

WATSON FARLEY
&
WILLIAMS

FINANCE DISPUTES



KEY FACTS

ESTABLISHED 1982

150 PARTNERS

14 OFFICES

OVER 500 LAWYERS

11 COUNTRIES

OVER 20 LANGUAGES
SPOKEN

OUR PRACTICE

With a strong international track record Watson Farley & Williams delivers high-quality, practical dispute resolution services to a wide range of clients operating in the banking & finance sector.



Finance litigation specialists

Watson Farley & Williams is a firm immersed in the world of finance, on both the transactional and litigation sides of our legal practice. Regularly acting for banks, financial institutions and hedge funds, the finance litigation cases we manage are high value, international disputes. The firm has a long established reputation in this arena, addressing the full spectrum of banking and finance disputes, including in relation to contentious insolvency, regulatory issues and restructuring matters.

Managing complex cases

Providing extensive contentious advisory services, we assist our clients in managing risk where there is the potential for litigation so as to avoid disputes where possible. Where proceedings are unavoidable, we have the capacity and expertise to take cases through to trial and appeal if necessary, and regularly represent clients in large scale complex commercial and financial

litigation and arbitration. We always align our approach to disputes to our clients' interests, settling disputes where possible.

Ground breaking work

We have been involved in some of the highest profile commercial litigation seen in the English courts in recent years, achieving significant successes on behalf of clients before both the Court of Appeal and Supreme Court. We have acted in a number of cases concerning the interpretation of key provisions of the ISDA Master Agreement and were instructed in relation to one of the first cases to be transferred to the High Court's financial list, which handles complex cases about the financial markets.

Internationally focussed

Our global team operates across our international offices and supports clients wherever they have a dispute. The largest of our practices sits in London, we have a dedicated group in New York

and an award-winning regional team in South East Asia.

We also have the capability to conduct and support dispute resolution work in our other international offices, and, thanks to our strong relationships with leading correspondent law firms, in jurisdictions where we do not have a presence. Our lawyers work effectively together on complex and multi-jurisdictional cases.

The international nature of our work is significant. Our client base is truly global giving us a deep and broad experience of the complex issues that arise in cases involving international elements – be they jurisdictional, choice of law, procedural or evidential.

Further, we frequently advise clients on how best to present cases under different laws and procedural rules, whether in courts or arbitration. This means we have the systems in place to co-ordinate complex cases across jurisdictions, ensuring a smooth and efficient process for our clients.

STRUCTURED FINANCE DISPUTES

Working closely with trustees and special servicers, as well as banks and other financial institutions, we advise on a range of contentious issues arising out of complex structured finance deals, including collateralised debt obligations, synthetic financial instruments and commercial mortgage-backed securities. Cases include:

COMPLEX STRUCTURED PRODUCT

Acting for a servicer in a dispute involving an issuer and "B lender" and concerning a structured product and the associated payment waterfalls and rights of the parties.

DISPUTE OVER THE ALLOCATION OF LOAN RECOVERIES

Acting in relation to a High Court application for a declaration as to the allocation of loan recoveries as principal or interest to resolve an ambiguity under the terms of the transaction documents in a CMBS transaction.

FINANCING STRUCTURE

Acting for an Italian bank in claims against a major UK bank related to financing structure involving credit default swaps and collateralised debt obligations.



RESTRUCTURING OF A REAL ESTATE SECURITISATION

Advising a note trustee in relation to various issues arising out of the restructuring of a securitisation of a loan backed by portfolio of real estate assets in England and Wales.

TAX DRIVEN LEASING

Representing Lloyds Bank TSB at trial in a dispute regarding a substantial tax driven leasing structure.

SIV DISPUTE

Acting for a Jersey based trustee in proceedings brought by FGIC against Calyon regarding the enforcement of a guarantee of obligations relating to the conduit financing of a structured investment vehicle.

ORPHAN ASSETS PART 8 CLAIM

Advising the trustees in relation to a Part 8 claim to determine the proper recipient of orphan assets created within a structured vehicle.

REAL ESTATE LOAN ENFORCEMENT

Acting on behalf of CMBS special servicers and other lenders in relation to various high value enforcements over real estate assets, including on the appointment of administrators and receivers and advising on cross-border elements of the enforcement.

REPO PORTFOLIO DISPUTE

Acting for three financial institutions in relation to a dispute with a German investment bank over margin calls on a repo CDO portfolio worth £2.2bn.

" WATSON FARLEY & WILLIAMS LLP 'OFFERS EXTRAORDINARY QUALITY AND THE TEAM IS CLEVER AND HARDWORKING' . "

LEGAL 500 UK 2017

DERIVATIVES DISPUTES

We act for and against banks in respect of claims relating to credit default swaps, interest rate swaps, commodities futures and options agreements and other tailored derivatives related products. These cases invariably bear some relationship to the ISDA Master Agreement. Recent and ongoing examples of our work include:



SWAP AGREEMENTS

Acting for an Italian pension fund against a US investment bank in respect of claims and defences relating to certain swap agreements.

