

Restructuring firm GLC to put money where its mouth is

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By [Emily Chasan](#)

NEW YORK (Reuters) - Global Leveraged Capital, a private investment firm, said on Wednesday it is launching a new restructuring advisory group that will bring a different approach to fundraising at a time when struggling companies have little access to the credit markets.

The new firm, called GLC Advisors & Co., will operate separately from Global Leveraged Capital's investment arm, but in certain cases will be able to provide funding to companies that hire it for restructuring advice.

The model is different from most restructuring firms which provide advice only, but could be welcomed by troubled companies as tightness in the credit markets this year has led to a drought in funding for firms hoping to avoid bankruptcy, obtain debtor-in-possession (DIP) financing to fund a bankruptcy or get exit facilities on the way out of a bankruptcy.

The firm will start with a group of 11 former UBS (UBSN.VX: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) bankers led by Thomas Benninger, co-founder of Global Leveraged Capital and former global head of restructuring at UBS.

"In today's markets, exit financings and DIPs are few and far between," said Benninger, who will be Chairman of GLC Advisors. "They're hard to come by and they are slowing up bankruptcy exits and even delaying people coming into bankruptcy."

Benninger said the firm's restructuring advisors will be able to suggest investment opportunities to its capital arm, which could then decide to finance an out-of-court restructuring, help fund a debt buyback, or compete against other investors seeking to fund the company.

The firm expects to expand to 20 to 25 professionals in the next 18 months as corporate default rates are expected to remain elevated over the next few years, Benninger said.

Jeffrey Gelles, former head of restructuring and leveraged finance for technology, media, and telecommunications at UBS, and J. Soren Reynertson, former head of European restructuring for UBS, will be managing general partners of GLC Advisors, the company said in a statement.

(Editing by Muralikumar Anantharaman)

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