GARRIGUES

Newsletter

Restructuring and Insolvency Work

November 2015

Contents

I. New legislation

1. *Law 19/2015 of July 13, 2015, on administrative reform measures in the justice and civil registration systems*

This Law amends Article 648 of the Civil Procedure Law to put in place the 'e-auction' system. Articles 648 through 650 of the Civil Procedure Law were recently amended by a later law, Law 42/2015, of October 5, 2015, reforming Civil Procedure Law 1/2000, of January 7, 2000.

Court auctions held electronically may also be used in insolvency proceedings where the court auction mechanism is envisaged in the liquidation plan or in the Insolvency Law as well as where the liquidation transactions are carried out in accordance with the secondary statutory rules (article 149.2 of the Insolvency Law).

In order to publicize and hold e-auctions, the Ministry of Justice has created its own Court Auctions Portal (https://subastas.boe.es) which is already up-and-running and may be visited.

The rules on e-auctions have been in force since October 15, 2015.

2. *Law 20/2015, of July 14, 2015, on the organization, supervision and solvency of insurers and reinsurers*

The areas covered by this law include some of the special features of insolvency proceedings concerning insurers. It particularly lays down that insurers subject to special measures of control are not able to apply to a Court for an insolvency order or avail themselves of the rules under article 5 bis of the Insolvency Law. The law also revises the rules on how the Insurance Settlement Consortium operates within the framework of insolvency proceedings.

Apart from a limited number of exceptions, this law will come into force on January 1, 2016.

3. *Law 25/2015, of July 28, 2015, on the second chance mechanism, reducing the financial burden and other measures of a social nature*

This new legislation consolidates in the Insolvency Law the new legislation ushered in by Royal Decree-Law 1/2015, of February 27, 2015, concerning out-of-court payment agreements and the new rules on debt relief for individual debtors, known as the "second chance" mechanism.

Other new changes in the law include the fee protection account for the insolvency manager, limits on the remuneration of insolvency managers and the addition of greater flexibility to a number of elements of the second chance mechanism. You can read a special single-topic Commentary here.

This Law came into force on July 30, 2015.

4. Law 40/2015, of October 1, 2015, on the public sector legal framework

From an insolvency perspective, Law 40/2015 changes the wording of Article 90.1.6 of the Insolvency Law concerning pledges over future claims. The aim of this amendment is twofold: (i) the unfortunate wording which referred to "pledges securing future claims" has been replaced by the expression "claims secured with pledges over future claims", which is technically more accurate; and (ii) the new wording clarifies the extent to which pledges of this kind can hold up in insolvency proceedings and, to that end, the legislature has opted for the "intermediate theory" upheld by the Supreme Court.

Thus, under the new wording of Article 90.1.6 of the Insolvency Law, specially preferred status is conferred on claims secured with pledges over future claims provided that the following requirements are met before the insolvency proceeding:

(a) The future claims must derive from contracts that were completed or legal relationships that were established before the insolvency order was handed down.

(b) The pledge must have been recorded in a public deed or, in the case of a security interest (i.e., without transfer of possession), the security interest must have been registered at the competent public registry.

(c) Any pledged claims derived from the termination of contracts for the concession of public works or the management of public services must secure debts relating to the concession or the contract, following authorization from the contracting authority (article 261.3 of the Revised Public Sector Contracts Law).

The insolvency-related provisions of this law will come into force in October 2015.

II. Selected court cases and major settlements

1. "Marme" Case: Order of Commercial Court no. 9 of Madrid of June 26, 2015.

In the context of the insolvency proceeding of Marme Inversiones 2007, S.L.U. ("Marme"), various financial institutions instituted incidental proceedings contesting the list of creditors requesting that the settlements subject to the court order of insolvency arising from five interest rate swap agreements ("Swaps") made with the insolvent company be recognized as post-insolvency order claims.

Answering said complaints, Marme filed a counterclaim requesting that the five Swaps be terminated in the interest of the insolvency proceeding.

