

# Dublin reaffirms its credentials as a key EU restructuring venue

## Overview

The recent approval by the Irish High Court of a scheme of arrangement that restructured US\$1.65bn of liabilities of Ballantyne Re plc (**Ballantyne**) confirms Dublin as one of the most effective restructuring venues in the EU. The detailed decision of Justice Barniville ([available here](#)) offers significant precedential value and is a clear endorsement that Irish schemes can be used to implement complex cross border restructurings. The Irish statute governing schemes is very similar to that of England and Wales.

### Essence of the Ballantyne scheme:

Despite a challenge by a minority creditor, the Irish High Court promptly approved a scheme which:

- allowed a disbursement of Ballantyne's assets to senior creditors in full and final settlement of c. \$1.65bn of claims against Ballantyne
- released third party guarantee obligations
- allowed Ballantyne to novate its reinsurance obligations to a third party reinsurer as part of a broader restructuring enabled by the scheme
- included payment of a lock-up fee to senior creditors voting in favour of the scheme
- required recognition of the scheme in the US via the Chapter 15 process
- facilitated the solvent winding up of Ballantyne

### Timeline – key dates:

The High Court case-managed the Irish scheme process that concluded in less than six weeks:

- **29 April 2019:** High Court hearing to convene creditor meetings and launch scheme
- **22 May 2019:** creditor meetings held
- **5 June 2019:** contested sanction hearing before Justice Barniville
- **6 June 2019:** 56 page judgment sanctioning the scheme delivered by the judge

- **11 June 2019:** Chapter 15 hearing granting recognition of the Irish scheme in the US

The broader restructuring was fully implemented on **17 June 2019**.

### Conclusion:

The speed and manner in which the Irish High Court dealt with a complex scheme implementing a \$1.65bn cross border restructuring further cements Dublin as a key EU restructuring venue.

A&L Goodbody acted along with Weil, Gotshal & Manges and FTI Consulting for Ambac Assurance UK Limited, one of the main stakeholders in this restructuring and the key promoter of the scheme.

### Key contacts



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