

THE CITY OF LONDON LAW SOCIETY

INSOLVENCY LAW COMMITTEE

(the **Committee**)

Minutes of a meeting of the Committee held at Allen & Overy LLP, One Bishops Square, London E1 6AO, on 15 November 2007 at 8.15 am

Present: Hamish Anderson, Norton Rose LLP (Chairman)
Stephen Gale, Herbert Smith LLP (Deputy Chairman)
Mark Andrews, Denton Wilde Sapte LLP
Ken Baird, Freshfields Bruckhaus Deringer
Tony Bugg, Linklaters LLP
Peter Fidler, CMS Cameron McKenna LLP
Ian Fletcher, Stephenson Harwood
Elizabeth Wilde for Stephen Foster, Lovells LLP
James Roome, Bingham McCutchen LLP
Gordon Stewart, Allen & Overy LLP

Apologies: Ian Hodgson, Slaughter and May
Mark Hyde, Clifford Chance LLP
Christopher Mallon, Weil, Gotshal & Manges LLP
Sandy Shandro, University College London

In attendance: Susan McFetrich, Norton Rose LLP

1 Minutes of the meeting held on 6 September 2007

The draft minutes of the previous meeting were approved.

2 The European Commission's consultation on the reorganisation and winding up of credit institutions

The members forming the Committee's working party confirmed that a contribution had been made to a joint response being drawn up by the Financial Law Committee of the City of London Law Society.

3 Draft regulations to implement new section 176ZA of the Insolvency Act 1986

The Chairman confirmed that the Committee's response to the Insolvency Service had been submitted on 12 October, and thanked the members who had formed a working party to draft it.

4 The Insolvency Service's consultation on a Legislative Reform Order for the modernisation and streamlining of insolvency procedures

The Chairman reported that a draft response will shortly be circulated for review.

5 HM Treasury/Bank of England/FSA tripartite discussion paper on banking reform

A member of the Committee had attended a meeting of insolvency professionals at the Bank of England the previous day, the purpose of which had been to discuss the paper published by the tripartite authorities on 11 October, and in particular the section on how to preserve the critical banking functions of a bank in distress. It was noted that the 2007 Queen's Speech had indicated that legislation will be brought forward next year to protect depositors and ensure confidence in the banking system.

6 The PPP Administration Order Rules 2007 (in force on 30 November 2007)

The Committee had previously responded to two rounds of consultation on draft versions of these rules. It was noted that the rules had now been made; and that they do not disapply the Financial Collateral Arrangements (No.2) Regulations 2003, as suggested by the Committee in its response to the second-round consultation.

7 The Companies (Cross-Border Mergers) Regulations 2007 (in force on 15 December 2007)

It was noted that these regulations, which implement Directive 2005/56/EC on cross-border mergers of limited liability companies, provide a framework for cross-border mergers to occur between UK-incorporated companies and companies incorporated elsewhere in the EEA. A particular point of interest is that a company in administration will be able to enter into a cross-border merger.

8 HM Treasury's proposals for a legislative framework to establish a UCITS-compliant covered bonds regime in the UK

It was noted that HM Treasury had announced that the implementation date for this regime will be pushed back from January to March 2008, to allow more time for consultation.

9 European High Yield Association's submission to HM Treasury on insolvency law reform

It was mentioned that the Association of Corporate Treasurers had responded to the European High Yield Association's letter by way of an open letter to HM Treasury. It was agreed that the Committee will write to the Insolvency Service to offer its comments on the suggestions made. The Chairman will circulate a draft letter.

10 Bear Stearns - US Chapter 15 proceedings

This case had briefly been discussed at the previous meeting. It was noted that an appeal brief had subsequently been filed in New York.

11 The City of London Law Society's *What is a solicitor?* project

The Chairman explained that the CLLS is seeking volunteers to form a working party to help inform its responses to public consultations on the training and regulation of solicitors and other issues affecting the profession. Members of the Committee were encouraged to volunteer.

12 Any other business

The Chairman reported that Sandy Shandro had been very pleased to accept the offer to join the Committee.

13 Next meeting

The next meeting will be held in January 2008 at Linklaters. Details will be circulated once the time and date has been fixed. [Subsequently fixed at 12 noon on Thursday 17th]