After the insolvency Judge admitted the counterclaim to processing, one of the financial institutions filed a declinatory plea on considering that the insolvency Judge was lacking international jurisdiction to hear the counterclaim, arguing, in the essence, that: (i) the Swaps contained a covenant of submission to the jurisdiction of the English Courts (in particular, in respect of the dispute relating to their termination and maturity); and (ii) after the counterclaim filed by Marme, the financial institutions had proceeded unilaterally to the early termination of the Swaps, so that they were no longer in effect.

The declinatory plea was dismissed and the costs were awarded against the financial institution. The Court, after quoting articles 4.e) and 17 of Regulation (EC) 1346/2000, drew the conclusion that the Swaps were in effect when the court order of insolvency of Marme was given in Spain and that, accordingly, any matter relating to them should be governed by the Spanish Insolvency Law (i.e., the Law of the State opening the insolvency proceeding). Specifically, the rules of the Insolvency Law regulating the effects on the court order of insolvency on contracts are applicable, the insolvency judge to have jurisdiction to hear the matters submitted in this respect. The order also states that the alleged covenant of submission to foreign courts is lacking effects.

2. "*Sniace Group*" *case: judgment dated September 23, 2015 rendered by Madrid Commercial Court No. 2*

The Court approved the arrangement proposed by the insolvent parties in the insolvency proceedings of three companies from the Sniace Group (Sniace, S.A., Celltech, S.L.U. and Viscocel, S.L.U.). The creditors acceding to the arrangement (which had a favorable report from the insolvency manager) amounted, respectively, to 90.64%, 89.90% and 86.36% of the ordinary claims of each insolvent company.

The arrangement set out the following payment alternatives: (i) the first alternative provided, with respect to the unsecured creditors, for a 50% debt reduction and a 7-year deferral, with a 2-year grace period, and, with respect to the preferred claims, for their full payment, plus interest, within 5 years; (ii) the second alternative, which applied to all the creditors who had acceded to the arrangement as well as those who did not exercise their option right and those who were affected by the arrangement, included a 90% debt reduction and a 3-year deferral; and (iii) the third alternative involved converting the claims into participating loans to be repaid out of 33% of the annual unrestricted cash flow, to be distributed on a pro-rata basis among the lenders for the loans and giving the insolvent parties a maximum of 15 years for full repayment.

3. "*Autopista Eje Aeropuerto M-12*" *(M-12 Airport Motorway) case: decision dated October 13, 2015 rendered by Madrid Commercial Court No. 2*

A number of proposed arrangements were submitted in the insolvency proceedings on companies Autopista Eje Aeropuerto Concesionaria Española and Aeropistas, but were found to be inadmissible by the Court.

In particular, both proposed arrangements submitted by SEITTSA (a public motorway company attached to the Ministry of Development) were found to be inadmissible for the following reasons: (i) the proposals required the prior approval of the Council of Ministers or, at least, the Office of the Central Government Representative; (ii) the proposals contained debt reductions amounting to 100%, which breached article 100 of the Insolvency Law; (iii) the proposals infringed article 134 of the Insolvency Law as regards the treatment of certain claims; namely, subordinated claims, in that they were not given the same debt reductions and deferrals as the ordinary claims; (iv) the Government Legal Service made no reference to the mandatory hearing of the workers' representatives where a production unit is to be transferred; (v) the proposals affected the payment of post-insolvency order claims; (vi) the proposals included a list of waivers by creditors and the insolvent party which fell outside their power of disposal; and (vii) no evidence was adduced to show that external financing was needed to pay claims.

In addition, the proposed conditional arrangements submitted by the insolvent parties were also found to be inadmissible. The reason for this decision was that, even though the enforceability of an arrangement can be made subject to approval of a different arrangement in a related insolvency proceeding, it is not possible to make both arrangements reciprocally subject to the same condition such that it cannot be ascertained which arrangement conditions the other.

4. "*Global 3 Combi*" *case: decision dated October 14, 2015 rendered by Barcelona Commercial Court No. 10*

Faced with the inability to perform the arrangement reached with its creditors, company Global 3 Combi applied for the opening of the liquidation phase.

