

## Simpson Thacher Advises Wachovia Bank in Adelphia Chapter 11 Case and Related Litigation

02.15.07



Simpson Thacher advised Wachovia Bank, National Association, in connection with the recently consummated Chapter 11 cases of Adelphia Communications Corporation and its subsidiaries. At the time of its Chapter 11 filing in June 2002, Adelphia was the fifth largest cable company in the United States. Wachovia was the Administrative Agent for the Prepetition Lenders under a \$837 million senior secured credit facility. Pursuant to Adelphia's Plan of Reorganization, which went effective on February 13th, the Prepetition Lenders received payment in full and in cash of their claims for principal and accrued interest. In addition, the Prepetition Lenders received "Litigation Indemnification Funds" of varying sizes to fund the defense of multi-billion dollar litigation that the Official Committee of Unsecured Creditors of Adelphia commenced against the Prepetition Lenders in July 2003. Under the Plan, Wachovia received a \$21 million "Litigation Indemnification Fund" to fund its defense of the Creditors' Committee's lawsuit. Wachovia played a key role in negotiating a settlement among various creditor constituencies that formed the basis for Adelphia's Plan, which was confirmed by the Bankruptcy Court in early January, and which the District Court authorized to go effective on February 12th. The Firm is also representing Wachovia in its defense of the Creditors' Committee's lawsuit against the Prepetition Lenders.

The Simpson Thacher team who worked on this matter included Peter Pantaleo and Elisha Graff (Bankruptcy), Bill Russell, Paul Gluckow, Ethan Litwin, Barbie Zicherman, Jeff Coviello, Rawia Ashraf and Jon Krisbergh (Litigation), and Jen Hobbs (Banking and Credit). The team received invaluable assistance from paralegals Ed Ryan, Maryann Wasserman, Tom Weiss and Christina Fox.

### Team and Contacts

#### Elisha Graff

Partner

[egraff@stblaw.com](mailto:egraff@stblaw.com)

+1-212-455-2312

#### William Russell, Jr.

Partner

[wrussell@stblaw.com](mailto:wrussell@stblaw.com)

#### Paul Gluckow

Partner and General Counsel

[pgluckow@stblaw.com](mailto:pgluckow@stblaw.com)

+1-212-455-2653

