

Matt Ferris in Bloomberg Law: Shutdown Cuts Off Fees for Bankers, Advisers

January 16, 2019 Matt Ferris

PRACTICES Bankruptcy Litigation, Restructuring

Bloomberg Law quoted Haynes Boone Partner [Matt Ferris](#) in an article about the impact of the U.S. government shutdown on bankruptcy cases and restructuring professionals.

Here is an excerpt:

Investment bankers, lawyers and restructuring advisers in one of the busiest bankruptcy venues may not get paid for work they do on cases in front of the court's chief judge as long as the U.S. government shutdown crawls on.

The partial shutdown is also affecting distributions to creditors from individual and corporate Chapter 7 bankruptcy cases.

Before a Chapter 7 trustee distributes funds collected in a case, the trustee sends a proposed distribution form to the U.S. Trustee's office for approval. Once the U.S. Trustee's Office approves the distribution of those funds, the form is filed with the bankruptcy court, which will approve it.

"The bankruptcy system isn't working as it was meant to because of the shutdown," Matt Ferris, a partner with Haynes Boone's Restructuring Practice Group, Dallas, told *Bloomberg Law*. "But the U.S. Trustee's office is doing the best they can under the circumstances."

U.S. Trustee deadlines are being extended by the bankruptcy courts, especially for employment and fee applications, which they typically review closely, Ferris said.

Hearings in bankruptcy cases are continuing, but the U.S. Trustee representative isn't able to participate, he said.

To read the full article, click [here](#). (Subscription required)