The decision opening the liquidation phase was clarified by the Court in the following terms: (i) article 180 of the Insolvency Law, which governs the updating of the inventory and the list of creditors, must be applied by analogy, even though it is not stipulated for cases involving the opening of the liquidation phase at the request of the insolvent party but rather for cases involving the reopening of insolvency proceedings; (ii) the debtor must be requested to provide the insolvency manager with an updated list of creditors and inventory within ten days; and (iii) the 15-day period given to the insolvency manager for submission of the liquidation plan will not start to run until the debtor submits both documents and they are forwarded to the insolvency manager.

5. *"Fiesta" Case: Judgment of Commercial Court no. 4 of Madrid of November 11, 2015*

In the insolvency proceeding of Fiesta S.A. it was decided to open the phase of liquidation in July 2014, after which, according to the approved liquidation plan, the insolvency receiver commenced the process for direct sale of the two business units of the insolvent company: the sweets production business and the real estate business.

Said sale should be carried out through a new auction system through an app, which gave the submitted bids points according to certain established parameters calculated using a mathematical formula.

The sale of the sweets production business concluded with the submission of bids close to 17 million euros, thus exceeding the minimum upset price of 11 million euros contemplated in the approved liquidation plan. Specifically, in said judgement, the Court authorized the sale of the sweets production business unit of Fiesta S.A. to Colombina S.A., whose bid obtained most points according to the app.

As the most relevant decision within the judgement we point out that Colombina S.A. must make, as the lessee, a lease agreement over the factory -meeting certain minimum parameters- with the bidder who becomes the awardee of the real estate business unit, the sale of which is as yet pending.

III. Groups of cases: approval of refinancing agreements

1. "*GAM Group*" *case: decision dated June 5, 2015 rendered by Madrid Commercial Court No. 12*

The Court approved the refinancing agreement for the companies in the GAM Group, assuming the jurisdiction to do so even though the registered office of some of the companies fell outside the Court's jurisdiction, because the center of main interests ("COMI") of the parent company did indeed fall within its jurisdiction. The Court held that the reform of the rules on approval implemented by Law 9/2015 did not apply to this case, because the new rules are not retroactive. Definition of financial liabilities: the Court found that financial liabilities cover any liabilities which are determined to be financial liabilities under the criteria of the National Chart of Accounts, the only restriction being commercial transactions. The approval of the refinancing agreement that was reached by the majority of the holders of financial liabilities made a number of terms binding on the dissenting creditors, including a new repayment schedule, changes to ordinary and late-payment interest rates (as well as their method of calculation) and the adjustment of early repayment clauses under the original financing arrangement to bring them into line with the new finance arrangement.

2. "*Azor Group*" *case: decision dated July 17, 2015 rendered by Murcia Commercial Court No. 1*

The decision approved the refinancing agreement that several companies from the Azor Group had reached with almost all of their financial creditors bar one dissenting institution, on which the effects of the refinancing agreement became binding, except for the guarantees provided to the institutions that did indeed sign the agreement. The effects which became binding on the dissenting creditor included a 10-year deferral; changes to ordinary and late-payment interest rates; the application of new conditions for early total payment; and a debt reduction comprising the late-payment interest accrued before the refinancing agreement. The Court also ordered the halting of any individual enforcement proceedings that may have been initiated and directed that the refinancing agreement could not be terminated, although it did state that the examination of any possible disproportionate trade-off with respect to the dissenting creditor had to be resolved, should the need arise, in a subsequent challenge.

