



New York City

SEPTEMBER
2026

WELCOME TO **THE TURNAROUND REPORT** TMA NYC SEMI-ANNUAL NEWSLETTER

The TMA NYC's Marketing & Communications Committee is pleased to provide a semi-annual newsletter as a platform intended to promote members' achievements and provide educational and newsworthy content to the membership and the restructuring industry at-large.

Welcome

In this **10th edition of TMA NYC’s semi-annual newsletter, *The Turnaround Report*, produced by the Marketing & Communications Committee of TMA NYC**, we continue to provide a platform for TMA members and our colleagues to share their personal achievements, educational and newsworthy content, and gain valuable visibility in the restructuring community.

As we reach a milestone 10th edition, the industry itself finds itself at an inflection point. Bankruptcy filings continue to run at structurally elevated levels — well above pre-pandemic norms — and the wave of liability management exercises reshaping capital structures shows no signs of receding. Add to that the disruptions of AI-driven workforce transformation, shifting consumer patterns and regulatory policy landscape. It is fair to say that a restructuring professional’s inbox has never been more crowded. We hope this 10th edition offers perspective, practical insight, and perhaps a moment of levity — because if there is one thing we know, this industry never runs short of material.

- Jasdev Singh, Richelle Kalnit, Brett Theisen, Ben Ahrens, Elise DiBenedetto, Marc Hirschfield, Michael Medved, James Schwarz



Jasdev Singh,
GlassRatner



Richelle Kalnit,
Silhouette
Advisors



Brett Theisen,
Connell Foley LLP



Ben Ahrens,
M3 Partners



Elise
DiBenedetto



Marc Hirschfield,
Royer Cooper Cohen
Braunfeld, LLC



Michael Medved,
Tarter Krinsky &
Drogin LLP



James Schwarz,
BDO

9,000
WORLDWIDE MEMBERS

450+
YEARLY EVENTS

55
CHAPTERS WORLDWIDE

23
COUNTRIES

CONGRATULATIONS TO CHARVI GUPTA ON HER RECENT PROMOTION

Charvi Gupta was recently promoted to Managing Director at Getzler Henrich & Associates.



SPENCER WARE JOINS MCA FINANCIAL GROUP IN NEW YORK TO LEAD TURNAROUND & RESTRUCTURING PRACTICE

As MCA Financial Group continues to expand its restructuring and advisory capabilities, the firm is pleased to welcome Spencer M. Ware as Senior Managing Director and head of the Turnaround and Restructuring practice.

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BALMORAL ADVISORS ADVISES VANDEMARK CHEMICAL ON ITS SALE TO VALIANT ENERGY MANAGEMENT

Balmoral Advisors announced today that it served as the exclusive financial advisor to VanDeMark Chemical, Inc. ("VanDeMark") in its completed sale to Valiant Energy Management.

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HOW TAX INCENTIVES ARE RESHAPING ENTERTAINMENT REAL ESTATE

Mark Podgainsy (DSI) & Marco Nykodym (Getzler Henrich)

In today’s entertainment industry, tax policy has become as critical as talent. States offering production credits are reshaping where billions of dollars in film...

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THE ASSET THAT RARELY MAKES THE RESTRUCTURING CHECKLIST

Justin Blau (Melville Capital, LLC)

In turnaround and restructuring engagements, time is scarce, liquidity is constrained, and decisions are often made with imperfect information. Professionals move quickly to assess operating performance...

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AI INFRASTRUCTURE: FROM ZERO TO \$100B AND BEYOND: HOW THE EMERGENT SECTOR IS RESHAPING THE NON-IG MARKET

Anton Gorbounov & Rucha Amdekar (Octus)

Every day seems to bring a new headline about how AI will reshape one aspect of our economy or another, from software, to power, to the nature of work itself. While the jury is still out on how transformative...

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TWO-STEP ASIDE: U.S. BANKRUPTCY COURT LETS CANADIAN REVERSE VESTING ORDER WALTZ THROUGH CHAPTER 15

Michael B. Schaedle, Evan Jason Zucker & Jennifer K. Malow (Blank Rome LLP)

Chief Judge Martin Glenn of the United States Bankruptcy Court for the Southern District of New York (“Court”) issued an opinion on May 12, 2026...

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WHEN TRAGEDY BECOMES INSOLVENCY: THE EXPANDING ROLE OF CHAPTER 11 IN CATASTROPHIC LIABILITY CASES

Sonali Doshi (Ciardi Ciardi & Astin)

When tragedy strikes, the public instinctively searches for two things: answers and accountability...

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IN DISTRESSED SITUATIONS, REPUTATIONAL RISK IS FINANCIAL RISK

Matt Zabel, Chief Executive Officer & Jonathan Adelson, Chief Growth Officer (Mile 27 Partners)

When companies enter periods of financial distress, attention naturally shifts to liquidity, debt obligations...

