



Norton Bankruptcy Law Adviser Newsletter: Bad News, Will Travel Fast: Third Circuit Imposes "Good Faith" Condition on Involuntary Bankruptcy Petitioners

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James H. Haithcock, III

Birmingham-based Partner, James H Haithcock, III, and Nashville-based Partner, Robert C. Goodrich, Jr., co-authored an article for the Norton Bankruptcy Law Adviser(Issue 12, p. 1-4) in December 2015. The article was titled, *Bad News, Will Travel Fast: Third Circuit Imposes "Good Faith" Condition on Involuntary Bankruptcy Petitioners*.

In what is characterized as a matter of first impression,¹ the United States Court of Appeals for the Third Circuit held on October 16, 2015, in *In re Forever Green Athletic Fields, Inc.*,² that the petitioner's "bad faith" justified dismissing an involuntary petition—even when the statutory criteria for commencing the involuntary case are satisfied—and that bad faith is determined by a "totality of the circumstances." The addition of this non-statutory requirement for an involuntary bankruptcy petition under § 303 is of utmost importance to creditors and creditors' rights attorneys.

Read the full article, *Bad News, Will Travel Fast: Third Circuit Imposes "Good Faith" Condition on Involuntary Bankruptcy Petitioners*.