3. "*Eroski Group*" *case: judgment dated July 23, 2015 rendered by Bilbao Commercial Court No. 2*

The dissenting creditors challenged the decision approving the refinancing agreement for the Eroski Group on a number of grounds which the Court dismissed. Those grounds included an allegation that there was no real viability plan because the existing plan required a new restructuring process to take place in four years' time. The Court replied that the absence of a viability plan is not, in itself, a ground for challenge permitted by law. An allegation of a disproportionate trade-off was also made, which was dismissed by the Court on the basis that the yardstick for comparison when assessing the issue of a disproportionate trade-off should not be the position of the claims immediately after the signing of the refinancing agreement, which is what the parties making the challenge were trying to use, but should instead encompass the entire lifetime of the debt, because in earlier restructurings, payments have been made and claims amended in different ways for certain creditors, and those previous differences in treatment should be borne in mind in order to examine the possible

disproportionate trade-off with perspective. The Court also based itself on a broad definition of "financial liabilities", including any rights to compensation deriving from the breach of an obligation to contribute capital to a subsidiary, as this obligation was related to the clearly financial nature of the funding of the subsidiary.

4. "*Amper Group*" case: decision dated July 24, 2015 rendered by Madrid Commercial Court No. 5

The Court approved the refinancing agreement that Amper and the companies in its group had reached with their financial creditors and found that the fact that the agreement affected several group entities did not prevent its approval from taking place only with respect to the applicant (the parent company of the group). The Court clarified that the reform of the rules on approval implemented by Law 9/2015 was not retroactive and interpreted the definition of "financial liabilities" broadly, stating that there should be no limitations on the accounting concept of financial liabilities except for those imposed by the legislature by excluding debits in respect of commercial transactions.

5. "*Imaginarium*" case: decision dated September 10, 2015 rendered by Zaragoza Commercial Court No. 1

The decision approving the refinancing agreement made the following effects binding on the dissenting creditors: (i) deferrals; (ii) obligation to renew credit facilities automatically based on the fulfillment of specific ratios; (iii) obligation to allow drawdowns on credit facilities subject to certain limits; (iv) application of new terms for early maturity and repayment; (v) extension of security; and (vi) application of new interest rates (remuneratory and for late-payment). The Court also ordered a ban on the initiation of individual enforcement proceedings by the entities affected by the agreement between the date of approval and the final maturity date of the debt and ordered the removal of any attachments in relation to the debts affected by the agreement.

6. "*Obinesa group*" case: decision dated October 1, 2015 rendered by Castellón Commercial Court No. 1

The Court approved the refinancing agreement for the companies in the Obinesa group, an agreement that received the affirmative vote of 84.55% of the group's financial liabilities (financial institutions that were members of a syndicated loan) and contained, inter alia, deferrals, debt reductions and the maintenance of working capital facilities. The Court ruled that since the matter involved the refinancing of a syndicated loan, for approval of the agreement not only did the generic threshold of 51% of the financial liabilities have to be exceeded, but also the specific limit of 75% of the syndicated creditors as laid down in additional provision 4.4.1 of the Insolvency Law. It held that satisfaction of this requirement had been evidenced in this case. Accordingly, the Court ordered that the effects of the agreement were binding on the other members of the syndicated loan.

7. "Panda" case: judgment dated October 7, 2015 rendered by Bilbao Commercial Court No. 1

A number of dissenting creditors challenged the decision approving the refinancing agreement and questioned whether the decision could impose a reduction in the agreed interest rates where, in actual fact, the statutory majorities required for imposing debt reductions had not been achieved. Before entering into the merits of the case, the Court affirmed that the 15-day period for bringing a challenge is a procedural time limit which begins to run on the date of publication of the approval order and does not include non-business days. On the merits, the Court stated that a decrease in the agreed interest rates must always be regarded as a debt reduction, irrespective of whether or not that interest has already accrued. In this case, however, the Court found that, even though the statutory majorities required for imposing debt reductions had not been met, the wording of the original loan agreement allowed an amendment to the interest rates such as that imposed in the approval decision. Accordingly, it dismissed the challenge brought by the dissenting creditors.

