# Appendix B: Survey of Recent LME Litigation (2025 – 2026)

| Case Name | Jurisdiction | LME Type | Current Case Posture | Principal Dispute |
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| *AMC Entertainment Holdings* | New York Supreme Court | Non-*pro rata* dropdown. | June 2025: Excluded noteholders settled their dispute in exchange for a new financing that permitted them to uptier their notes. | • Excluded first lien noteholders alleged a breach of an intercreditor agreement provision that required that second lien notes remain junior to first lien notes.<br>• Alleged that the drop down structurally elevated the second lien notes to same position as the excluded first lien notes, in breach of the intercreditor agreement. |
| *Ardagh* | Bankruptcy Court SDNY | Consensual out-of-court restructuring. Majority senior PIK notes exchanged holdings for 7.5% new equity. | May 2026: Luxembourg court approved restructuring plan over minority holder objections. In March, Bankruptcy Court granted Chapter 15 foreign main recognition of the Luxembourg insolvency proceeding over objections by minority holders, but reserved plan approval to allow for further objections by minority holders. | • Minority holders alleged majority PIK holders violated 90% 'sacred rights' voting requirement for exchange to occur under indenture.<br>• Argued the majority holders and debtor manufactured a default to permit lien stripping and avoid indenture's voting requirement. |
| *Converge One* | Southern District of Texas | Non-*pro rata* equity rights offering. | November 10, 2025: Creditors excluded from the equity rights backstop fee settled with the majority lenders, who agreed to re-open the equity rights backstop to them. | • Majority lenders entered into an RSA with an exclusive equity-rights discount and 10% backstop premium. Minority lenders argued the backstop violated "same treatment" for claims in a class requirement under 11 U.S.C. § 1123(a)(4).<br>• Court agreed with this argument and found the non-pro rata backstop was in violation of the equal treatment requirement of the Bankruptcy Code for plans because it was not "market tested" and was not a "new money opportunity." |

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| *Del Monte Foods* | Bankruptcy Court D. NJ | Non-*pro rata* DIP rollup. | May 2026: Bankruptcy Court confirmed debtors' liquidation plan, and excluded minority lenders appealed the approval of a motion to dismiss their claims against the non-*pro rata* DIP rollup. In early June, the District Court urged parties to solve the dispute through mediation. | • DIP rollup violated excluded lenders' "sacred rights" under their credit agreement, which included a *pro rata* sharing provision without a DIP financing exception. Excluded lenders argue they should receive pro rata distributions on roll up amounts.<br>• Court partially approved majority participant's motion to dismiss the claim that the DIP rollup violated the pre-petition credit agreement. However, the court did not dismiss the excluded lender's claim that future payments under the DIP rollup constituted a non-*pro rata* payment violating the pre-petition credit agreement. |
| *Del Monte Foods* | Delaware Chancery Court | Non-*pro rata* dropdown. | April 9, 2025: Minority holders settled their disputes with company and majority holders just before company filed for Chapter 11. | • Minority holders sued the agent and debtor for breach of contract and tortious interference.<br>• Minority holders settled claims with company, who agreed to purchase back excluded holdings, which was financed by a super-priority loan from majority holders. The settlement has since been ratified after Del Monte filed for Chapter 11. |
| *Hunkemöller* | NY State Supreme Court | Non-*pro rata* uptier. | Decision pending after debtor's motion to dismiss was rejected in July 2025. Claims also filed in Dutch court (April 2025) and London High Court (October 2025). | • Minority holders allege issuing of uptiered notes to majority holders was a "payment for consent" to amend the indenture, in violation of the requirement for *pro rata* distributions of such payments. |
| *Optimum* | Southern District of New York | Defensive coop (against potential LME). | February 9, 2026: Majority lenders filed a motion to dismiss Optimum's complaint, prompting a series of response and opposition filings.<br><br>July 6, 2026: As part of an internal corporate | • Company alleges that majority lender coop constituted an "illegal cartel" in an anticompetitive effort to keep the company from fairly refinancing its debts. |

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| | | | restructuring, Optimum completed a $246.6M tender offer for Class A Shares. | |
| *Robertshaw* | Southern District of Texas | Non-*pro rata* uptier. | July 2, 2026: District Court rejected minority holders' appeal from Bankruptcy Court on claims classification grounds. | • Holders whose debt was subordinated by a super senior loan to an SPV argued they were victims of a "sham transaction" that violated debt documents.<br>• Excluded holders appealed the Bankruptcy Court's decision to recognize the violation of their contractual rights but simultaneously categorize those claims as general unsecured debt (as opposed to their former senior secured status) in Chapter 11 plan confirmation. District Court rejected the argument that the claims were incorrectly categorized as general unsecured. |
| *Selecta* | Southern District of New York | Non-*pro rata* uptier. | March 13, 2026: Selecta and majority holders filed motion to dismiss minority holder's compliant. Parallel proceedings are ongoing in Netherlands Commercial Court and in the United Kingdom. The U.K. cases in particular are likely to bring to the forefront the debate over the minority protection principle first articulated in Assénagon. | • In addition to standard breach of contract claims, minority holders allege the offensive coop used in a non-*pro rata* uptier violated federal and state antitrust law. |
| *Serta Simmons* | Bankruptcy Court SDTX | Non-*pro rata* uptier. | November 2025: Supreme Court denied cert. of Fifth Circuit's decision against the debtor's uptier transaction. Remanded to SDTX Bankruptcy Court where damages suit remains ongoing. | • Minority holders seeking to collect on breach of contract claims against debtor and majority holders following Fifth Circuit's ruling that the uptier was impermissible since it did not fall within "open market purchase" exception in pre-petition debt documents. |
| *STG Logistics* | New York State | Non-*pro rata* dropdown. | January 2026: NY Court denied majority holder and debtor attempts to dismiss | • Minority lenders alleged that the majority holders who participated in a drop down de facto violated the |

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| | Supreme Court | | minority suits and maintained violation of 'good faith' claims.<br><br>April 27, 2026: STG settled LME litigation for $12M in Bankruptcy Court mediation, following a Chapter 11 filing in D. NJ in January 2026. Plan was confirmed on May 18, 2026.<br><br>May 18, 2026: Court confirmed debtor's plan of reorganization. | credit agreements' 'sacred rights' provisions by amending the documents.<br><br>• Similar to *Wesco/Incora*, the minority lenders argued that, while the dropdown amendments did not technically modify sacred rights provisions directly, such amendments had the effect of materially modifying/impacting the minority lenders' sacred rights. |
| *Trinseo plc* | Bankruptcy Court SDTX | Non-pro rata double dip and *pari plus* transactions. | May 27, 2026: Minority lenders filed complaint one day after debtor entered Chapter 11 via pre-pack. Complaint opposes the prepackaged plan and challenges both the double dip and *pari plus* transactions as invalid, sparking a series of response and reply briefs. | • Minority lenders filed objections to the pre-pack Chapter 11 plan on June 3, 2026. Minority lenders describe the earlier LMEs as laying "the groundwork for the chapter 11 plan of reorganization now before this Court—a plan that would transfer control of the Debtors."<br><br>• Minority lenders also challenged both the double dip and pari plus transactions as invalidate examples of "financial engineering." |
| *Wesco/Incora* | Southern District of Texas | Non-*pro rata* uptier. | January 6, 2026: Minority holders appealed to Fifth Circuit to challenge SDTX's rejection of their breach of contract claims. | • SDTX rejected Bankruptcy Court's ruling for minority holders that held a series of "domino" transactions violated the debt documents when read holistically. SDTX instead dismissed the minority holders' underlying breach of contract claims. |