



Shelly A. DeRousse

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Areas of Practice

Bankruptcy/Creditors Rights | Food and Beverage | Insurance and Reinsurance | Private Equity and Venture Capital | Transportation

Shelly A. DeRousse is a Partner in the Bankruptcy Practice of Smith, Gambrell & Russell, LLP and serves as the Corporate Bankruptcy and Creditors Rights Section Head. Ms. DeRousse was the chair of the Bankruptcy and Financial Restructuring Group and Partner at Freeborn & Peters LLP, which combined with SGR in 2023.

Ms. DeRousse has extensive experience in the areas of bankruptcy, reorganization, litigation, and asset sales. As lead counsel, she has represented official creditors' committees throughout the country in chapter 11 bankruptcy cases. Additionally, she represents companies and high earning individuals in their restructurings or workout negotiations with their lenders and other creditors. Additionally, she is known among banks and other financial institutions as a leading attorney for lenders in bankruptcy cases, out-of-court workouts of borrowers' loans, and assignments for the benefit of creditors, using creative solutions to maximize the lenders' recovery from collateral and other assets.

In addition to her profound and comprehensive working knowledge of the U.S. Bankruptcy Code, the Uniform Commercial Code, assignments for the benefit of creditors, and receiverships, Ms. DeRousse offers clients years of practical experience and knowledge of how to best solve very complex debtor-creditor issues. She has worked on every side of bankruptcies and workouts, including the representation of debtors, secured creditors, unsecured creditors, lessors, lessees, guarantors, trustees, and creditors' committees. She has represented clients ranging from large publicly traded companies in mega-bankruptcy cases to smaller privately held middle market companies in chapter 11 filings or large international banks to small community banks.

Ms. DeRousse is a very successful and accomplished commercial litigator and trial attorney. As lead attorney, she has litigated to judgment many trials and hearings on issues including mismanagement and fraud, fraudulent transfers, relief from the automatic stay, use of cash collateral, commercial contract disputes, assessment of lease value, benefit to a bankruptcy estate, and breach of fiduciary duty.

Ms. DeRousse is the *ex officio* President of the Women's Bar Foundation of Illinois. Since 2018, she has been a Fellow of the American Bar Foundation and was one of six women in the nation named as finalist for the distinguished Chambers award for "Inspiring Role Model in Promoting Gender Diversity in the Legal Profession." In 2010, she was named as one of the most Influential Women in Business by the Business Ledger and the National Association of Women Business Owners of Chicago. She has also served on committees of the American Bankruptcy Institute Central States Region and the Turnaround Management Association Midwest Region, and has served in various positions on the Executive Board of Directors of the Women's Bar Foundation for many years.

While at Freeborn (now SGR), Ms. DeRousse served as the Leader of the Bankruptcy and Financial Restructuring Practice Group. Prior to joining Freeborn (now SGR), Ms. DeRousse was a Partner in the Bankruptcy and Commercial Litigation Groups at Stahl Cowen Crowley Addis LLC and an Associate in the Commercial Restructuring Group at Sidley Austin LLP. Ms. DeRousse was also an Adjunct Professor at DePaul University College of Law.

Ms. DeRousse earned her J.D. from DePaul University's College of Law, graduating with honors and as a Member of the Order of the Coif. She received the CALI Excellence for the Future Award and served as Associate Editor of the DePaul Law Review. Ms. DeRousse earned her B.S. from Illinois State University.

Representative Experience

- Led the out of court restructuring of a multi-billion dollar enterprise with investments in numerous industries.
- Represents an investment fund in its post-confirmation restructuring and operations.
- Represented the post-confirmation trustee of the liquidating trust of a coal mining business in multi-million dollar litigation, including a breach of fiduciary duty case against former principals in the Chancery Court of Delaware and a fraudulent transfer action in the Bankruptcy Court for the Southern District of Ohio.
- Represents the court-appointed trustee in the restructuring of a seven-building condominium complex.
- Led the restructuring and Chapter 11 case of a cellular service provider in the U.S. Bankruptcy Court for the Northern District of Illinois.
- Represented the Official Committee of Unsecured Creditors of an Illinois-based manufacturer of household and commercial resin products and ironing boards, in connection with a Section 363 sale of substantially all the debtors' assets, and negotiation of cash collateral terms and order.
- Represented the Official Committee of Equity Security Holders of a Wisconsin-based investment fund specializing in fine gems and minerals and private equity, before the U.S. Bankruptcy Court for the Eastern District of

Wisconsin. The representation included representing the Committee in connection with significant asset sales and a global mediation with the debtors and other parties in interest, which led to confirmation of a chapter 11 plan of reorganization.