8. "Bodybell Group" case: decision dated October 20, 2015 rendered by Madrid Commercial Court No. 11

The Court approved the refinancing agreement that the companies in the Bodybell Group had reached with their financial creditors, an agreement which included debt reductions, a new repayment schedule, conversions into participating loans and changes to real and personal security. The Court held that, under the legislation in force, the review carried out by it prior to approval was limited to a formal check that all the necessary requirements had been met, without addressing whether there had been a disproportionate trade-off on the part of the dissenting entities. Similarly, the Court found that the approval majorities in refinancing agreements involving groups of companies had to be attained both on an individual basis for each company and on a joint basis, which was evidenced in this case. As a result of the approval, the Court made all of the effects of the agreement binding on the dissenting entities, who were members of a syndicate, and, in particular, ordered that the dissenting entities' intention be replaced as regards (i) the cancellation of the real and personal security that had originally been provided; and (ii) the grant of new real security.

IV. Insolvency round-up

1. Application for amendment to an approved arrangement with creditors ("rearrangement"): judgment dated June 19, 2015 rendered by Cantabria Provincial Appellate Court

The Court held that the statutory majorities representing the ordinary and preferred liabilities which are required in order to amend an arrangement with creditors are cumulative requirements, and therefore both majorities must be achieved before the arrangement can be altered. Unlike the original arrangement, the effects of court proceedings to amend the arrangement in unforeseen circumstances are necessarily binding on preferred creditors, except those of a public nature, in accordance with the transitional provision of Royal Decree-Law 11/2014. For this reason, the Court did not accept the argument put forward by the insolvent party that there was no need for the preferred creditors to support the proposed amendment to the arrangement because neither the original arrangement nor the unforeseen amendment to it were binding on this class of creditor.

2. *Objection to the submission of accounts by the insolvency manager: judgment dated July 22, 2015 rendered by Chamber One of the Supreme Court*

The Social Security General Treasury claimed that the order of payment for post-insolvency order claims determined by due date as required by article 154 of the Insolvency Law had not been observed and that no court authorization had been obtained in order to alter that order of payment. Prior to the entry into force of Law 38/2011, the Courts had allowed the due date rule to be substituted if the insolvency manager had applied for authorization and the judge had granted that authorization. Since the original wording of article 154 of the Insolvency Law applied, the Court upheld the objection to the submission of accounts because the due date rule had been altered without court authorization.

3. *Classification of development fees as specially preferred claims: judgment dated July 23, 2015 rendered by Chamber One of the Supreme Court*

In their judgments, the lower courts had found that development fees could not be classed as preferred claims for unpaid work nor could they be regarded as an implicit statutory mortgage, with the result that they could not be classified as specially preferred claims. By contrast, the Supreme Court held that the development fees that had accrued before the insolvency order and the existence of which had been recorded in the Property Registry were specially preferred pre-insolvency order claims and could be regarded as an implicit statutory mortgage because the lien was noted at the Property Registry when the claims were notified to the insolvency manager, with the result that their preferred status was erga omnes, valid against all comers.

4. *Disclosure of the secrets of a company involved in an insolvency proceeding in order to bring a complaint for criminal insolvency: judgment dated July 30, 2015 rendered by Toledo Provincial Appellate Court*

The judgment handed down at first instance acquitted the person in charge of a company involved in an insolvency proceeding of the offense of disclosure of business secrets, of which he had been accused. The Provincial Appellate Court held that the information disclosed by the person in charge of the company did not fall within the scope of the matters protected by the law because: (i) it did not concern commercial data on production or planning at the company or market strategies; (ii) the information in question was not data to which he did not have access; and (iii) he did not act for gain. The Provincial Appellate Court upheld the lower court's judgment to the effect that any action against the acts at issue had to be brought in the civil jurisdiction.

5. *Misuse of rights in bringing asset clawback action: judgment dated September 15, 2015 rendered by Chamber One of the Supreme Court*

Chamber One of the Supreme Court held that there had been a misuse of rights both in the petition for a voluntary insolvency proceeding on an individual and in the bringing, in the context of that insolvency proceeding, of asset clawback action against an act of disposal by the insolvent debtor, consisting in the establishment of a mortgage charge over his property as countersecurity for a guarantee provided to the brother of the insolvent debtor. The Supreme Court ruled that both measures were simply instrumental in that their only aim was to secure the termination of the mortgage in the context of the insolvency proceeding. It held that the

asset clawback action that had been brought was null and void on the ground of misuse of rights and noted that the entire situation could have been avoided had the insolvency manager exercised a minimum amount of diligence.

