

Paul, Weiss, Rifkind, Wharton & Garrison LLP

Alice Belisle Eaton, Deputy Chair of the Restructuring Department, and Sean A. Mitchell, Partner—Restructuring

Deputy Chair of Paul, Weiss's Restructuring Department, Alice Eaton advises creditor and debtor clients in corporate reorganizations and bankruptcies, with a focus on post-petition financings, exit financings, and related transactions. Alice was named as one of *Law360's* "Bankruptcy MVPs" in both 2023 and 2021, and she was recognized as a 2022 "Outstanding Restructuring Lawyer" by *Turnarounds & Workouts*. She received her J.D. from New York University School of Law and graduated *summa cum laude* from Bowdoin College.

Sean Mitchell is a restructuring partner at Paul, Weiss. He focuses his practice on representing debtors, equity owners, creditor groups, and distressed investors in a broad range of restructuring matters, including chapter 11 cases, cross-border matters, out-of-court restructurings, and bankruptcy-related acquisitions. Sean has a broad range of experience across a number of industries, including consumer products, retail, media and communications, health care, energy, and manufacturing. He received his J.D. from Harvard Law School and his B.A., with honors, in Economics from Harvard University.

Describe your practice area and what it entails.

Alice: Our restructuring practice is quite broad. We describe ourselves as restructuring lawyers, not bankruptcy lawyers—an important distinction. We don't just handle bankruptcy court proceedings; we take a holistic view of a company's challenges—whether it's helping a company get consent to change its capital structure, addressing systemic business problems, dealing with chapter 11 issues, or assisting with a refinancing offer. We also assist investors on various transactions. Our practice is unique in that it is evenly split between representing debtors in both in-court and out-of-court restructurings, and representing linchpin creditor groups and sponsors.

Sean: As a restructuring lawyer, you're fundamentally a problem solver. Generally, there is an issue or problem with a company, and many different constituents need to come together to reach a solution to the problem. Typically, the problem is that the company owes more money than it can pay—perhaps because it borrowed too much, it had involuntary creditor claimants, revenue fell off, or some other reason. Our job is to help clients assess potential problems or possible investment opportunities within this arena. The work is highly multi-disciplinary, so we often collaborate across practices—from M&A to securities—to reach the best solutions for our clients.

What types of clients do you represent?

Alice: We represent companies that are distressed and facing challenges, and we also represent investors in distressed businesses; my practice is split 50/50. An example of a company-side matter is our representation of Revlon, which emerged from bankruptcy last year after facing capital structure issues and operational challenges. On the creditor side, we represent mostly ad hoc groups of creditors, including institutional investors and mutual fund managers, as well as alternative asset managers and more opportunistic credit investors. For example, we represented key creditor groups in the restructurings of two pharmaceutical companies, Mallinckrodt and Endo Pharmaceuticals.

Sean: At Paul, Weiss, we advise on all sides of restructuring matters—both company-side and creditor-side—so my practice is quite diverse. I represent major companies on their most critical restructuring issues, as well as investors and acquirers who are focused on buying companies, engaging in mergers and acquisitions, or completely unwinding companies in distress. I also represent governmental entities that have an interest in distressed entities.

What types of cases/deals do you work on?

Sean: The Paul, Weiss Restructuring Department has served as a critical advisor on almost every major headline-grabbing restructuring matter, including three of the five largest restructurings in 2023. It's a truly varied practice

mix, including transactional and litigation aspects—and it spans industries. Some recent examples of the department's work include representing Revlon, Diamond Sports Group, and Party City in their respective chapter 11 cases; California Public Utilities Commission in the chapter 11 cases of PG&E Corporation, the largest public utility in U.S. history to file for bankruptcy; an ad hoc group of creditors in the restructuring of Rite Aid Corporation; and an ad hoc group of creditors in the restructuring of Western Global Airlines.

Alice: The types of matters we work on really run the gamut because we work across industries and gain a lot of specialized knowledge. Over the course of my career, I have worked on matters relating to the financial services, pharmaceuticals, telecommunications, automotive, energy, and consumer products industries—to name a few. Our work is always interesting.

How did you choose this practice area?

Sean: I became interested in restructuring after taking a bankruptcy course in law school and learning about the Bankruptcy Code. The Code sets a backdrop for everything we do, and I liked that there was a starting point for the work and analyses. After working in Paul, Weiss's Restructuring Department as a summer associate, I was hooked. I had the opportunity to work with the best and brightest lawyers on cutting-edge solutions to complex problems. It was challenging and exhilarating to face seemingly intractable problems and try to find a solution. I returned to the firm as a restructuring associate and have grown my career here since, becoming a partner in 2023.

