

Haynes Boone Wins Prestigious Restructuring Award for Work on Tuesday Morning Bankruptcy

August 17, 2021 Ian Peck, Jarom Yates, Jordan Chavez, Richard Kanowitz, Martha Wyrick, David Staab, David Trausch, Arsalan Muhammad, Aimee Furness, Sakina Foster, Laura Shapiro, Cody Cravens, Paul Amiel, Brack Bryant, Christopher Konopka, Susan Wetzel, Raquel Alvarenga, Rachael Williams, Daniel Malone, Kenneth Bezozo

PRACTICES Restructuring, Chapter 11 Debtor, Bankruptcy Litigation, Distressed M&A

A Haynes Boone team led by Partner [Ian Peck](#) has been honored by the Turnaround Management Association (TMA) for its representation of Tuesday Morning in its successful reorganization and emergence from Chapter 11.

Haynes Boone received the 2021 Large Company Turnaround/Transaction of the Year Award. The TMA Turnaround and Transaction Awards, among the most well known in the restructuring industry, are given after many rounds of diligence and analysis by 17 volunteer awards committee members representing a cross section of TMA professionals.

“The professionals associated with these awards successfully navigated complex and challenging special situations, resulting in positive outcomes that preserved value, saved jobs, and demonstrated the power of collaborative and creative efforts to achieve a positive end,” said the TMA, the largest nonprofit serving corporate renewal and restructuring professionals worldwide.

“This award is particularly thrilling because it reflects the fact that we helped achieve a phenomenal result for a valued client that, like so many businesses worldwide, has faced unprecedented challenges due to the COVID-19 pandemic,” said Peck, who handles complex Chapter 11 bankruptcy cases, out-of-court workouts, and distressed mergers and acquisitions transactions across a range of industries. “The fact that Tuesday Morning emerged from a complete shutdown with a reorganization plan that paid off its creditors in full and protected its shareholders speaks to the perseverance and creativity of its past and present leadership, including Steve Becker, Stacie Shirley, and Bridgett Zeterberg, among many others.”

The Global M&A Network also awarded Haynes Boone 2021 Corporate Turnaround of the Year — in the “best value-creating transactions” category — for its representation of Tuesday Morning.

Haynes Boone’s turnaround engagement with Tuesday Morning, a publicly held, off-price home goods retailer with stores throughout the U.S., began in March 2020, concurrent with Tuesday Morning’s temporary store closures as a result of the pandemic. To address the monumental challenges Tuesday Morning faced, the Haynes Boone team worked with management to develop a comprehensive reorganization strategy that included securing two separate loan facilities that gave Tuesday Morning access of up to \$125 million to finance operations during the bankruptcy case, shedding the company’s less profitable locations through successful store closing sales, and renegotiating the terms of hundreds of store leases at the company’s go-forward locations. These efforts resulted in millions of dollars of savings to the company.

The Haynes Boone team also advised Tuesday Morning in the negotiation and documentation of two exit loan facilities totaling \$150 million and a \$70 million sale-leaseback of certain of the

company's owned real estate. These capital sources, combined with a \$40 million rights offering, funded the company's exit from Chapter 11.

In confirming Tuesday Morning's reorganization plan, Chief Judge Harlin Hale of the U.S. Bankruptcy Court for the Northern District of Texas described Haynes Boone's efforts as "extraordinary" and the outcome as "wildly successful."

Led by Peck, the cross-sectional Haynes Boone team included Restructuring Practice Group team members [Jarom Yates](#), [Jordan Chavez](#), [Rich Kanowitz](#), [Martha Wyrick](#), [David Staab](#), [David Trausch](#), [Arsalan Muhammad](#), Tom Zavala, and paralegal Kim Morzakk. Litigation support was provided by [Aimee Furness](#) and Taylor Robertson. Additional assistance in the reorganization was provided by Finance team members [Sakina Rasheed Foster](#), Molly Barham, [Laura Shapiro](#), [Cody Cravens](#), and [Paul Amiel](#); Real Estate team members [Brack Bryant](#), [Chris Konopka](#), and Kate Ortbahn; Employee Benefits and Labor and Employment team members [Susan Wetzel](#), Melissa Goodman, and [Raquel Alvarenga](#); and Private Equity and Tax lawyers Rachael Williams, David Lightstone, [Dan Malone](#), AK Bonnet, and [Ken Bezozo](#).

The Haynes Boone Restructuring Practice Group handles issues in large and complex out-of-court financial restructurings and Chapter 11 reorganization cases. *Chambers USA*, *Chambers and Partners*, 2020 ranks the practice as a market leader, and clients describe the lawyers as "efficient, creative, and business-oriented attorneys who don't crack under pressure."

Haynes Boone is an international corporate law firm with offices in Texas, New York, California, Charlotte, Chicago, Denver, Washington, D.C., London, Mexico City and Shanghai, providing a full spectrum of legal services in energy, technology, financial services and private equity. With 600 lawyers, Haynes Boone is ranked among the largest U.S.-based firms by *The National Law Journal*, *The American Lawyer* and *The Lawyer*. It was recognized for excellence in the BTI Consulting Group's 2021 "A-Team" report, which identifies the law firms that in-house counsel commend for providing superior client service. See the firm's new brand and website at haynesboone.com.