6. *Provisional effectiveness of a challenged arrangement: decision dated September 18, 2015 rendered by Orense Court of First Instance No. 4*

The arrangement takes effect from the date of the judgment approving it unless there is a risk that a delay in the arrangement coming into force could hinder successful implementation of the arrangement. In the case under consideration by the Provincial Appellate Court, the effectiveness of the arrangement was a necessary requirement for the insolvent debtor to be legally admitted to participate in processes for awarding public sector contracts which were to be held imminently. An ancillary proceeding was brought before the Court for objection to the approval of the arrangement. Since the ineffectiveness of the arrangement would have financially strangled the company and led to its liquidation, the Court – following a request by the insolvent party – ordered that the arrangement come into effect immediately in order to safeguard the interests of the insolvency proceeding. This was ordered without limiting the Court's decision on the ancillary proceeding for objection to the approval of the arrangement.

7. *Dismissal of a challenge to the liquidation plan: decision dated September 18, 2015 rendered by Pontevedra Provincial Appellate Court*

A preferred creditor submitted the following observations on the liquidation plan, which were rejected by the Court: (i) the plan should not allow the donation to public entities of property encumbered with a mortgage which could not be disposed of in the liquidation process; and (ii) the plan should, in all cases, retain the mortgage, leaving the way clear for the mortgagee to foreclose. The Court held that the mortgagee could always participate in the auction and bid the amount it considered appropriate. The lack of participation in the auction meant that there was no reason to prolong the liquidation phase, as its delay would entail expenses being incurred against the assets, to the detriment of the insolvency proceeding, with the result that the provision for donating or abandoning unsold property was correct. The subsistence of the mortgage could not be allowed either, as this would prolong the liquidation transactions indefinitely until the creditor decided to proceed with foreclosure.

8. *Deferral of the payment of tax debts for a debtor involved in an insolvency proceeding: judgment dated October 13, 2015 rendered by Chamber Three of the Supreme Court*

The Spanish tax agency refused to defer the payment of tax debts because, since the debtor was involved in an insolvency proceeding, its cash flow deficiency was structural rather than temporary, which prevented it from making the payments derived from that deferral. The Court held that the voluntary insolvency order did not presuppose that the debtor was prevented from settling its debts indefinitely, especially since an arrangement with creditors had been approved, suggesting that the company was to overcome its temporary cash flow deficiency. Accordingly, the Court annulled the administrative decision and rolled back the proceedings so that the tax agency could adopt a reasoned decision on the debtor's application for deferral having regard to the approved arrangement.

V. Newsflash

1. Drop in the number of insolvency proceedings

According to recent figures from the Spanish National Statistics Institute, the number of insolvency proceedings fell significantly in the second quarter of 2015.

Specifically, the number of insolvent debtors stood at 1,426, down by 27.1% compared to the same quarter of 2014. The data for the second quarter of 2015 marks the seventh successive quarter recording a downward shift in the number of these proceedings.

2. Insolvency proceeding affecting motorway concession-holders

Madrid Commercial Court No. 2 recently ordered the opening of liquidation phase in respect of the concession-holder for the M-12 motorway (Autopista Eje Aeropuerto) and its parent company (Aeropistas). With this decision, two concession-holders have now gone into liquidation. Once the liquidation phase in respect of a concession-holder has been opened, then unless the liquidation is revoked following the relevant appeals, the Ministry of Development will be required to terminate the contract, recover the concession and pay the government's financial liability which is usually pledged to the institutions that financed the motorway. However, the most recent statutory amendments as to how the government's financial liability should be calculated may have a certain impact on the estimated recovery ratios for these financing parties, which means that the position of each of them against the background of these new liability rules must be examined in close detail.

