



LexMundi
World Ready

Insolvency, Bankruptcy and Restructuring

It's been over a decade since the 2008 financial crisis wreaked havoc across the globe, and policymakers and financial institutions have predicted that another recession is on the horizon. In the wake of renewed political and economic instability brought on by trade wars, Brexit, nationalism, the federal budget deficit and soaring private debt, stakeholders must anticipate the impact of a global downturn and proactively manage their response in order to weather the storm.

About the Lex Mundi Insolvency, Bankruptcy and Restructuring Group

Lex Mundi's Insolvency, Bankruptcy and Restructuring (IBR) Group provides access to the experienced, top-tier legal advice clients require to successfully navigate today's uncertain markets, whether by rebalancing their portfolios, undergoing restructurings or anticipating legislative changes.

Lex Mundi's IBR Group provides cross-border advice to a broad range of clients including corporations, banks and other lenders, creditors' committees, insolvency professionals and fiduciaries, shareholders, directors, private equity and hedge funds, and distressed debt investors. Through the Lex Mundi network of 160 leading law firms in more than 100 countries, our global team of IBR lawyers offers you the in-depth knowledge and indigenous insight of full-service independent firms, as well as seamless cross-border service through our unique service model.

Know-How and Market Trends

Members of the IBR Group hold meetings and run workshops with clients around the world. In addition, they maintain an on-going watchful brief on global trends and developments, and provide regular updates to colleagues across the network and to their clients. Through knowledge-sharing on trending issues, including on notable new legislation and recent case law, the IBR Group helps clients anticipate and proactively respond to complex

regulatory challenges and key developments on the horizon in jurisdictions where they operate. Recent examples include innovative ways in which US Chapter 15 has been used to restructure Latin American entities, new bankruptcy laws enacted across parts of the Middle East and Africa, and litigated insolvency cases that are of interest to foreign lenders transacting in Canada.

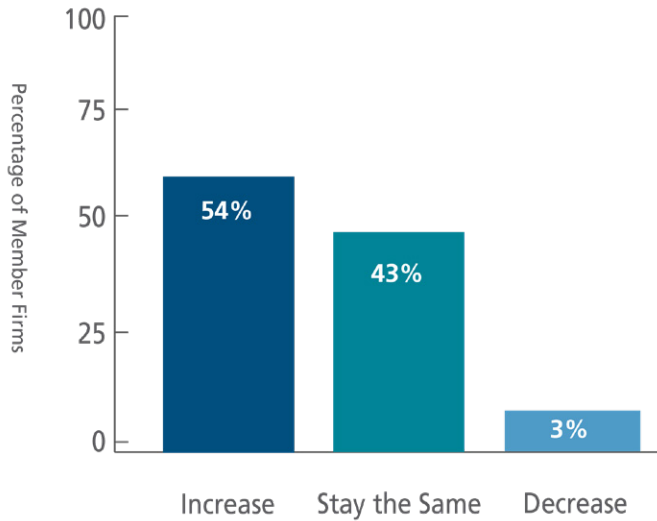
A Unique Service Model

Through the Lex Mundi platform, IBR members seamlessly handle their clients' most challenging cross-border transactions and disputes. In addition to having common protocols for communication, timelines, deliverables and budgets, members of the IBR Group can work to uniform engagement terms. Joint fee quotes and coordinated billing are available on request. In addition, clients have access to Lex Mundi's secure and user-friendly digital platform which can be used to build data rooms, draft documents, manage workstreams, and monitor fees, deadlines and deliverables. In addition to providing complimentary project management and tech support, Lex Mundi and its member firms invest substantial time off the clock to understand their clients' particular needs and commercial drivers.