HEDGING AGREEMENTS

Defending a global shipping company in respect of claims by two US investment banks arising from oil hedging agreements. Claims were being made in excess of US\$500m.

INTEREST RATE SWAP

Acting for the claimant in a case concerning the recovery of losses under an interest rate swap and the proper quantification of sums due on early termination.

ISDA TERMS

Acting for the claimant in a dispute before the English Commercial Court between commercial counterparties in respect of a commodities derivatives transaction governed by ISDA terms.

“THEY PUNCH SIGNIFICANTLY ABOVE THEIR WEIGHT WHEN YOU LOOK AT THE QUALITY OF THE WORK. THEY HAVE NO PROBLEM MIXING IT WITH THE BIG BOYS.”

CHAMBERS UK 2017

ITALIAN INTEREST RATE SWAP

Acting for an international bank in relation to a dispute before the English Commercial Court concerning an Italian interest rate swap involving issues of mistake and restitution.

OPTIONS AND INTEREST RATE SWAPS

Acting for an international corporate in a dispute concerning brokerage costs in a reset fixed interest bond with linked options and interest rate swaps.

ISDA PRICING CASE

Successfully acting for Lehman Brothers Finance SA (in liquidation) in a dispute before the English Commercial Court concerning the interpretation of payment mechanisms under the 1992 ISDA Master Agreement.

INTEREST RATE SWAP

Acting for a Jersey based trustee in a dispute with a major UK bank in relation to the misselling of an interest rate swap.

“THE BANKING LITIGATION PRACTICE ACTS IN COMPLEX, HIGH-VALUE, INTERNATIONAL DISPUTES, AND IS A NATURAL OFFSHOOT OF THE FIRM’S SIGNIFICANT FINANCE WORK, PARTICULARLY REGARDING ASSET AND TRADE FINANCE.”

LEGAL 500 UK 2017

MONEY & INVE
Stock Bulls Cele
...Economy
...but Some Say
...Slow Growth

REGULATORY DISPUTES & INTERNAL INVESTIGATIONS

We provide a range of specialist financial regulatory services, including acting on behalf of individuals and financial institutions in relation to FCA investigations and enforcement actions, advising on operational risk management and compliance issues, and assisting clients in relation to internal investigations:



INSIDER TRADING INVESTIGATION

Represented numerous traders and investors in insider trading investigations by the SEC's New York office into their trading in publicly traded securities.

JERSEY BASED TRUSTEE

Acting for a Jersey based trustee in a dispute with the beneficiaries of the trust involving a number of onshore companies within the trust structure, and issues of fraud, real estate finance, swap mis-selling and associated regulatory issues. Reporting on these issues to the Jersey regulator (the JFSA) and the London regulator (the FSA).

INTERNAL REVIEW

Advising a Jersey based trustee in relation to proceedings in Delaware, New York and Jersey and conducting and managing an internal review of procedures and events surrounding this litigation and reporting to the local regulator (the JFSA).

"WATSON FARLEY & WILLIAMS LLP'S 'HIGHLY EXPERIENCED TEAM KNOWS THAT WHAT CLIENTS WANT IS TO SOLVE PROBLEMS AS QUICKLY AND AS CHEAPLY AS POSSIBLE'."

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ALLEGATIONS OF MARKET FIXING

Advising a forex trader in relation to allegations of market fixing and when attending a series of FCA protocol interviews.

BANK INVESTIGATION

Advising Awal Bank BSC in relation to an investigation into its trading activities by the Central Bank of Bahrain.

SFO INVESTIGATION

Advising a broker and NOMAD in relation to its dealings with the SFO, as a witness to a potential fraud and anticipated related civil litigation.

REPRESENTING A NOMAD IN FCA ENFORCEMENT PROCEEDINGS

Representing Cenkos Securities in relation to the enforcement action brought by the FCA following the failed promotion of Quindell to the main list.

DEALINGS WITH THE FCA

Advising ARM Asset Backed Securities on its dealings with the FCA and in relation to the return of funds to its retail investors.

ASSET FINANCE DISPUTES

We have extensive experience of acting for lenders and borrowers under all kinds of asset finance arrangements. This can involve enforcing security over assets across the globe, litigating claims under personal and corporate guarantees, litigating facility agreements, resolving disputes amongst banking syndicates and dealing with the effect of borrower insolvencies. Cases include:

SHIP FINANCE ENFORCEMENT

Acting for Lloyds TSB and Nordea banks in the largest post credit crunch ship finance enforcement.

