Supreme Court Case Has Bankruptcy World on Edge



Image by NY Photographic

The U.S. Supreme Court will is hearing arguments in a case that could upend the common practice that ranks lenders, employees and other creditors in order of priority as they try to recover their money when a company files for bankruptcy, according to a ***New York Times*** **article**.

“The case has attracted wide attention from academics, workers’ groups and state tax authorities,” writes Libby Lewis. “A decision could affect how much power bankruptcy courts have to approve settlements that do not follow the conventional order of creditor priority and potentially block some parties, in this case the company’s former employees, from any financial recovery.”

The court is hearing *Czyzewski v. Jevic Holding Corporation*.

Read the *NYT* article.