Alice: My path is not typical because I entered law school knowing I wanted to pursue a career in restructuring. I have a family member in the field, so I was exposed to the work early on. In particular, I was struck by how much restructuring lawyers loved their work and especially relished the challenges and the problem-solving aspects of their practice. I decided I wanted to be part of that, and I haven't looked back. The restructuring community is really tightly knit, and the lawyers in this area tend to be motivated, enthusiastic, and passionate about what they do.

What is a typical day like and/or what are some common tasks you perform?

Alice: There's not a lot of commonality in my day to day because it is really driven by the specific matters on my plate and client demands. I spend most of my time interacting with clients, providing advice, solving the problems before us, and trying to anticipate future issues clients may face. I then work directly with our team to determine how to tackle the various

tasks at hand—whether that's conducting analyses, fielding client inbounds, negotiating, or doing other strategic work.

Sean: Like Alice, a good chunk of my day is spent on calls with clients, listening to their concerns, understanding their goals, and interpreting recent developments in the courts to help them make more informed decisions. I split my time between litigation and transactional work, reviewing and preparing filings and transactional documents. I dedicate a significant amount of time to strategic planning, considering what recommendations to make to our clients so they can meet their goals. My days also include time for client relationship building, which may involve lunches or dinners with prospective clients.

What training, classes, experience, or skills development would you recommend to someone who wishes to enter your practice area?

Alice: A standard bankruptcy course is definitely helpful to gain a foundation. Bankruptcy seminars are also useful because you get to dig deeper into the legal dynamics of bankruptcy. I also think a course in secured transactions is useful to prepare for the negotiation aspect of the practice. In addition, I recommend that law students take advantage of shadowing opportunities while they are summer associates; observing more senior lawyers in action will give you a sense of the bigger picture, so you can understand how your work fits.

What do you like best about your practice area?

Alice: I'm a problem solver by nature, and I really enjoy the challenges of this practice. I've been working in restructuring for 25 years, and I can't see myself doing anything else or finding the same gratification I get from rolling up my sleeves and trying to reach the best outcome for our clients.

Sean: I echo Alice; the challenges are my favorite part. I really enjoy some of the esoteric or really bespoke situations that we handle at Paul, Weiss. I also like the negotiations we work on because they're focused on problem solving; it's satisfying to reach a conclusion that is mutually beneficial to everyone.

What is unique about your practice area at your firm?

Alice: We are among a small handful of law firms that represent all parties in a bankruptcy, whether it's a company, creditor, secured creditor, unsecured creditor, convertible noteholder, sponsor, or acquirer of distressed businesses. Our practice is exceptionally varied, and we practice at the highest level. Also, our team is phenomenal—from our partners all the way down to the most junior associates—and we share a common mantra that we do our best when we work together.

What are some typical tasks that a junior lawyer would perform in this practice area?

Sean: On the litigation side, junior lawyers become micro subject matter experts. It's their job to take a deep dive: research, think about the issues, write memos, etc. They have perspective that no one else on the team has, which is invaluable. I often debate the junior associates on some of the issues and talk through the nuances with them because they have so much knowledge to offer. On the transactional side, junior associates also do a deep dive, looking at precedents and drafting agreements, creating first drafts of nondisclosures, drafting responses, and more. Junior lawyers also keep the schedule of deadlines, which is absolutely critical. In addition, junior associates at Paul, Weiss frequently interact with clients and are key in helping us develop client relationships. I also firmly believe that a big part of a junior associate's job is to learn; they should observe senior lawyers, shadow them, and develop their own style over time.

What advice do you have for navigating the multidisciplinary nature of bankruptcy practice?

Sean: Ask questions. I even do this as a partner. Learn from more senior restructuring lawyers and from specialists in other disciplines. As a restructuring lawyer, there are amazing opportunities to develop your knowledge in many different areas of law and to learn how those areas impact restructuring. Explore why we are taking certain steps or approaching a matter in a particular way.

Alice: Be open-minded to the different types of work you can do within restructuring. The breadth of this practice is incredible, and if you are willing to try different types of work, you will be exposed to a range of corporate transactions and litigation, which will help you figure out what you enjoy doing most. Also, develop client relationships early, especially with peers at the client. These relationships can help you learn more about their work and their perspectives.

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