

Grishman and Kanowitz in Blockworks: BlockFi's Bankruptcy Proceedings 'Golden Standard' Compared to FTX Lawyers

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Haynes Boone Partners [Alexander Grishman](#) and [Richard Kanowitz](#) spoke with *Blockworks* on the bankruptcy proceedings of the firm's client, BlockFi.

Read an excerpt below:

Haynes Boone partners Richard Kanowitz and Alexander Grishman told Blockworks that their client, BlockFi, is in the "final stages" after the plan was confirmed "a while ago."

The timing is still a bit in the air, but the estate is making "interim distributions and looking forward to making a final distribution," Kanowitz added. The firm's international arm is still undergoing proceedings with Bermuda courts before it can fully wrap the proceedings. ...

But, while BlockFi hadn't misplaced crypto like FTX did, the problem remained that there wouldn't have been enough crypto to repay the creditors, both Grishman and Kanowitz said. The two lawyers said their client was able to provide reports detailing its holdings.

"That [puts the] cart before the horse, right? If they had all those assets to be able to return to customers, [they wouldn't have needed] to file bankruptcy," Kanowitz explained.

"If they had enough crypto, they would never have needed to file the bankruptcy, because customers wouldn't be pulling out their money. They would have just continued to trade. But because, again, going back to why BlockFi failed...Alameda owed BlockFi Lending and BlockFi International over \$600 million of crypto lent to it but didn't give it back," he added.

Kanowitz called BlockFi the "golden standard" when it comes to crypto bankruptcies due to the organization of the team, which was also partially thanks to Grishman. Prior to the bankruptcies, Grishman worked with BlockFi before moving to help with the bankruptcy once the firm filed after the collapse of FTX.

[Read the full article from *Blockworks* here.](#)