

Joon P. Hong

PARTNER

New York

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Joon P. Hong is a partner in Chapman's Bankruptcy and Restructuring Group. He joined the firm in 2013.

Joon focuses his practice on bankruptcy and restructuring transactions and in matters related to investments in high-yield and distressed assets. He represents private funds, investment banks, and other financial institutions in all aspects of complex bankruptcy proceedings, including the purchase of assets in "363 sales," debtor-in-possession financings, exit financings, avoidance litigations, and claims trading and reconciliation process.

Joon has also advised clients participating in global secondary markets for troubled and non-performing assets and claims, and has provided transactional and strategic guidance to clients that originate, restructure and trade syndicated bank loans, distressed bonds, and claims against defaulted obligors and debtors in bankruptcy. In addition, he has assisted clients in assessing credit risks and advises them in enforcing their rights and remedies to achieve their business and investment goals.

Representative Matters

Joon's prior experience includes the representation of clients in the following matters:

- Represented the agent and lenders in the restructuring and acquisition of an after-market auto parts supplier
- Advised hedge funds and investment banks acquiring, trading, prosecuting and defending claims in major bankruptcies
- Represented private fund in providing debtor-in-possession financing to an auto-parts manufacturer in bankruptcy and in the acquisition of the manufacturer through a 363 bankruptcy sale

Admitted

New York

Education

Stanford Law School, J.D.,
1991

Dartmouth College, B.A.,
1988

Practice Focus

Bankruptcy, Restructuring and
Workouts

Creditors' Rights in
Bankruptcy Proceedings

Distressed Investing

ESG Counsel and Sustainable
Finance

Financial Advisor Retention

Workouts and Out-of-Court
Restructurings

- Represented private fund in the acquisition of secured debt and in the financial restructuring of a fragrance company with both U.S. and foreign subsidiaries
- Represented investor in the restructuring of senior debt of a cross-Atlantic passenger airline company
- Represented the court-appointed receiver of a failed investment firm
- Represented private fund in the acquisition by UCC-9 foreclosure sale of a company, which provided publishing and information services to the financial services industry, and in the subsequent sale of the company to an industry purchaser

Memberships

American Bankruptcy Institute

Turnaround Management Association

Publications

May 19, 2022

No Shareholder Vote Needed for Insolvent Company to Transfer Assets to Secured Creditors

February 22, 2022

Independent Directors of Distressed Companies: Considerations for Appointment to the Governing Board

January 26, 2022

Puerto Rico Confirms a Plan of Adjustment under PROMESA

January 18, 2022

In *Hertz*, the Delaware Bankruptcy Court Provides Guidance on Make-Whole Claims and Post-Petition Interest Payable in Solvent Debtor Cases

- Co-Author, "Strictly Speaking: What Lenders Need to Know about Strict Foreclosure and Restructurings," *Chapman and Cutler LLP*, September 2020
- Co-Author, "Strictly Speaking, Part III: How Can a Lender Incentivize Management in a Strict Foreclosure?," *Client Alert*, July 31, 2020
- Co-Author, "Strictly Speaking, Part II: How Can a Lender Effect a Strict Foreclosure?," *Client Alert*, July 23, 2020
- Co-Author, "Strictly Speaking: Strict Foreclosure Can Provide an Efficient Smooth Exit for Lenders in the Right Circumstances," *Client Alert*, July 16, 2020
- Co-Author, "Distressed Investing: New York's Highest Court Holds — a Trade is a Trade," *Client Alert*, December 29, 2016
- Co-Author, "I'm a Secured Creditor so I'm Entitled to Default Interest, Right?," *Pratt's Journal of Bankruptcy Law*, January 2015

- Co-Author, "Delaware Supreme Court Rules that a Mistaken Filing Can Terminate Security Interest," *Client Alert*, November 5, 2014
- Co-Author, "Distressed Investing - A Trade Is a Trade...but a Fund May Not Be an Eligible Assignee," *Client Alert*, May 22, 2014
- Co-Author, "New Challenge to Credit Bidding - Distressed Debt Purchasers Beware," *Client Alert*, February 12, 2014
- Co-Author, "Sales Rx for Ailing Health Care Businesses: Bankruptcy," *The Journal of Corporate Renewal*
- Co-Author, "Distressed Investing in Cyprus After The Bail-in", *International Financing Review*
- Co-Author, "Distressed Investing In Cyprus: The Cyprio Bank Bail-In", *Law360*
- "New Bankruptcy Claim Transfer Fee To Go Into Effect on May 1, 2013"
- Co-Author, "Lehman Strikes Again: European Loan Participations and Preference Risks", *International Corporate Rescue*
- "Lehman Update: Derivatives Creditors File a Competing Plan"
- Co-Author, "Lehman Seeks to Unwind Elevations of Loan Participants", *Global Financial Strategy News*
- Co-Author, "Lehman Seeks to Unwind Elevations of European Loan Participants"
- Co-Author, "Lehman Files A Proposed Plan Of Reorganization"
- Co-Author, "Erosion of Secured Creditors' Rights: Has the Pendulum Swung in Favor of Unsecured Creditors"
- Lending, Investing and Trading After the Market Break
- Co-Author, "Effectiveness of Power of Attorney Provision in Claim Purchase Agreements in Bankruptcy - Delphi Bankruptcy Case Raises Issue"
- Co-Author, "Cure Claims in Bankruptcy - Delphi Bankruptcy Case Raises Issues"

Presentations

- "The Restructuring of a Distressed Company"
- "Distressed Lending and Strategic Investment: A Cautionary Tale"
- The 3rd Global Distressed Debt Investor Forum
- Distressed & Turnaround Investment Conference

Notable Engagements



Chapter 11 Section 363 Sale

August 2021

Chapman served as bankruptcy co-counsel to Avadim Health, Inc., a health care and wellness company, in the sale of substantially all of its assets to a European-based private credit alternative asset management firm in a section 363 sale process accomplished through a chapter 11 plan of reorganization. Prior to entering bankruptcy, Chapman also represented the Restructuring Committee of Avadim Health's Board of Directors.