



Eric Fromme is a broadly skilled and deeply knowledgeable trial attorney with more than 20 years' experience in complex bankruptcy and business litigation matters. Eric's significant experience was built over several decades in some of America's top "Big Law" law firms, such as Gibson, Dunn & Crutcher, and the New York city office of Hughes Hubbard & Reed LLP. Eric now brings his considerable experience and skills to Pacheco & Neach pc and its clients.

He continues to maintain a national practice and has served as lead debtor's counsel in chapter 11 cases pending in bankruptcy courts, and as lead counsel in commercial litigation cases in state and federal courts, across the United States.

Eric has handled a wide range of litigation and chapter 11 representations and other high-stakes insolvency-related matters, including "bet-the-company" litigation involving trade secret, RICO, fraud, business torts, fiduciary duties, corporate governance, chapter 11 restructurings for U.S. and non-U.S. companies, cross-border insolvency matters, out-of-court restructurings, real and personal property foreclosures, corporate acquisitions, and investments.

His clients are as broad as his expertise and include business owners, officers and directors of mid-market and publicly traded companies, high net worth individuals, chapter 11 debtors, special committees of boards of directors, equity sponsors, traditional and nontraditional secured lenders, and financial and strategic buyers.

Representative Matters

Bankruptcy and Restructuring

- Lead debtor's counsel for Lolli & Pops, Inc., a specialty candy retailer with stores in shopping malls throughout the United States. Eric led the successful sale of Lolli & Pops' assets, preserving the brand and its many stores and jobs.
- Lead debtor's counsel for the second largest newspaper company in the United States in its prepackaged chapter 11 bankruptcy. Eric handled the complex transaction confirming a plan that restructured \$1 billion of secured debt.
- Debtor's counsel for Scotia Pacific Company, redwood timber company, in highly contentious litigation against secured bondholders with over \$800 million of claims, and in resolving thorny corporate governance and fiduciary issues.
- Lead counsel for the secured lender and minority equity owner of Traffic Control and Safety Corporation in its acquisition of the Company out of bankruptcy. Eric engineered a complicated acquisition of the Company's assets and directed the successful negotiation for a global settlement of all claims, which included breach of fiduciary duty and federal equitable subordination claims against his client.

- Lead bankruptcy counsel for Westmont Development, Inc. in its acquisition out of bankruptcy of a retirement community located in Riverside, California, involving complicated real estate, federal and state regulatory and Medicare reimbursement issues.
- Debtor's counsel for Ruby's Franchise Systems, Inc., franchisor of the Ruby's Diners brand, in the sale of its assets.
- Counseled the chief executive officer and the chief financial officer of CST Industries, Inc. on their fiduciary duties and employment rights prior to and during the bankruptcy sale of the company, obtaining substantial payments for his clients.
- Obtained the release of over \$25 million of claims against the parent guarantor and principals of a debtor.
- Lead trial attorney for group of executive and non-executive employees enforcing their employment and severance agreements in bankruptcy, resulting in substantial stock and cash recoveries for his clients.
- Lead debtor's counsel for construction company in a chapter 11 bankruptcy maximizing the value of the assets, resulting in payment in full of all creditors and the release of all claims against the principals.
- Represented seller of intellectual property portfolio in bankruptcy and resolved substantial claims against his client.
- Represented existing equity holder in maintaining ownership of chapter 11 debtor by negotiating a deal in which his client partnered with a new source of capital and defeated the claims of creditors.
- Represented a European-based alumina company in a cross-border restructuring. Implementing the strategy involved litigation in the United States and in a specialized Dutch court of equity.
- Advised a private equity firm in the bankruptcy sale of Nortel Networks, Inc.'s multi-national enterprise solutions business.
- Represented the former operators of several hundred Disney Stores in the United States and Canada. Eric led a team of advisors to negotiate with its licensor and to deal with difficult corporate governance issues.
- Represented an international industrial building materials company in matters relating to potential liability due to exposure to asbestos products.

Commercial Litigation

- Defended Verio Healthcare, Inc. and its principals in a "bet-the-company" case involving breach of fiduciary duty, theft of trade secrets, wrongful termination and intentional infliction of emotional distress claims.
- Lead trial attorney for two of the three majority owners of a cannabis retailer in a fight for control of the company involving lawsuits in California and Nevada. Eric achieved a division of the company's assets in his clients' favor while eliminating all secured debt, facilitating his clients' continued success in their new venture.
- Advised multi-national corporation in the resolution of dozens of outstanding lawsuits involving competitors, former employees and customers pending in state and federal

courts throughout the United States, freeing client to focus on the growth and profitability of its business.

- Represented business owner who had been defrauded by his business partner who, as part of an attempt to steal his business, filed lis pendens on dozens of his client's properties throughout California. Eric moved quickly and early removing all the lis pendens, producing swift and excellent resolution for his client.
- Represented minority shareholder in derivative action of a closely held business in which the majority owner had defrauded his client and diverted corporate assets for his own personal benefit. After defeating three attempts to dismiss the case, Eric's client received a substantial payment.

Appellate Decisions

- *In re Scotia Pacific Co., LLC*, 508 F.3d 214 (5th Cir. 2007) (holding, among other things, company conducted "substantial business" other than operation of the real estate and thus did not qualify as a single asset real estate company).

Practice Areas

- Corporate Bankruptcy & Restructuring
- Commercial Litigation
- Creditor Rights

Bar Admissions

- California

Court Admissions

- U.S. Supreme Court
- U.S. Court of Appeals for the Ninth Circuit
- U.S. District Courts for the Central, Eastern, Northern and Southern Districts of California

Education

- Santa Clara University School of Law (J.D.) cum laude
- University of California, Berkeley (B.A.)

Professional Recognition

- Best Lawyers in America© 2013-2021

Memberships & Associations

- American Bankruptcy Institute, Board of Directors, Board Member
- Orange County Bankruptcy Forum, President (former)

Articles

- Los Angeles Lawyer: Singled Out - Chapter 11 Provides Only Temporary Respite to an Entity in a Single Asset Real Estate Bankruptcy
- Los Angeles Daily Journal: Stern v. Marshall Bankruptcy Case: Bombshell or Dud? (Parts I and II)
- Los Angeles Daily Journal: Reorganization for One: Chapter 11 for High Net Worth Individuals
- American Bankruptcy Institute Journal: Feeling Inadequate? What's Enough, and When Must a Debtor Pay It?
- Daily Bankruptcy Review: The European Travelers Guide to Chapter 11

Speaking Engagements

- Bankruptcy & Marijuana, American Bankruptcy Institute, Winter Leadership Conference, 2019
- Ethical Issues Involving Disclosure and Retention, American Bankruptcy Institute, VALCON, 2017
- Negotiating the Terms of the Purchase and Sale, American Bankruptcy Institute, Winter Leadership Conference, 2012
- Complex Financial Restructuring Program Co-Chair, American Bankruptcy Institute, 2009 to 2021
- Recent Hot Plan Confirmation Issues, American Bankruptcy Institute, Annual Spring Meeting, 2011
- What Bankruptcy Lawyers Need to Know About New Requirements for Drafting Disclosure Statements in 2011, Strafford Webinar, 2011
- Single Asset Real Estate Status: Slippery Slope to the Fast Track, Orange County Bar Association, 2008