VI. Garrigues archives

1. Publications

- **Restructuring Review 2015**

  After the success achieved by previous editions of The Restructuring Review, British publishing house Law Business Research has once again selected Garrigues's Restructuring and Insolvency Department to compile an overview of the events occurring over the past twelve months in the Spanish legal market for business restructurings and insolvencies.

  The full chapter on Spain can be accessed here.

- **Claves de la Ley de Segunda Oportunidad** ("Key Aspects of the Second Chance Law"), [Burillo Lacunza], Diario de Navarra, July 29, 2015.

- **Pescanova: no va más** ("Pescanova no more"), [Thery Martí and Bueno Aybar], Diario Expansión, September 28, 2015.

- **"La preconcursalidad"** ("The pre-insolvency") [Fernández Rodríguez], El notario del siglo XXI nº 63, October-November 2015.

2. *Events*

RESTRUCTURING CONFERENCE: PAST REFORMS AND NEW TRENDS IN FRANCE, ITALY AND SPAIN

A Chapter 11 in Europe? Assessment of the EU Commission's Strategy on insolvency law

Paris, November 4th 2015

Institut Droit & Croissance [published by Debtwire]

Last November 4th, 2015 a variety of reputed European experts in the field of restructuring and insolvency reunited in the Institut de Droit & Croissance in Paris to discuss the emerging trends of the different European regulations on business crisis management. Specialists from France, Italy and Spain –Adrián Thery Martí, partner of the Madrid office, among them– analyzed the latest continental reforms undertaken on the matter and its approach to the Anglo-Saxon system.

3. *Accolades*

- **Best Lawyers 2015**

  International guide Best Lawyers has included sixteen Garrigues professionals in the Insolvency and Reorganization Law section of its 2015 edition, adding two more to those mentioned in last year's edition.

  The restructuring and insolvency specialists who feature in the latest Best Lawyers guide are: Inés Abad and Pablo de la Vega (Alicante); Josep Ensesa and Enrique Grande (Barcelona); Carlos de los Santos, Antonio Fernández, Borja García-Alamán, Fernando Pantaleón, Adrián Thery and Juan Verdugo (Madrid); Marta González (Murcia); Bosco Cámara, Álvaro Pérez Arbizu and Jose Ramón Trenor (Seville); Maria Teresa Fernández Mateos and Ramón Trenor (Valencia).

- **Most Innovative European Law Firm 2015 (non-UK)**

  On October 1, London played host to the FT Innovative Lawyers 2015 Awards, an event at which Garrigues was named Most Innovative Law Firm in Continental Europe for the fourth time in the past five years.

  The Restructuring and Insolvency Department was also graded "stand-out" for its handling of the insolvency proceeding involving Mediapro and the defense of its audiovisual broadcasting rights by implementing a strategy that protected Mediapro whilst the dispute concerning ownership of its rights was aired, a dispute that the company ultimately won in the Supreme Court.

  The full report of the FT Innovative Lawyers 2015 Awards can be accessed here.

- **IFLR 1000 2015**

  The International Financial Law Review 1000 (IFLR) has again given our Restructuring and Insolvency practice area top marks (Band 1) in its 2015-2016 edition.

  The review describes how our restructuring and insolvency team, which has grown out of the firm's litigation practice, has achieved exponential growth in the number of restructurings of distressed businesses, both in and out of Court. It highlighted the advice provided to Banco Santander in an insolvency proceeding with total liabilities amounting to €222 million, made extremely complex by the ongoing disputes between the parties.

More information:

Antonio Fernández
Partner in charge of Restructuring and Insolvency Work
antonio.fernandez.rodriguez@garrigues.com
T +34 91 514 52 00

Borja García-Alamán
Partner
borja.garcia-alaman@garrigues.com
T +34 91 514 52 00

Adrián Thery
Partner
adrian.thery@garrigues.com
T +34 91 514 52 00

Juan Verdugo
Partner
juan.verdugo.garcia@garrigues.com
T +34 91 514 52 00

Hermosilla, 3 - 28001 Madrid (Spain)
T +34 91 514 52 00 - **F** +34 91 399 24 08