

TMA Chicago/Midwest Podcast Hosted by Paul Musser | Tina Hughes on the Evolution of Receivership Law and Illinois' New Receivership Act

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In the latest episode of the Turnaround Management Association (TMA) Chicago/Midwest podcast, host Paul Musser sat down with seasoned restructuring professional and Senior Managing Director-Business Advisor at Creative Planning Business Services, Tina Hughes. They began the conversation by tracing Tina's career path from early days at GE Capital and American National Bank, where collateral analysis sharpened her workout instincts, to her more than two decades in middle-market turnaround consulting and fiduciary roles.

Then, Tina provided a clear, practical overview of receiverships, describing the receiver as a court-appointed neutral with a fiduciary duty to all stakeholders, empowered to preserve and, when appropriate, monetize assets. From a lender's perspective, Tina noted that receiverships provide a structured and transparent framework for operating a business using cash collateral under court-approved budgets, thereby improving reporting, control and creditor treatment while enabling competitive sale processes. She emphasized that receiverships can mitigate value erosion through timely actions and limited stays that stabilize proceedings and prioritize maximization of collateral value.

A centerpiece of their discussion is Tina's role in the drafting and passing of the Illinois Receivership Act (the "Act"), a comprehensive statute slated to take effect on January 1, 2026. She recounts the year-long, grassroots effort led by a diverse team of attorneys and practitioners, the bill's sponsorship and support from key professional associations, and the foundational work of educating lawmakers on receivership concepts. The new law brings coherence and predictability to Illinois receiverships by consolidating practices previously scattered across statutes, case law and local custom. Among the Act's most important features, Tina highlights the authority to sell assets free and clear of liens with senior lender consent, clarity around creditor claims and notice when no unsecured recoveries are expected, and a formal discharge for receivers that strengthens fiduciary protections. The Act also

preserves the separate Illinois Mortgage Foreclosure Act, carving out exclusions for certain residential properties and governmental entities.

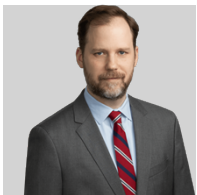
Paul and Tina then explored the practical implications of the Act for lenders, judges and practitioners. Tina was confident that the statute would make Illinois state court receiverships a more attractive, efficient tool by codifying eligibility standards, hearing and notice requirements, and sale procedures, which can drive consistent outcomes and faster monetization compared to traditional foreclosure timelines. For capital markets, this consistency can also enhance decision-making and increase confidence in Illinois as a venue for resolutions to distressed situations.

Finally, Tina shares takeaways from her long-standing engagement with the Turnaround Management Association (TMA), where she has held multiple leadership roles in a community that has been integral to both her professional growth and personal mentorship. She advises fellow practitioners to prioritize follow-up with new contacts immediately after meeting them, invest in relationships through meaningful touchpoints and seek out mentors who are active dealmakers, or "rainmakers," and to learn by observing.

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