

CITY OF LONDON LAW SOCIETY

INSOLVENCY LAW COMMITTEE

(the **Committee**)

Minutes of a meeting of the Committee held at Clifford Chance LLP, 10 Upper Bank Street, London, on 16 May 2007 at 12.45 pm

Present: Hamish Anderson, Norton Rose (Chairman)
Stephen Gale, Herbert Smith (Deputy Chairman)
Mark Andrews, Denton Wilde Sapte
Ken Baird, Freshfields
Peter Fidler, CMS Cameron McKenna
Ian Fletcher, Stephenson Harwood
Ian Hodgson, Slaughter and May
Mark Hyde, Clifford Chance
Dominic McCahill for Christopher Mallon, Weil, Gotshal & Manges
James Roome, Bingham McCutchen
Gordon Stewart, Allen & Overy
Stuart Tait for Stephen Foster, Lovells
Dr Sandra Frisby, University of Nottingham (guest)
Sandy Shandro, Freshfields (guest)

Apologies: James Douglas, Cadwalader, Wickersham & Taft
Robert Elliott, Linklaters

In attendance: Susan McFetrich, Norton Rose (taking minutes)

1 Minutes of the meeting held on 15 March 2007

The draft minutes of the previous meeting were approved.

2 R3 pre-pack research project

The Committee welcomed Dr Sandra Frisby as a guest at the meeting. Dr Frisby has been commissioned by R3 (the Association of Business Recovery Professionals) to lead a study of the effectiveness of pre-packaged sales of insolvent businesses. She explained the remit of the project, the methodology being employed and how the relevant information is being gathered. There was some discussion as to how the incidences of pre-packs in larger-scale insolvencies might be measured, as well as the implications of cross-border insolvencies.

3 Rules - submission of response

The joint response of the CLLS Insolvency and Financial Law Committees to the consultation on the modernisation of the Insolvency Rules had been submitted to the DTI Insolvency Service on 12 April 2007. This will be kept under review.

4 Enterprise Act 2002 - response to evaluation questionnaire

The Chairman confirmed that the joint response of the CLLS Insolvency and Financial Law Committees to this questionnaire had been submitted to the DTI Insolvency Service on 15 May 2007.

5 EHYA submission to HM Treasury on insolvency law reform

It was noted that the European High Yield Association had made suggestions to HM Treasury for the reform of certain aspects of UK insolvency legislation. The proposals will be considered at the next meeting.

6 Rating (Empty Properties) Bill

The Committee noted that this Bill, which had been introduced in the House of Commons on 10 May 2007, reforms relief from business rates in respect of empty property but makes no provision for companies in administration.

7 Cases of interest

The Committee noted the decision in the challenge to the *Powerhouse* company voluntary arrangement, and discussed alternative ways in which a company voluntary arrangement might be drafted to address the issues which arose in that case.

The decision of the House of Lords in *OBG v Allan* and related appeals was noted.

8 Business plan

The Chairman explained that the Committee must submit a 2007 business plan to the main Committee of the City of London Law Society. The draft business plan was approved (subject to one small amendment).

9 Any other business

It was reported that Stephen Gale had been appointed Deputy Chairman of the Committee.

The Chairman reported that James Douglas had left Cadwalader, Wickersham & Taft and consequently had resigned from the Committee. The current membership will be reviewed at the next meeting.

Sandy Shandro expressed a wish that the Committee consider him for some form of ongoing membership or involvement once he takes up his new post as Dean of the Faculty of Laws at University College London. This will be considered at the next meeting.

10 Next meeting

The next meeting will be held at 12.45 pm on Thursday, 6 September 2007, at the offices of Herbert Smith in London.