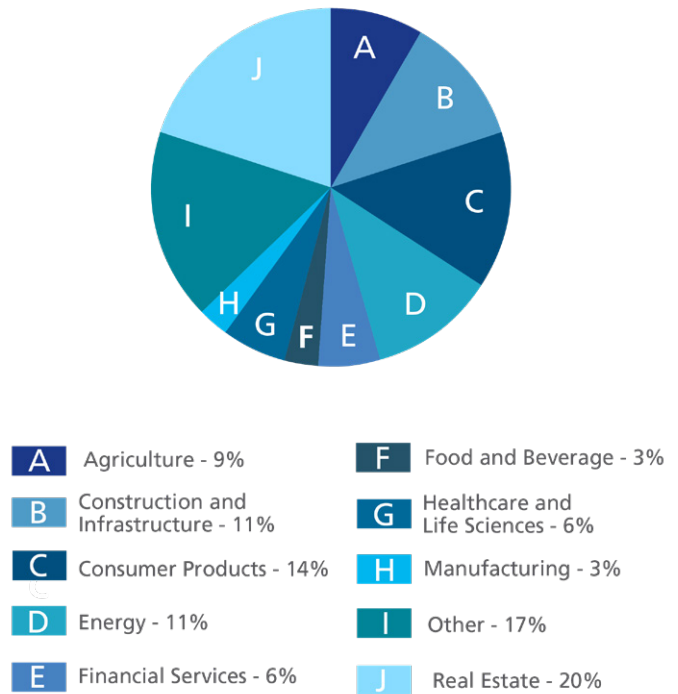


Current Trends in Insolvency, Bankruptcy and Restructuring*

Predictions for Activity Volume 2020



Most Active Sectors Globally



Significant New Regulatory Developments

Bahrain

The new Bankruptcy and Reorganization Law came into effect in December 2018 and the first case thereunder was filed in January 2019.

Canada

Technical amendments to the Companies' Creditors Arrangement Act, allowing financially troubled corporations the opportunity to restructure, will limit the ability to obtain initial stage funding and reduce the length of initial stays of proceedings.

Hungary

A new act on insolvency proceedings is under preparation and expected to come into force in 2021.

Italy

A comprehensive reform of the country's insolvency legislation has been approved and will come into force in August 2020.

Portugal

The jurisdiction has recently enacted an out-of-court corporate restructuring regime through Law no.8/2018.

Singapore

The new Insolvency Restructuring and Dissolution Act is slated to be passed by Parliament before 2020.



*Data obtained from 2019 survey of Lex Mundi member firms



Successful Client Solutions

Successful Americas Bankruptcy and Related Litigation

Jones Walker, Lex Mundi member firm for USA, Louisiana, represented its partner as bankruptcy trustee of the chapter 11 estate of a U.S. residential mortgage servicing company. The United States Bankruptcy Court for the Southern District of Mississippi ordered the appointment of a trustee after it was discovered that the company's president had stolen over US \$9 million from bankruptcy trust accounts, along with substantially all of the company's books and records, and had fled to Costa Rica. Jones Walker's involvement together with invaluable assistance from Facio & Cañas, Lex Mundi member firm for Costa Rica, contributed to the arrest of the company's president in Panama and his extradition, along with the recovery of approximately US \$6 million only weeks later.

Top-Toy Bankruptcy

Kromann Reumert, Lex Mundi member firm for Denmark, was heavily involved with the restructuring and subsequent bankruptcy of Top-Toy. Top-Toy, the company operating toy chains BR and Toys 'R' Us in the Nordic countries and Germany, commenced an internal restructuring in 2018. Kromann Reumert worked closely with its Lex Mundi colleagues in Norway (Advokatfirmaet Thommessen AS), Sweden (Advokatfirman Vinge KB), Finland (Roschier, Attorneys Ltd.) and Iceland (LOGOS Legal Services) to advise on the restructuring. As a result of disappointing Christmas sales, however, the company filed for in-court restructuring and subsequent bankruptcy.

Cross-Border Bankruptcy of Metals Refinery

Akerman LLP, Lex Mundi member firm for USA, Florida, acted for Miami-based precious metals refinery, Republic Metals Company (RMC) and filed a bankruptcy case under chapter 11 of title 11 of the United States Code. Shortly thereafter, Akerman sought assistance from Basham, Ringe y Correa, S.C., Lex Mundi member firm for Mexico, to put RMC's Mexican subsidiary (RTMM), into the same bankruptcy proceeding. Basham successfully negotiated settlements with multiple Mexican creditors, which Akerman then had approved by the Bankruptcy Court. In the spring of 2019, one Mexican creditor initiated criminal proceedings against RTMM and two of its representatives, in violation of the automatic stay. With Basham's counsel, Akerman moved the Bankruptcy Court to enforce the automatic stay and require the Mexican creditor to dismiss the criminal proceeding. The Bankruptcy Court agreed with RTMM, and entered an order directing the creditor to end the criminal proceeding and awarded Akerman and Basham their fees and costs incurred in bringing the motion.

For more information on the Insolvency, Bankruptcy and Restructuring Group, contact Lex Mundi Business Development at bd@lexmundi.com.

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Lex Mundi is the world's leading network of independent law firms with in-depth experience in 100+ countries worldwide.

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