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COMEBACK: CAN GREAT FIRMS RISE AGAIN

Alfred Marcus, Professor Carlson School of Management University of Minnesota

As markets search for signs of stress in private credit, Octus has focused on loans held by business development companies (BDCs) to identify key...

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LOOKING AHEAD

We asked the TMA NYC community the following question.

What has the restructuring market surprised you with most in the first half of 2026, and where do you see the most significant stress building for the back half of the year?

“AS A FIRM WE EXPECT CONTINUED STRESS THROUGHOUT THE MIDDLE MARKET, WITH MORE ACTIVE INDUSTRIES SUCH AS MANUFACTURING, CONSUMER PRODUCTS, CHEMICALS, TRANSPORTATION, AND HEALTHCARE. MY FELLOW SENIOR MANAGING DIRECTORS, KEITH BIERMAN AND STACIE WITTEN, SAW A FEW CONSISTENT UNDERLYING THEMES: A FAILURE OF STRONG OPERATIONAL DISCIPLINES AROUND STANDARD COSTING AND MITIGATING COMMODITY PRICING RISKS, AND A LACK OF PROPER ANALYSIS OF CUSTOMER PRICING. THIS IS NOT TO SAY THAT SUPPLY CHAIN RISKS AND GEO-POLITICAL TENSIONS, INCLUDING TARIFFS, WON’T CONTINUE TO CREATE HURDLES EPISODICALLY.

WE ALSO EXPECT TO SEE STRESS, OR CONSTERNATION, AMONGST FINANCIAL ADVISORS, LAWYERS, AND INVESTMENT BANKERS, ON HOW TO BEST EFFECTUATE A RESTRUCTURING TRANSACTION WHEN STAKEHOLDERS FACE DEFICIENCIES. WE FIND OUR CLIENTS ARE INCREASINGLY INTERESTED IN ALTERNATIVES TO CHAPTER 11 GIVEN THE RISING COSTS OF THE PROCESS. MORE FREQUENTLY OVER THE LAST 12 MONTHS THE TEAM HAS FOUND THEMSELVES EFFECTUATING RESTRUCTURINGS THROUGH ASSIGNMENTS FOR THE BENEFIT OF CREDITORS (ABC), ARTICLE 9 FORECLOSURES, RECEIVERSHIPS, AND THE SUB-CHAPTER V PROCESSES. THESE ALTERNATIVES TO CHAPTER 11 ARE INCREASINGLY IN VOGUE, AND WE FIND LARGER LAW FIRMS AND INVESTMENT BANKS OPEN TO EMBRACING THESE ALTERNATIVE SOLUTIONS.

LET ME FINISH WITH MY THOUGHTS ON ARTIFICIAL INTELLIGENCE, AI. WHILE I APPLAUDED THE INNOVATION AND THE LARGE FIRMS MAKING BIG INVESTMENTS, I FEEL THERE WILL BE ADVANTAGES TO BEING A SECOND MOVER IN THE SPACE TO ALLOW SOME OF THE BUGS TO BE WORKED OUT AND SEE IF WE SHOULD PROVERBIALY HAVE A LYCOS, YAHOO, AOL, OR GMAIL ADDRESS. WHILE WE HAVE OUR ENTERPRISE LEVEL ACCOUNTS, CLIENT SPECIFIC LLMS, AND ARE LEVERAGING AI ENGINEERS, REST ASSURED MCA IS REMAINING ENGAGED IN AI. IN THE MEANTIME, I EXPECT AI WILL BRING US ALL MORE RESTRUCTURING MANDATES, AS LESS CAUTIOUS MANAGEMENT TEAMS WILL USE BLIND-TRUST IN AI TO SIGN OFF ON “HALLUCINATION” BACKED SOLUTIONS.”

Spencer Ware, MCA Financial

“WHAT’S SURPRISED ME MOST IN H1 2026 IS HOW MUCH THE EXPECTED “DEFAULT WAVE” TURNED INSTEAD INTO A LIABILITY-MANAGEMENT ARMS RACE. SPONSORS AND COMPANIES CAME INTO THE YEAR EMBOLDENED BY LATE-2025 PRECEDENTS LIKE THE DEAL-AWAY AND CO-OP LITIGATION TACTICS AT ALTICE USA AND KIK CONSUMER PRODUCTS AND PUSHED EVEN HARDER ON THOSE PLAYBOOKS RATHER THAN SETTling INTO QUIET CHAPTER 11 FILINGS. WHAT CAUGHT PEOPLE OFF GUARD IS THAT LENDERS DIDN’T FOLD; THEY MATCHED THE AGGRESSION WITH LITIGATION OF THEIR OWN, SO BOTH SIDES HAVE DUG IN RATHER THAN REACHING NEGOTIATED SETTLEMENTS. THE SECOND SURPRISE IS HOW FAST THE K-SHAPED ECONOMY WIDENED — COMPANIES TIED TO THE AI BUILDOUT ARE THRIVING WHILE EVERYONE DEPENDENT ON SQUEEZED CONSUMER SPENDING IS FALLING FURTHER BEHIND, AND THAT SPLIT MOVED FASTER THAN MOST JANUARY FORECASTS ASSUMED.

