

## SEARS GETS NOD ON \$154M CH. 11 DEAL WITH CANADIAN UNIT

Law360 (April 23, 2020, 2:50 PM EDT) -- A New York bankruptcy judge has approved a \$154 million settlement between Sears Holdings Corp. and Sears Canada Inc. over a suit by the Canadian retail chain seeking to claw back a 2013 dividend payment to its parent company and shareholders.

## Epstein Estate Reaches Deal With US Virgin Islands Attorney General on Victims Compensation Fund

A deal regarding a fund to compensate the dozens of alleged sex-trafficking victims of Jeffrey Epstein has been reached between the U.S. Virgin Islands Attorney General and the Epstein estate.

## France's Imerys in U.S. Deal to Resolve Talc-related Liabilities

French manufacturing and minerals group Imerys SA (IMERY) has reached a deal with the U.S. bankruptcy court overseeing the reorganization of North America talc unit filed for bankruptcy after the company's parent filed for protection from creditors in France. Imerys said on Friday it had reached a deal to resolve those talc-related liabilities.

## Casino Resort Award Upheld in Singapore

The Singapore High Court has upheld a final award ordering a Manila gaming resort owner to pay US\$296 million to a casino operator. The court's decision was an attempt to resolve a long-running liability dispute.



**Litigation  
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# 2Q2020 Developments

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## **Imerys' Talc-Related Suits Resolved**

HHR advised French minerals company Imerys SA in the negotiation of an agreement to resolve three of its indirect subsidiaries' historic talc-related liabilities in the U.S. with representatives of both current and potential personal injury claimants. The agreement, documented in a joint plan of reorganization, was filed on May 15 in Delaware bankruptcy court, where the subsidiaries' Chapter 11 proceedings are pending. The Chapter 11 filing represented the culmination of months of planning and negotiations with a proposed representative for future tort claimants. **Chris Kiplok** and **Bill Beausoleil** led the HHR team.

## **Favorable Result for Sears Trustee Neil Oxford and Dustin P. Smith**

secured another favorable result for the litigation trustee of Sears Canada in his pursuit of clawback claims against the Canadian retail chain's parent company and shareholders in Chapter 11 proceedings. On April 23, a U.S. bankruptcy judge approved a \$154 million settlement between Sears Canada and parent company Sears Holdings Corp. that also requires the U.S. company to comply

with discovery requests by the trustee in his ongoing lawsuits against the directors of Sears Canada and the CEO of Sears Holdings. HHR began helping the trustee shortly after Sears Holdings filed for bankruptcy in the U.S. in October 2018.

## **GGAM's \$296M Award Upheld Dan Weiner, Hagit Elul and Meaghan Gragg**

led Global Gaming Asset Management (GGAM) to a decisive victory when the Singapore High Court upheld in its entirety a \$296 million arbitration award issued in 2019 to the Las Vegas-based casino operator in a years-long dispute with a gaming resort owner in the Philippines. On May 29, the High Court dismissed Bloomberry Resorts Corp.'s application to set aside and resist enforcement of the arbitral award. A Singapore-based arbitration tribunal in September 2016 issued a partial award on liability, and in September 2019 a final award of \$296 million in damages, declaring wrongful Bloomberry's termination of a 10-year management services contract it entered into eight years earlier with GGAM for Bloomberry's Solaire casino and hotel in Manila.

## **Arbitration Win for Liquor Importer**

**John Fellas, Malik Havalic** and **Joanne Liu** won an arbitration award for a former U.S. importer and marketer of liquor and spirits in a breach of contract case against a French cognac distiller. On May 4, the sole arbitrator denied all of the distiller's claims and awarded the client its full costs for defending the arbitration brought by the distiller in December 2017. The dispute arose out of a 2008 marketing and importing agreement that the distiller terminated in May 2009 on the grounds that the client was insolvent and owed unpaid royalties to rapper Snoop Dogg under an endorsement deal.

## **Favorable Ruling in Crypto Suit**

**Dan Weiner, Marc Weinstein** and **Amina Hassan** obtained a favorable procedural ruling for Stuart Fraser, the last remaining defendant in a class action lawsuit accusing him, two cryptocurrency mining companies and their founder of defrauding customers and investors in a multimillion-dollar Ponzi scheme. On May 4, a Connecticut federal judge decided to split the lawsuit into two separate trials, with the first phase to focus on liability.

If Fraser is found liable, then he can move for decertification of the class as to damages. Fraser, former vice chairman of Cantor Fitzgerald, faces "control person" liability claims for his purported role in GAW Miners and ZenMiner. Trial is set to begin in December.

## **Fund for Epstein Victims**

HHR represented Darren Indyke, co-executor of Jeffrey Epstein's estate, in reaching a tripartite agreement with multiple claimants' counsel and the U.S. Virgin Islands attorney general concerning a multimillion-dollar program to compensate sexual abuse victims of the late financier. Epstein, 66, who had pleaded not guilty, died in jail last August while awaiting trial on sex trafficking charges. In November, the co-executors announced they were seeking court approval to establish an independently run fund. The motion was filed in the U.S. Virgin Islands, where Epstein's will is in probate. **Dan Weiner, Marc Weinstein** and **Parker Taylor** co-lead the HHR team, which includes **Fara Tabatabai** and **Ken Katz**.