

FIRM NEWS

Schulte Advises Group of Preferred Equity Holders in FTX Bankruptcy

October 15, 2024

Schulte Roth & Zabel successfully represented a group of preferred equity holders in the FTX bankruptcy case. Acting on behalf of these equity holders, Schulte secured a settlement and Plan Support Agreement (PSA) with the FTX debtors, which should lead to the repayment of hundreds of millions of dollars to the equity holders. Payment to equity holders in a bankruptcy – particularly one such as FTX – is very unusual.

On October 7, Chief Judge John Dorsey of Delaware approved FTX's restructuring plan, praising the efforts of the parties involved. "I think this is a model case for how to deal with a very complex Chapter 11 proceeding. I applaud everyone involved in the negotiation process," he stated. Schulte and its clients, working with FTX and its advisers and other preferred equity holders and their counsel, negotiated to reach a consensual resolution beneficial to all preferred equity holders.

The Schulte team is led by partner Doug Mintz, co-chair of the Business Reorganization Group, with associates Reuben Dizengoff, Robert Brown and Matthew Hamparyan providing critical support. This represents a significant accomplishment for Schulte's clients and our team.

Related People



**Douglas
Mintz**

Partner
Washington, DC



**Reuben
Dizengoff**

Associate
New York



**Robert
Brown**

Associate
New York



**Matthew
Hamparyan**

Associate
New York

Practices

BUSINESS REORGANIZATION