

Covering Credit Bulletin

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This Month's Topics:

- **Serving on a Creditor's Committee – The Pro's and Con's**
- **Questions and Answers**
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Serving on a Creditor's Committee – The Pro's and Con's

In the last twenty-five years, I have served on several creditors' committees, and I learned a great deal from each experience. There are advantages and disadvantages of agreeing to serve on a creditor's committee. I will list the items that I consider most important:

Pro:

- **You have the ability to impact the direction and the outcome of the bankruptcy filing**
- **You have access to information about how the debtor got into trouble**
- **You have a good idea about whether it is safe to sell the debtor on open account terms 'post petition'**
- **If your post petition invoices are 'overlooked' and become past due a call by you to senior management usually results in the oversight being corrected quickly**

Con:

- **Committee membership involves a significant time commitment over an extended period of time [In my case, the record was a seven year commitment]**
- **It sometimes requires out of town or out of state travel**

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Webinar Schedule

**“Developing Leadership Skills.” This program will be offered February 21, 2006.
For more information about this and other programs, please visit:**

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