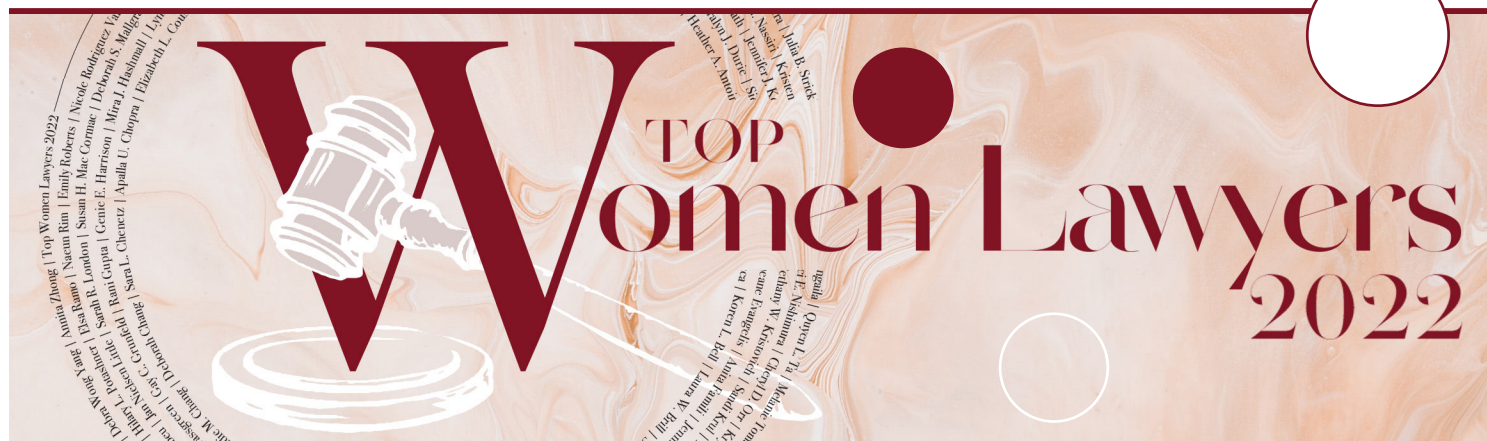


# Daily Journal

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## Debra I. Grassgreen

PACHULSKI STANG ZIEHL & JONES  
SAN FRANCISCO | INSOLVENCY & RESTRUCTURING

**G**rassgreen is a senior partner at the firm's San Francisco office and heads the international insolvency practice. She represents debtors, trustees and creditors' committees in large Chapter 11 cases nationwide and internationally. She's also the immediate past president of the International Insolvency Institute.

Over the course of her 25-year career, Grassgreen has seen her practice shift along with financial cycles. In the early days of her practice, she handled mostly true restructurings. Then the work shifted to sale cases, where a company goes into bankruptcy and is sold off. Many of her current matters use Chapter 11 to deal with mass tort issues.

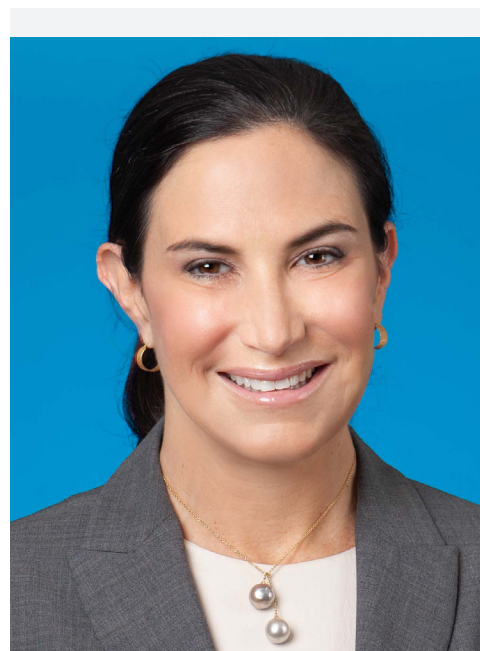
She was and continues to be integral in representing victims of sexual abuse in the Chapter 11 bankruptcies of the Weinstein Company and the Boy Scouts of America, along with high-profile representations in the bankruptcies of MobiTV and Watsonville Community Hospital.

Grassgreen also represents the official committee of unsecured creditors in the Chapter 11 bankruptcy of Professional Financial Investors, Inc., which consists of investors defrauded by the debtors' financial misconduct and operation of a complex and long-running Ponzi scheme. In re: Professional Financial Investors, Inc., et al. 20-30604. (Bankr. N.D. Cal., filed July 26, 2020).

Following real estate investor and PFI founder Kenneth Casey's death in May 2020, an audit of his estate led to a U.S. Securities & Exchange Commission investigation, which discovered the scheme that defrauded over 1,300 investors out of \$330 million. Creditors forced a Chapter 11 reorganization filing in July 2020.

PFI was granted consensual confirmation of its Chapter 11 plan in May 2021, successfully settling victims' claims. In most bankruptcy cases, creditors compete for limited assets. In this case, the creditors in the bankruptcy coordinated with each other early on for the benefit of all the victims. Thanks to the widespread adoption of Zoom during the pandemic, there was an unprecedented level of communication among the creditors in weekly Q&A sessions.

"We'd have anywhere from 400 to a thousand people on those Zoom calls. It opened up a new level of communication with the actual injured parties and enabled them to understand more of what was going on. As a result, we were able to get a consensus; voting on the plan was almost unanimous, and we had almost no disputes on the case," Grassgreen said. "Everyone who looks at this case says, 'How did you get through this case without any litigated matters?' And the answer was communication and collaboration."



Those Q&A sessions inspired Grassgreen's approach in her representation of abuse survivors in the bankruptcy of the Boy Scouts of America, creating virtual town hall meetings to keep survivors informed about the case.

Grassgreen said Chapter 11 is a good tool to address victim-based cases, providing resolution and compensation to victims in a timely manner.

"It allows people to have a voice, to feel like they have some control—when they've been victimized, that's something they lose. And because of the collective nature of the proceeding, it doesn't tie them up in individual litigation and expense for years on end," she said.

— JENNIFER CHUNG KIAM