

Attorneys say CODA bankruptcy issues resolved

May 29 2013, by Randall Chase

(AP)—Attorneys in the bankruptcy case of failed electric car maker CODA Holdings say they have resolved several objections to the company's financing and sale plans.

After meeting behind closed doors for several hours Wednesday, attorneys told a Delaware bankruptcy judge their agreements will allow the case to move forward.

Attorneys for the U.S. trustee and CODA's official creditors committee had argued in court papers last week that CODA's proposed bankruptcy financing and sale plans unfairly benefit a group of [debtors](#), led by an affiliate of Fortress Investment Group, who are seeking to acquire the company for \$25 million.

A key agreement reached Wednesday provides for \$1.5 million to be paid to unsecured creditors in dividends and expense reimbursements for the creditors committee, while potentially sharing in proceeds from possible litigation.

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