

## Blank Rome Advises on RadioShack Rescue Financing and Subsequent Bankruptcy Financing and Restructuring

Blank Rome is advising a group of multi-strategy funds constituting the “first out” lenders under a \$285 million superpriority debtor-in-possession credit facility for RadioShack Corporation and its affiliates in the RadioShack chapter 11 cases. The DIP facility consists of (a) a dollar-for-dollar roll-up of approximately \$250 million of prepetition obligations previously funded in connection with a rescue financing for RadioShack in October 2014, (b) up to \$20 million in new money revolving loans, and (c) additional letter of credit obligations of up to \$15 million. The DIP facility provided RadioShack with liquidity permitting the sale of a majority of RadioShack’s assets to an affiliate of Standard General, which, through an alliance with Sprint, intends to keep open more than 1,700 stores.

Blank Rome also advised the investor group in RadioShack’s \$585 million rescue refinancing package in October. Our clients replaced GE Capital under RadioShack’s senior secured asset-based credit facility and agreed to changes affecting credit availability. The facility provided credit capacity and liquidity to fund RadioShack’s inventory build for the holiday season and to undertake various restructuring steps.

Blank Rome is also advising the investor group in connection with various litigation claims of subordinated term lenders and unsecured creditors in the bankruptcy proceedings. To learn more about our capabilities, please contact one of the co-heads of our Financial Services Industry team:



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Restructuring

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**RadioShack Corporation**

**\$585,000,000**

Refinancing

**\$285,000,000**

DIP Financing

Lenders’ Counsel