- Represented an Illinois-based importer and distributor of grocery and confectionary goods, in its chapter 11 bankruptcy proceeding in the U.S. Bankruptcy Court for the Northern District of Illinois.
- Represented the Official Committee of Unsecured Creditors of the first crypto-currency Chapter 11 case filed in the U.S. Bankruptcy Court for the Northern District of Illinois.
- Represented the Official Committee of Unsecured Creditors of a chain of home improvement retail stores in its Chapter 11 case filed in the U.S. Bankruptcy Court for the Northern District of Illinois.
- Represented a financial institution in the Seventh Circuit Court appeal filed by the Illinois Department of Revenue, concerning the priority of distribution of proceeds of substantially all of the assets of a Chapter 11 debtor.
- Represented post-confirmation Litigation Trustee in the chapter 11 bankruptcy case of a medical device manufacturer in litigation in the U.S. District Court for the Central District of California against former officers and directors of Cardiac Science. Upon conclusion, a mutual resolution of litigation was reached which led to a 100% recovery for unsecured creditors.

Admissions

Illinois

Seventh Circuit Court of Appeals

United States District Court for the Northern District of Illinois

United States District Court for the Northern and Southern Districts of Indiana

United States District Court for the District of Colorado

United States District Court for the Eastern District of Wisconsin

United States District Court for the Western District of Wisconsin

Memberships

President, Women's Bar Foundation

Women's Bar Association of Illinois

American Bankruptcy Institute (ABI)

Turnaround Management Association (TMA)

Chicago Bar Association, Bankruptcy Committee

Chicago Bar Association, Professional Fees Committee

International Women's Insolvency & Restructuring Confederation

Professional Women's Club of Chicago

Recognitions

Illinois Super Lawyers – Multiple Years, Bankruptcy: Business

Lawdragon - 500 Leading U.S. Bankruptcy and Restructuring Lawyers, every year the list has been published

Chambers-USA Guide to America's Leading Lawyers for Business - Bankruptcy/Restructuring (cited in multiple years)

Crain's Chicago Business GenX Leaders in Law – Multiple Years

Crain's Chicago Business Notable Women in Law—Multiple Years

Women's Legal Award at the *Women, Influence, Power in Law National Conference*, Washington, D.C.

Finalist, *Chambers* Women in Law Awards: USA 2018

Influential Women in Business 2010, *Business Ledger*

Illinois Leading Lawyers - 2020 (cited in multiple years)

Publications and Speaking Engagements

- Panelist, "Bankruptcies and the Runoff Market – Impacts and Implications," AAIRC's Chicago Regional Education Day (June 6, 2024).
- Speaker, "Bankruptcy Developments - Reading the Tea Leaves", The Bridge Group Fall 2023 Conference (October 27, 2023).
- Presenter, "U.S. Bankruptcy Updates," Insurance & Reinsurance Legacy Association Congress & Business Seminar in Brighton, England (April 2023).
- Panelist, "How to Get the Business: Conversation with Givers and Getters," The Women's Bar Association of Illinois (January 2023).
- Panelist, "What Is (and Isn't) Projected Disposable Income in a Subchapter V," The 2021 Bankruptcy Institute (October 12, 2021).
- Debater, "Even the Circuits Can't Agree," 2021 National Conference of Bankruptcy Judges (October 8, 2021).
- Panelist, "What Is (and Isn't) Projected Disposable Income," 2021 National Association of Bankruptcy Trustee's Conference (August 26, 2021).
- Co-Author, "*Client Alert: Legal Issues in Times of Distress*," Freeborn & Peters LLP (March 2020).
- "Mandatory Arbitration Clauses in Consumer Contracts: Consumer Protection and the Circumvention of the Judicial System," 50 DePaul L. Rev. 1191 (2001).