



Lexis[®]Nexis **Case Summaries**

Re E D & F Man Holdings Ltd

[2022] EWHC 687 (Ch), [2022] All ER (D) 108 (Mar)

The Business and Property Courts of England and Wales sanctioned a restructuring plan proposed by the applicant company.

Catchwords

COMPANY – RESTRUCTURING – PLAN

Background

The applicant company (the company) was the ultimate company for a group that was a global trader in agricultural products. It also had a brokerage business that offered its customers direct access to global commodities markets. The company applied for an order sanctioning a restructuring plan (the plan) under [Part 26A](#) of the Companies Act 2006 ([CA 2006](#)). A meeting of creditors was held but, in regard to one class of creditor, whilst the majority voted in favour of the plan, the majority fell short of the statutory requirement of 75 per cent and did not amount to an agreement to the plan by the members of that class of creditors sufficient to satisfy [CA 2006 s 901F](#). Accordingly, the plan could only be sanctioned by the court if the requirements of [CA 2006 s 901G](#) were satisfied.

Issues and decisions

Whether the plan should be sanctioned.

The court's jurisdiction to sanction a restructuring plan under [CA 2006 s 901F](#) was engaged where a number representing 75 per cent in value of the creditors or class of creditors or members or class of members as the case may be, present and voting either in person or proxy at the meeting summoned under s 901C, agreed a compromise or arrangement. Unlike a Part 26 scheme, there was no requirement for a majority by number. In the instant case, the requirements of the convening order and the statute were complied with. Further, the explanatory statement that was made available to plan creditors and members via an information agent and the plan website gave a sufficient explanation of the effect of the plan to comply with [CA 2006 s 901D](#). Further, in all the circumstances, the restructuring plan was one that the court had jurisdiction to sanction and was one that should be sanctioned (see [30], [31], [70] of the judgment).

Judgment date

23 March 2022

Judge

Trower J

Representation

David Allison QC and Ryan Perkins (instructed by Freshfields Bruckhaus Deringer LLP) appeared for the claimant. Adam Al-Attar (instructed by Allen & Overy LLP) appeared for the Co-ordinating Committee.

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