Law Firm Not Liable for $1.5B Loan Gaffe



Image by C_osett

Entities that loaned General Motors $1.5 billion before it went bankrupt cannot sue GM's law firm, Mayer Brown, for accidentally canceling the collateral on the loan, the Seventh Circuit ruled.

Courthouse News Service **is reporting** that the Chicago-based appeals court ruled Wednesday that Mayer Brown has no duty to GM's lenders because it did not represent them.

The suit was based on a statement drafted by Mayer Brown that mistakenly terminated the collateral securing a $1.5 billion loan. That mistake resulted in the lenders' loans becoming unsecured, putting their claims behind the claims of secured creditors, writes **Lorraine Bailey**.

Read the Courthouse News article.

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