

## TMA AUSTRALIA NEXTGEN EVENT WRAP-UP

MAY 2016

### TERM LOAN B...OR NOT TO B? US DEBT IN THE AUSTRALIAN MARKET



On 23 May 2016, the TMA's NextGen committee held a panel discussion hosted by Herbert Smith Freehills, examining the opportunities US debt instruments offer to the Australian market and how restructuring strategies change when a corporate group holds US instruments. The panel speakers were Laura Sheridan Mouton, David Tozer, Rowena White and Matthew Caddy.

#### Laura Sheridan Mouton

Laura Sheridan Mouton is a finance partner at Herbert Smith Freehills and leads the firm's US capital markets practice in Australia.

##### KEY INSIGHTS

- Laura outlined the key features and advantages of US debt – Australian borrowers and issuers can and should take advantage
- US debt instruments give great flexibility and can be tailored to suit the circumstances of the borrower group





## David Tozer

David Tozer is a founding partner of the Sydney office of investment bank Houlihan Lokey and leads the firm's restructuring, distressed debt and special situations practice.

### KEY INSIGHTS

- US debt instruments are an untapped source of global capital
- Global policy settings have created large pools of capital ready to be invested
- This new capital stream is a chance for corporates to move quickly, re-finance to advantage and put themselves onto a growth track



## Rowena White

Rowena White is a Senior Associate in the restructuring team at Herbert Smith Freehills with extensive experience guiding clients through informal workouts and formal insolvency proceedings in Australia and the United States.

### KEY INSIGHTS

- Australian companies restructuring US debt may face particular challenges depending on the size and geographical location of the creditor group and the location of the company's assets
- US court proceedings under Chapter 15 of the US Bankruptcy Code can assist an Australian restructuring and insolvency process
- Chapter 11 of the US Bankruptcy Code is available to non-US companies in some cases but generally will not be a workable option for Australian operating companies



## Matthew Caddy

Matt Caddy is a partner at McGrathNicol and has had substantial experience across many high profile and complex restructuring and insolvency engagements.

### KEY INSIGHTS

- The role of a restructuring advisor is changing as US debt flows into the Australian market
- Advisors need to be flexible and adopt a practical approach to restructuring companies with US debt
- Consider using different restructuring frameworks as you approach each individual case

To see more photos from this event and to find out about upcoming TMA and TMA NextGen events please visit the TMA Australia Facebook site:  
<https://www.facebook.com/TMA-Australia-441463589386909/?fref=ts>

More information on TMA NextGen and the benefits of becoming a NextGen member can be found here:  
[https://www.turnaround.org.au/documents/TMA\\_NextGen\\_Membership\\_Benefits\\_-\\_updated\\_Nov\\_2016.pdf](https://www.turnaround.org.au/documents/TMA_NextGen_Membership_Benefits_-_updated_Nov_2016.pdf)