LCIA ARBITRATION

Acting for a Russian bank in major LCIA arbitration proceedings in its claim against numerous CIS based guarantors.

PERSONAL GUARANTEES

Acting for ING bank in claims relating to an asset finance deal where personal guarantees were called by the bank. We managed court proceedings in England and Greece.



“[THE FIRM] FIELDS A TEAM OF ‘EXCEPTIONAL LITIGATORS’ THAT ACTS FOR BANKS IN ENFORCING LOANS AND SHIP MORTGAGES”.

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MAJOR PRIVATE EQUITY GROUP

Acting for a major private equity group in relation to the acceleration of a US\$26m loan facility and subsequent enforcement action over a vessel in Penang, Malaysia.

GERMAN BANK

Advising a German bank in relation to enforcement of various loans and guarantees arising out of arrangements for KG owners.

EUROPEAN BANK

Acting for a European bank in relation to the acceleration of loan facilities granted to companies in a UAE listed shipping group, the subsequent enforcement of ship mortgages over two VLCCs (very large crude carriers) and in connected English Commercial Court proceedings.

NORWEGIAN BONDHOLDERS

Advising Norwegian bondholders in relation to the enforcement of mortgages over offshore supply vessels and advising in relation to issues concerning the ownership of on-board equipment.

BANK SYNDICATE

Advising a syndicate of banks and associated shipowners on \$1.2bn charter claims against Hanjin.

CAPITAL MARKETS RELATED WORK

We act for and against banks in cases relating to the capital markets. This has included acting for hedge funds and bondholders. We have significant experience representing issuers, securities industry professionals and brokers/dealers in a wide range of matters. Cases include:



NEGLIGENT ACTS

Acting for a hedge fund in their claims against two of the largest investment banks in the world in disputes related to negligent acts by the banks acting as prime broker holding hundreds of millions of dollars of assets for the hedge funds. The claim involved the recovery of taped conversations. We made a full recovery for our client.

IPO SHARES

Acting for an investor into an SPV set up to purchase pre and post IPO US shares. Claims in negligence are being brought against the advisers involved.

NEGLIGENT DEALING

Acting for a broker in respect of its claim against a leading German investment bank. The claim was for negligent dealing by the bank. A full recovery was made under a confidential settlement agreement.

CONVERTIBLE BONDS

Acting for the holders of US\$100m of convertible bonds issued by a company with Russian mining assets.

MARKET MANIPULATION

Represented a trader in market manipulation case in the Southern District of New York. The case was settled on favourable terms.

CLEARING SERVICES

Advising an international bank providing clearing services to a financial services group on issues arising out of a client relationship.

SECURITIES CLASS ACTION

Obtained dismissal of class-action complaints in the Southern District of New York alleging securities fraud arising out of sales of Auction Rate Securities.

ADVISING DIRECTORS

Acting for directors of an AIM listed company in a dispute regarding an open offer and placing and the pricing and sums raised.

"WATSON FARLEY & WILLIAMS LLP'S 'TEAM IS ABSOLUTELY IMPRESSIVE, AND IT HAS A PRACTICAL AND SOLUTION-ORIENTED APPROACH TOWARDS ITS CLIENTS'."

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TRADE FINANCE DISPUTES

We act for banks and commercial parties involved in raising finance to support international trade. This can involve challenging payments under letters of credit, demand guarantees and other forms of trade credit instrument, dealing with fraud and more complex structured deals involving complex risk mitigation elements. Cases include:



A URDG DEMAND GUARANTEE

Enforcing a URDG demand guarantee against an Italian bank. The case involved proceedings in Italy and England and a jurisdiction challenge before the English courts.

COMMERCIAL PAPER FRAUD

Representing a leading Turkish bank in a claim arising out of a US\$50m commercial paper fraud. The case required multi-jurisdictional litigation and freezing injunctions, and search orders in multiple jurisdictions, all of which we managed.

LUGANO CONVENTION

Acting for a bank in an application to challenge the jurisdiction of the English courts, which concerned the application of the Lugano Convention to letters of credit and related contracts.

PRE-EXPORT FINANCE FACILITY

Representing the world's third largest aluminium producer in respect of defaults under a huge pre-export finance facility with a CIS based state entity. The case required litigation and arbitration and resulted in a full recovery for our client.

INTERPRETATION OF A LETTER OF CREDIT

Acting for the defendant in a US\$67m dispute between major international financial institutions concerning the meaning of a letter of credit.

DEMAND GUARANTEE

Representing a Scandinavian bank in respect of an English law governed demand guarantee where proceedings were being brought in Norway, China and England.

"THEY PROVIDE
COMMERCIAL,
PRACTICAL ADVICE AND
GIVE
RECOMMENDATIONS
WITHOUT YOU HAVING
TO ASK FOR ONE."

CHAMBERS UK 2016

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