

BIICL event: Cross-border insolvency of financial groups

As part of the BIICL's 2007-2008 Seminar Series on Private International Law the BIICL organizes on Thursday 17 April 2008 17:30 to 19:30 (at British Institute of International and Comparative Law, Charles Clore House, 17 Russell Square, London, WC1B 5JP) a seminar titled "Financial Groups: A Fragmented EU Insolvency Regime". The seminar will deal with cross-border insolvency of financial groups; In the event of the insolvency of a financial group, within the EU, banks, insurance companies and other financial institutions are subject to different insolvency regimes. The purpose of the seminar is to analyse and explain how the different insolvency regimes might operate in the event of a default triggering the insolvency of a group of financial companies. Jurisdiction to open main insolvency proceedings may be allocated to the state in which the centre of main interests of the legal entity is located (under the EU Insolvency Regulation) or where the registered office and/or head office is based (e.g. under the EU Directive on Winding up of Credit Institutions). When cross-border insolvency extends beyond the EU, the UNCITRAL Model Law on Cross-Border Insolvency may come into play. The result is a complicated patchwork of regulation, which does not fit easily with the way in which multinational financial groups conduct cross-border business.

Gabriel Moss QC and John Breslin, an Irish barrister, will tackle a case study involving the collapse of a financial group (see below), following a brief description of the legislative framework by Jane Welch, and an outline of the history of the EU Insolvency Regulation and in particular the development and interpretation of the concept of "centre of main interests" by Professor Ian Fletcher. The seminar is chaired by Mr. Justice David Richards. The case study that will be analysed and discussed involves a group containing a UK bank and its Irish fund-raising subsidiary, a management company incorporated in Gibraltar and a UK insurance company. The sub-prime crisis leads to the insolvency of the Irish subsidiary and the other group companies. For more information about the seminar, its Chair, speakers and sponsor, have a look at the website.