

## Managing Bankruptcy/Restructuring Scenarios Using Virtual Data Rooms



### Stop the Paper Chase



*When the court appointed trustee or the restructuring expert typically arrives on the scene, critical documents are scattered across the organization. Corporate papers, contracts, agreements, leases..... some paper-based and others in electronic files... may be buried in moving boxes, filing cabinets, employees' desks and computers from New York to California.*

*Before the restructuring or liquidation effort can even begin, it is essential to consolidate all of the information into a well-organized environment so the involved parties can concentrate on execution and not waste time looking for documents.*

### Document Repository

Our economically priced **V-Rooms™ Virtual Data Rooms** provide a secure, Internet-based repository for housing this vast array of information. The **V-Rooms™** solution gives an organization the ability to respond to the demands of the involved parties, while simultaneously maintaining the confidentiality of this information. Actions for the involved parties, who may include the corporation's legal team and its restructuring advisors, banks, attorneys, creditors and the courts, may consist of creating a document repository, obtaining court approval for actions, noticing of creditors, documenting a restructuring plan, processing claims, and selling distressed assets.

“Having been through this process previously, I believe that **V-Rooms™** saved us hundreds of man hours, managing the data query process, and dealing with the version-control problems associated with a paper system.

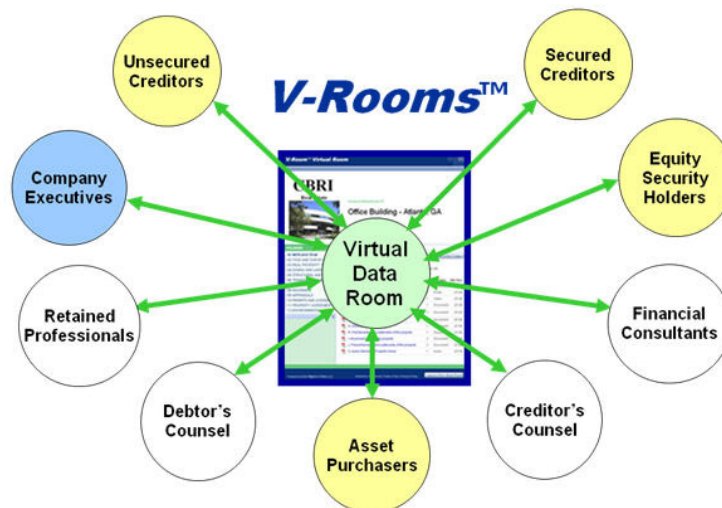
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Our **V-Rooms™ Virtual Data Rooms** have been used extensively in M&A and financial transactions for years, allowing companies to exchange thousands of documents online in an electronic format with numerous parties for due diligence evaluation, as well as for rapidly drafting and executing the dozens of transaction documents typically associated with these deals.

## The Virtual Data Room Document Warehouse

Virtual data rooms are increasingly being utilized to assist in the organization and processing of the vast amounts of information typically associated with a corporate bankruptcy or restructuring effort. Our Corporate Turnaround and Chapter 11 services help a company attain its reorganization goals by applying a collaborative, web-based managed data solution for our clients' administrative needs.

Creation of a centralized virtual repository for corporate documents benefits the turnaround specialist and/or Chapter 11 trustees, advisors and company officers. The time and costs associated with the delivery of printed documents to each of these parties is prohibitive.



## Review of Contracts and Agreements

It is likely that most debtors have multiple locations with numerous contracts and agreements having been issued at each location. Often these electronic and paper-based documents are stored in individual filing cabinets or in employees' desks/computers. The rapid assembly of this information into an organized structure inside a virtual data room is essential to keep the process moving forward.

Our solution enables functional teams to have instant access to accurate and timely information. This decreases review and negotiation cycles, allowing management to focus on implementing new processes for corporate operations or exiting operations under a Chapter 11 status.

- Access to key documents in a secure online environment
- Central online repository of contracts, agreements and corporate documents
- Timely availability of pertinent documentation via a web access portal
- Simultaneous access to documents with a login and password
- Virtual collaboration on transaction documents between related parties

From a document management standpoint, our solution tracks all documents... when they were added, modified or deleted throughout the life cycle of the virtual data room.

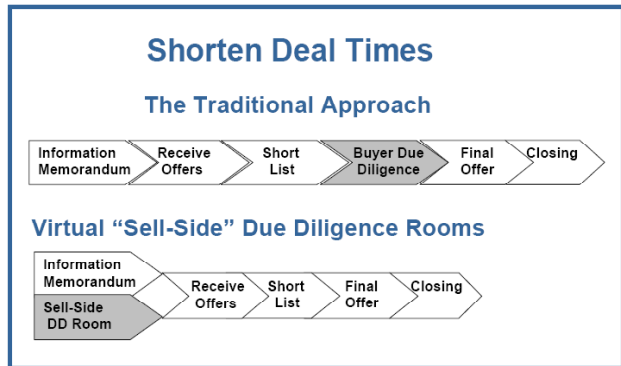


## Distressed Asset Sales – Speed is Critical

Unlike typical M&A transactions, the sale of individual assets or perhaps the entire corporation, pursuant to Section 363 of the Bankruptcy Code, may bring complex legal issues. By using a virtual data room, the seller and its advisors can assemble the required documentation for conducting due diligence by prospective bidders. This approach considerably expedites the bidding process, resulting in a better value accruing to the troubled company.

## Sell-Side Virtual Data Room

A sell-side due diligence room is created where the seller and its advisors convert all the necessary paper documents into digital files and then upload them into an online data room, to be made available to numerous potential buyers in an auction format.



## Document Collaboration

The management of the drafting, editing, revision and execution of dozens of transaction documents between multiple parties in a normal deal is laborious and time consuming. For bankruptcy/restructuring situations the rapid execution of these documents is critical.

With the availability of the Internet, companies are now able to considerably “expand their reach” in seeking buyers. High-level secure, virtual rooms that display, yet protect, confidential company information have significantly increased the efficiency of all parties involved in these financial transactions.

## Risk Management – Litigation Preparation

A common threat with bankruptcy is potential litigation. Utilizing our tracking and reporting features the client has the ability to produce a variety of management reports to prove who accessed which documents... and when. Our solution provides proof that the documents were accurately made available, and the appropriate people who were supposed to review them, actually did review them.

**V-Rooms™** provides the ability, with the click of a button, to create a complete archive file of all of the information in the virtual data room. This can then be assembled by the room administrator for historical purposes.

## Summary

The key to managing the complex, business-critical information associated with a bankruptcy, restructuring or distressed asset sale is making the right information available to the right parties at the right time.

**V-Rooms™ Virtual Data Rooms** provides this capability in a secure and economical fashion.