

Creditor Rights Coalition Special Feature: Incora Decision

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Partner Andrew Dunlap and associate Samuel Kwak were asked by the Creditors Rights Coalition to weigh in on the *Incora* decision and its implications. Creditor Rights Coalition founder and advisory board member Dan Kamensky offered commentary as well.

On January 14, 2024, in the Chapter 11 case of Wesco (d/b/a Incora), Judge Marvin Isgur of the United States Bankruptcy Court for the Southern District of Texas ruled that claims alleging that Wesco and a group of its favored lenders had improperly subordinated a group of excluded lenders could proceed to trial. The *Incora* decision is the first of its kind. If replicated elsewhere, it could allow excluded lenders to litigate similar claims outside of bankruptcy court, by having those claims withdrawn to a federal district judge or potentially remanded to a state court.

Creditor Rights Coalition is a nonprofit association that seeks to serve as a collective and leading voice representing all stakeholders with an interest in protecting creditor rights. The Coalition seeks to promote transparency, accountability, and equality of treatment for similarly situated creditors to ensure fair and robust stakeholder participation in bankruptcy proceedings.

[Read the full article.](#)

Attorney

- Andrew R. Dunlap