WHERE THE STRESS IS BUILDING FOR H2 COMES DOWN TO THREE THINGS CONVERGING. FIRST, THE 2028 MATURITY WALL — NEARLY A TRILLION DOLLARS OF SPECULATIVE-GRADE DEBT — IS ALREADY PULLING REFINANCING DECISIONS FORWARD, FORCING COMPANIES TO NEGOTIATE NOW RATHER THAN WAIT. SECOND, PRIVATE CREDIT’S REAL DISTRESS IS BEING MASKED BY STRUCTURE: HEADLINE DEFAULT RATES SIT UNDER 2%, BUT ONCE YOU COUNT SELECTIVE DEFAULTS AND LIABILITY MANAGEMENT EXERCISES, THE TRUE RATE IS CLOSER TO 5%, AND RISING PIK USAGE (PUBLIC BDCS NOW TAKE ROUGHLY 8% OF INVESTMENT INCOME IN KIND) IS A CLASSIC EXTEND-AND-PRETEND SIGNAL BUILDING UNDERNEATH THE SURFACE. THIRD, THE WORKOUT BANKERS THEMSELVES ARE CALLING IT: 60% EXPECT THE ACTUAL PEAK IN RESTRUCTURING ACTIVITY TO LAND IN THE SECOND HALF OF 2026, WITH ENERGY COSTS, WEAKER GROWTH, AND GEOPOLITICAL SHOCKS AS THE LIKELIEST TRIGGERS.”

Gaurav Sharma, Octus

“WHAT HAS SURPRISED ME MOST IN THE FIRST HALF OF 2026 IS HOW RESILIENT THE BROADER ECONOMY HAS BEEN EVEN AS RESTRUCTURING ACTIVITY REMAINS ELEVATED, WITH MANY STRESSED COMPANIES CONTINUING TO RELY ON INCREASINGLY SOPHISTICATED OUT-OF-COURT LIABILITY MANAGEMENT TRANSACTIONS RATHER THAN TRADITIONAL CHAPTER 11 FILINGS. AT THE SAME TIME, CREDITORS HAVE BECOME MUCH MORE AGGRESSIVE IN CHALLENGING THOSE TRANSACTIONS, CREATING A MORE CONTENTIOUS AND LITIGATION-DRIVEN RESTRUCTURING LANDSCAPE.

LOOKING AT THE SECOND HALF OF THE YEAR, I SEE THE GREATEST STRESS BUILDING AMONG HEAVILY LEVERAGED ISSUERS THAT USED LIABILITY MANAGEMENT EXERCISES TO BUY TIME, BUT STILL FACE LOOMING MATURITY WALLS, HIGHER-FOR-LONGER FINANCING COSTS, AND LIMITED REFINANCING OPTIONS. I EXPECT MORE SITUATIONS WHERE CREDITORS ARE PUSHING FOR COMPREHENSIVE DELEVERAGING TRANSACTIONS OR TAKING OWNERSHIP RATHER THAN EXTENDING RUNWAY AGAIN.”

Mark Power, Thompson Coburn LLP

“NOT SUPER-SURPRISINGLY, THE COSTS AND LIMITATIONS OF CHAPTER 11 HAVE RESULTED IN THE FILING OF SEVERAL LARGE, PREPACKAGED CHAPTER 11 CASES (BALLOTS SOLICITED PREPETITION) AND CHAPTER 15 CASES THAT RECOGNIZE THIRD PARTY RELEASES AND CANNABIS RESTRUCTURING. A LITTLE MORE SURPRISINGLY, THE APPELLATE COURTS HAVE PUSHED BACK ON FAIRNESS OF LME TRANSACTIONS. I WISH I HAD A CRYSTAL BALL FOR THE SECOND HALF OF 2026, BUT WE STILL HAVE COMPARATIVELY HIGHER INTEREST RATES FOR CORPORATE REFINANCINGS AND POTENTIAL FOR SUSTAINED HIGHER FUEL COSTS PRESSURING THE ECONOMY. RETAIL AND CASUAL DINING MAY SEE A REDUCTION IN TOP LINE REVENUES THAT WILL CAUSE PRESSURE. HEALTHCARE AND BIOTECH MAY SEE LIQUIDITY ISSUES WITH THE EXPIRATION OF THE AFFORDABLE CARE ACT SUBSIDIES. STRUGGLING BUSINESSES THAT HAVE RELIED ON PRIVATE CREDIT (WITH PIK INTEREST/FEEs FEATURES AND POSTPONED DEFAULTS) MAY BEGIN TO FALL.”

