

How Can You Protect and Defend Your Business From Preference Actions?

Creditor's Rights Toolkit

CONTACTS

David M. Fournier | Evelyn J. Meltzer | Kenneth A. Listwak | Tori Lynn Remington | Marcy J. McLaughlin Smith

When a company declares bankruptcy, parties that did business with the troubled company often face unpaid debts and minimal prospects for payment. These creditors may also face what is typically considered a frustrating process – being sued in a preference action to recover pre-bankruptcy payments.

This article briefly explains what a preference action is and some common defenses your business may have if sued. To access this article and read other insights from our Creditor's Rights Toolkit, [please click here](#).

RELATED INDUSTRIES + PRACTICES

- [Bankruptcy + Restructuring](#)
- [Debtor + Committee Representations](#)
- [Distressed Mergers + Acquisitions](#)
- [Trade Creditors Representation](#)