., 1981
- Villanova University, B.S., 1978

Bar Admissions

- Delaware
- New Jersey
- Pennsylvania

Court Admissions

- Court Of Common Pleas - Bucks County
- Court Of Common Pleas - Chester County
- Court Of Common Pleas - Delaware County
- Court Of Common Pleas - Philadelphia County
- Court Of Common Pleas- Montgomery County
- Delaware Court of Chancery
- Delaware Superior Court
- Pennsylvania Supreme Court
- Superior Court of New Jersey
- Superior Court of Pennsylvania
- Supreme Court of Delaware
- Supreme Court of New Jersey
- U.S. Bankruptcy Court -- Delaware
- U.S. Bankruptcy Court -- Eastern District of Pennsylvania
- U.S. Bankruptcy Court -- Middle District of Pennsylvania
- U.S. Bankruptcy Court -- New Jersey
- U.S. District Court -- Delaware
- U.S. District Court -- Eastern District of Pennsylvania
- U.S. District Court -- Middle District of Pennsylvania
- U.S. District Court -- New Jersey
- U.S. Supreme Court

Affiliations

- American Bankruptcy Institute
- Delaware State Bar Association
- Pennsylvania Bar Association
- Philadelphia Bar Association
- National Association of Bankruptcy Trustees
- Commercial Law League of America

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Awards & Honors

- Best Lawyers in America 2016-2020
- Delaware Super Lawyers 2012, 2017-2020

Medical Center Management LLC in a Section 363 sale of interests in St. Joseph Medical Center (Houston, Texas) for \$150 million to IASIS Healthcare LLC. Also negotiated the resolution of declaratory judgment action over medical malpractice reserves of \$10.5 million established in connection with the sale. The negotiated resolution provided for \$9.5 million of the reserves being retained by the trustee for the benefit of creditors of the estates.

Counsel to the bankruptcy trustee of Innovative Building Systems LLC, one of the country's largest manufacturers of single-family custom (high-end) modular homes, multifamily units (apartment complexes), and commercial structures, and its eleven affiliated debtors in connection with a Section 363 sale.

Counsel to the bankruptcy trustee of Our Alchemy LLC f/k/a Millennium Entertainment, LLC and Anderson Digital, Inc. in a Section 363 sale of license rights in a large film library. The sale concluded notwithstanding rejections of executory license agreements.

Counsel to the bankruptcy trustee of HRP (Hard Rock Park) Myrtle Beach Operations, LLC in a Section 363 sale of substantially all assets to FPI MB Entertainment LLC.

Counsel to the bankruptcy trustee of MCC (f/k/a Monaco Coach Corporation) and twelve affiliated debtors, former leading producers in the United States of diesel-powered motorhomes and towable recreational vehicles which operated eight plants/facilities throughout the country. Defended the trustee in a class action under the Workers Adjustment and Retraining Notification Act ("WARN"), commenced by former employees on behalf of themselves and all others similarly situated seeking in excess of \$18 million in damages, and successfully negotiated settlement on behalf of the estate in the reduced amount of \$10 million.

Counsel to Sunoco Partners Marketing & Terminals L.P., and Sunoco Pipeline L.P., a prime contractor on Mariner East 2 Pipeline Project, in the bankruptcy of Welded Construction, L.P. et al. Successfully defended Motion for temporary restraining order and preliminary injunction and complaint for declaratory judgment and negotiated a settlement agreement, providing for termination of contract with the debtor which enabled the timely completion of the project.

Counsel to Kimmel Center, Inc. in the bankruptcy of Garces Restaurant Group, Inc. in connection with the objection to a 363 sales in which the firm negotiated the resolution of client's objection by obtaining modifications to food subcontract agreements and concession agreements to facilitate the sale and provide continuity of uninterrupted catering services at the client's multiple facilities in Philadelphia.

Counsel to Ryder System Inc. in numerous matters including the bankruptcy case of Veg Liquidation Inc. f/k/a Allens, Inc. and All Veg, LLC in successfully defending against an action by the Chapter 7 Trustee against multiple parties involved in sale of bankruptcy estate's assets during Chapter 11 pursuant to Section 363 and obtaining dismissal of the action which has been affirmed by the United States Court of Appeals for the Eighth Circuit No. 18-1786.

Counsel to Day & Zimmerman in Chapter 11 bankruptcy case of FirstEnergy Nuclear Operating Company in United States Bankruptcy Court for the Northern District of Ohio in obtaining critical vendor status.

Counsel to the Republic of Moldova in negotiations for a large line of credit to be used for the country's purchase of electricity that was critically needed to maintain power and heat throughout the winter months. The credit facility was to be secured by Moldovan-owned steel production facilities and certain reserves owned by the Moldovan government which were in the process of being privatized.

Special litigation counsel to Hechinger's Liquidation Trust in the pursuit of approximately 2,700

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avoidance actions under Chapter 5 of the bankruptcy code.

Special counsel to bankruptcy trustee in case of defense contractor, LTC Holdings Inc., Lakeshore Engineering Services, Inc., et al (a/k/a TolTest, Inc.) in successfully prosecuting trustee's objection to Contrak International, Inc.'s motion for order granting leave, standing and authority to prosecute claims on behalf of Lakeshore Engineering Services, Inc. and defeating Contrak's objection to the trustee's global settlement with the United States of America.

Counsel to debtor-in-possession, Friedman's Express Inc. in the United States Bankruptcy Court for the Eastern District of Pennsylvania in Chapter 11 for trucking carrier which was longest continuously operating long term care carrier in the United States.