Richard Bernard, Faegre Drinker Biddle & Reath LLP



Who is GlassRatner?

GlassRatner is a North American financial advisory firm that helps companies, lenders, investors, and their attorneys work through complex business problems and board-level decisions. Founded in 2002, the firm is marking its 25th year in 2026 and operates as an independent brand backed by TorQuest Partners.

GlassRatner has roughly 200 professionals across offices in the United States, Canada, and Mexico.

About Our Firm and Our Practices

GlassRatner is best known for its Restructuring & Turnaround Management practice. The firm is active across the full restructuring continuum, from turnaround management and out-of-court workouts to formal bankruptcy proceedings. Our professionals represent debtors and creditors, serve as Chief Restructuring Officers and interim executives, and are regularly appointed by courts as fiduciaries and trustees. The work is built on rigorous financial analysis, senior practitioners on every engagement, and a strong track record in court.

Beyond restructuring, the firm offers a connected set of mid-market advisory services:

- Forensic Accounting, Litigation Support & Expert Witness Services
- Valuation Advisory Services
- Transaction Support Services, including due diligence and quality of earnings reviews
- Engineering & Construction Consulting
- Executive Search & Interim Management
- Real Estate Services

Because these practices sit under one roof, GlassRatner can assemble cross-border, cross-disciplinary teams quickly when a complex situation calls for more than one skill set.

GlassRatner is a proud member of BTG Global Advisory, one of the world's largest independent financial advisory alliances, and its services reach spans every continent.

Recent Recognition

GlassRatner earned top national rankings in BankruptcyData's FY25 league tables, a reflection of the firm's engagement volume and its standing with clients, counsel, and the courts. Over the years, the firm's work has garnered top league table rankings in TheDeal, as well as being recognized by the Global M&A Network's Turnaround Atlas Awards and The M&A Advisor's Turnaround Awards.

TMA Involvement

GlassRatner is a proud sponsor and active participant in the Turnaround Management Association, including TMA NYC. Our team values relationships and knowledge-sharing the organization makes possible across the restructuring community.

Connect With Us

Website: www.glassratner.com

LinkedIn: [linkedin.com/company/glassratner](https://www.linkedin.com/company/glassratner)

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**Congratulations to the TMA NYC Team 2
for making it to the 2026 TMA Turnaround
Tourney Finals vs. The U.K.!**

REGISTER TO WATCH THE FINALS



Juan Pablo Chavez Vasin

Associate at Windels Marx Lane
& Mittendorf, LLP



Ben Ahrens

Restructuring Analyst at M3 Partners



Preston Ball

Acquisition Director at Fairview Partners
Investment Management

TMA COACH



Allen Kadish

Restructuring and Bankruptcy Partner at
Smith, Gambrell & Russell, LLP



Molly Jobe

Managing Director at FTI Consulting

**These TMA NYC members attended the
TMA NextGen Leadership Conference in
June hosted by King & Spalding in Atlanta**

Justin Alexander
Ryan Baker
Nicolas Baro
Ben Cauz
Stephen Funnell
AJ Hong
Sean Horner
Eunice Kepka
Jacob Lee
Jared Linsky
Mandy Mero-Zhao
Jack McKyton
Michael Sabino
Jasdev Singh

TRIVIA!

The first 5 responses with all correct answers will win a \$50 gift card.

Answers and Winners will be announced
via LinkedIn the week of November 1st.

INDUSTRY - MECHANICS

Section 365 governs:

- ☐ The automatic stay
- ☐ Assumption and rejection of executory contracts and unexpired leases
- ☐ Avoidance of fraudulent transfers
- ☐ Substantive consolidation

INDUSTRY - DOCTRINE

The “best interests of creditors” test requires that a dissenting creditor receive under a plan at least:

- ☐ The full face value of its claim
- ☐ Its pro rata share of reorganized equity
- ☐ As much as it would receive in a Chapter 7 liquidation
- ☐ Payment ahead of secured creditors

INDUSTRY - TERMINOLOGY

“Cramdown” under §1129(b) refers to:

- ☐ Reducing professional fees
- ☐ Confirming a plan over the objection of an impaired dissenting class
- ☐ Forcing a §363 sale
- ☐ Subordinating an insider claim

INDUSTRY - NY CASE

When Citibank mistakenly wired roughly \$900M of its own funds to Revlon’s lenders in 2020, the dispute (*Citibank v. Brigade Capital*) turned on which New York common-law doctrine?

- ☐ Discharge-for-value
- ☐ Equitable subordination
- ☐ Earmarking
- ☐ Recharacterization

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