

Out of the Pan and into the Fire: Controversial Third-Party Releases and Mass Tort Chapter 11 Cases

Thursday, May 19, 2022, 1:00 pm – 2:00 pm

The S.D.N.Y.'s recent *Purdue Pharma* plan confirmation appeal decision rejecting nonconsensual, third-party releases of the Sackler family dropped like a bomb on chapter 11 practice. Other recent cases such as *Boy Scouts of America*, *USA Gymnastics*, and several Catholic dioceses, have also attracted academic and political attention to the practice of releasing non-debtors from liabilities without having to file bankruptcy themselves, despite creditor objections. Besides fairness and due process concerns, the legality of these releases outside the asbestos context is now under serious attack. Supporters argue that the releases are essential for complex settlements superior to drawn out tort litigation. Critics may have an upper hand following *Purdue Pharma*, and the U.S. Supreme Court or Congress may finally weigh in. This panel will discuss releases in chapter 11 practice, the simmering controversy and circuit split regarding nonconsensual, third-party releases, and where the practice is headed in mass tort cases.

Speakers: Candice L. Kline, Saul, Ewing, Arnstein & Lehr, Chicago, IL; Eric Van Horn, Spencer Fane, Dallas, TX; Hon. Judith Fitzgerald (Ret.), Tucker Arensberg, PC, Pittsburgh, PA

During this interactive presentation, the panelists will cover

- What are nonconsensual releases?
- Chapter 11 Plan examples and practice
- Major Recent Cases such as *Purdue Pharma*, *Ascena/Mahwah*, *Boy Scouts*, *USA Gymnastics*, *Mallinckrodt*, *J&J/LTL Management*
- Pending Legislation
- Where are we now? Where is the CLLA going?
- Q&A