

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Confidential Legal Opinion Regarding Preference Claim Settlement Viability

Dear [Client Representative Name],

At your request, we have reviewed the preference claim asserted by [Trustee/Plaintiff Name] regarding transfers totaling \$[Amount] made by [Debtor Name] during the 90-day period prior to the bankruptcy filing.

1. Analysis of Transfer Avoidability

Based on our initial review of the records, the transfers appear to meet the prima facie requirements of Section 547(b) of the Bankruptcy Code. However, we have identified the following potential defenses:

- **Ordinary Course of Business:** [Briefly describe if payments followed historical timing].
- **Subsequent New Value:** [Briefly describe if goods/services were provided after the payment].
- **Contemporaneous Exchange:** [Briefly describe if payment was made for immediate value].

2. Settlement Viability

Considering the strength of the defenses mentioned above and the projected costs of litigation, we believe a settlement is viable. Our analysis suggests that the "exposure" range is between \$[Lower Amount] and \$[Higher Amount].

3. Negotiation Strategy

We recommend initiating negotiations with an opening offer of \$[Amount]. Our goal is to leverage the [Specific Defense] to secure a release of all claims. We believe the Trustee may be inclined to settle to avoid the risk and delay of a contested trial.

4. Recommendation

It is our professional opinion that the most cost-effective resolution is to pursue a structured settlement at this stage. Please let us know if you authorize us to proceed with this proposal.

Sincerely,

[Your Name/Law Firm Name]

[Title]