

In The News

Litigation Grows Over Liability Management Exercises' Uncertainty

April 29, 2025

In a new article for *The Banking Law Journal*, Akerman Litigation Partner Peter Haveles dives into the complex world of liability management exercises (LMEs), by which distressed borrowers attempt to restructure debt—often to the detriment of some senior lenders— and typically with substantial litigation risk to both the participating lenders and the borrower..

Haveles analyzes the recent case law dealing with the contentious world of LMEs, including two major appellate decisions from late 2024 that highlight how courts have reached opposite conclusions on the validity of controversial “uptier” transactions. These decisions as well as earlier ones fuel legal uncertainty for both borrowers and creditors. Haveles demonstrates that inconsistent rulings stem from ambiguous loan agreement terms as well as aggressive borrowers, and he urges clearer, more precise drafting to reduce future litigation risks.

If you want to understand the evolving battleground of lender rights and the practical steps to navigate this legal maze, this article offers essential insights and real-world guidance.

[Click here to read the article.](#)

Related People

H. Peter Haveles, Jr.

Related Work

Litigation

Related Offices

New York