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Kathleen Aiello

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Ms. Aiello has a broad bankruptcy and financial restructuring practice dedicated to representing creditors, debtors and fiduciaries in a variety of industries and in all facets of Chapter 11 and Chapter 7 bankruptcy cases. She also has significant experience representing both plaintiffs and defendants in litigation resulting from bankruptcy matters. Ms. Aiello frequently appears in the bankruptcy courts for the Southern and Eastern Districts of New York and the District of New Jersey.

Education:

Rutgers School of Law (J.D.)

Georgetown University (B.S. – Foreign Service)

Bar and Admissions:

State of New York

State of New Jersey

U.S. Bankruptcy Court for the Southern District of New York

U.S. Bankruptcy Court for the Eastern District of New York

U.S. Bankruptcy Court for the District of New Jersey

Professional Affiliations/Memberships

- Turnaround Management Association – NYC Chapter, Board Member and Programming Chair/Global Network of Women Committee Member
- American Bankruptcy Institute
- Association of Insolvency and Restructuring Advisors

Significant Representations

Creditor Representation

- Represented landlords in *In re Cosmoledo* and *In re Ascena Retail Group, Inc.*
- Represented numerous parties as creditors and preference defendants in *In re Sears Holding Corporation*, *In re Barneys New York, Inc.* and *In re Fairway Group Holdings Corp.*
- Represented franchisor's rights in *In re Creative Learning Systems*.

Fiduciary Representation

- Represented Trustee in *In re Eight-115 Associates, LLC* to operate six residential and commercial properties in Harlem, New York while marketing the properties for sale.
- Represented Trustee in liquidating Chapter 11 case of *In re Midwood Gardens*, selling real property for 140% of estimated value, which enabled plan confirmation and global settlement to pay all creditors 100% of agreed upon claims.
- Represented Chapter 11 Trustee of *In re St. Clair Richards*, managing and overseeing multi-family rental properties in Bronx, NY co-owned by the Debtor through sale and confirmation of a liquidating Chapter 11 plan.
- Represented Chapter 7 Trustee of *In re The Robert Legere Companies, Inc.*, a home design and construction company in the Bankruptcy Court for the District of New Jersey.
- Represented Chapter 7 Trustee of *In re Thelen LLP*.
- Represented Chapter 7 Trustee of *In re Affirmative Equities Companies, LLC*, administering the bankruptcy cases of four real estate investment companies, alleged to be perpetuating a fraudulent, Ponzi-like investment scheme.
- Represented Chapter 7 Trustee of *In re Third Toro Family Limited Partnership*, the single asset real estate holding company of the H&H Bagel operations, and successfully sold real property for amount exceeding scheduled value by several million dollars and resulted in a 96% distribution to general unsecured creditors.
- Represented Chapter 7 Trustee of *In re Transvantage Solutions, Inc.* in prosecuting approximately 500 avoidance actions against defendants in the shipping and transportation industries.
- Represented Chapter 7 Trustee of *In re Direct Access Partners LLC*, a NY-based broker-dealer and its parent company led by officers convicted of orchestrating an international bribery scheme among other financial crimes.

Debtor Representation

- Represented wholesale and retail coffee company as a debtor in Subchapter V bankruptcy proceeding (*In re Brooklyn Roasting Company LLC*).
- Represented four related real estate development debtors in Chapter 11 case (*In re Richmond Valley Plaza*) through confirmation, which restructured multi-million dollar mortgages encumbering two and released Debtors' officers and family members from personal and corporate guarantees.
- Represented debtors in chapter 7 cases of *In re Sonia Rykiel* and *In re Donadio & Olson*.

Other Representations

- Represented Debtors' shareholders and real estate owners and creditors in *In re Century 21 Department Stores, LLC*.
- Represented Debtor's shareholders and real estate owners and creditors in *In re L&L Wings, Inc.*
- Represented a large financial institution as defendant in an adversary proceeding in *In re Lehman Brothers* bankruptcy involving the valuation of several hundred complex interest rate swaps terminated due to Lehman Brothers' failure.
- Represented retailers out-of-court in distressed lease negotiations, including termination and abatement.

Speaking Engagements/Awards/Publications

Speaking Engagements

- Annual Conference for Association of Insolvency and Restructuring Advisors – Panelist (2017, 2018, 2019, 2020, 2021)
- ABA Business Law Section Webinar Series: Presenter on Bankruptcy Basics (Summer 2019)

Awards

- Named to a list of “Super Lawyers – Rising Stars” and “Super Lawyers – Women” for Bankruptcy in New York (2015-2020)
- 2018 Honoree of Restructuring Fights Cancer Award

Publications

- Trustee Talk: Disqualifying Voters: Defeating a Trustee Election, American Bankruptcy Institute Journal (June 28, 2018)
- Understanding Ordinary: A Primer on Financial and Economic Considerations for the Ordinary Course Defenses to Bankruptcy Preference Actions, Second Edition, American Bankruptcy Institute, Contributing Author (2016)
- “Will Terminating Tenant Interests Unlock Value?: Practical Issues in Sales Free and Clear of Leasehold Interests”, Journal of Corporate Renewal (September 2012)