

Friday, February 26, 2010, Vol. 14, No. 56

## Headlines

\* Distressed Asset Veterans Launch Halsey Lane Holdings

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Founding partners Mark Dalton, Alex Sorokin and Neil Wessan have launched Halsey Lane Holdings to assist lenders-turned-owners of distressed companies in managing and maximizing the value of their post-restructuring equity investments. Halsey Lane says that it combines the Principals' extensive private equity, turnaround, restructuring and capital markets expertise with an offering that is solely and uniquely focused on maximizing recoveries for unnatural owners of equity exchanged for debt as a result of the restructuring process.

"The combination of the credit crisis and the deepest recession since World War II have caused many highly leveraged situations created during the private equity boom of 2004-2007 to default, creating a significant number of unnatural owners - hedge funds, banks, CLOs and CDOs, mutual funds, insurance companies and other lenders -- that did not intend to end up owning equity in these companies," explained Mark Dalton, the Managing Principal at Halsey Lane and a veteran of distressed debt firm Avenue Capital Group and private equity firm Trimaran Capital Partners. "Halsey Lane applies a proven, process-driven approach to maximizing the enterprise value of these companies by improving operating results and then designing and implementing the optimal exit strategy in conjunction with our clients."

Halsey Lane acts as the company's sponsor on behalf of its new owners, assuming responsibility for the successful long-term management of their portfolio company investment in the same way that a private equity firm would. "In doing so, our objectives are completely aligned with those of the owners," added Alex Sorokin, Halsey Lane Principal and former Managing Director at Zolfo Cooper who has served as interim CEO or chief restructuring officer at numerous companies going through complex operational and financial restructurings. "Halsey Lane acts as a 'quarterback' for the new owners following the restructuring process, becoming engaged on a detailed, day-to-day level with management and outside professional firms to oversee the company's business plan, monitor its performance, facilitate an exit process and focus on any significant issues that might arise -- engaging far more intensively than would a traditional Board of Directors. Ideally, we will serve on the Board of Directors of portfolio companies on behalf of our clients, but this is not a requirement to retain Halsey Lane."

"For unintended lenders-turned-owners, preserving, and more importantly, increasing the value of their legacy loans present very different challenges than what they are used to doing -- managing bank debt and high yield bonds," noted Neil Wessan, a Principal at Halsey Lane and former Managing Director and Co-Head of the Leveraged Loan Capital Markets & Syndications group at Jefferies & Company. "Many of these new owners have neither the staff nor the time to manage these investments to maximize the recoveries that could be achieved. Halsey Lane represents a new and better alternative to options currently available, which typically result in owners leaving money on the table and frequently lead to the continued loss of value rather than its maximization. We want our clients to view post-reorganization equity as an opportunity, not a burden."

## About Halsey Lane

Founded in 2009 by Principals Mark Dalton, Alex Sorokin and Neil Wessan, New York-based Halsey Lane Holdings assists lenders-turned-owners and other unnatural owners of illiquid equity to manage their equity investments over a longer-time horizon until more favorable exit opportunities can be devised and executed. Halsey Lane's three Principals bring a combined 75+ years of experience in private equity, management, operations, restructuring and capital markets to the firm.