

ALERTS

Distressed Debt Trading Protocol: Kaupthing Closing Transfer Register

September 17, 2015

The Winding-Up Committee (“WUC”) of the failed Icelandic bank Kaupthing hf. (“Kaupthing”) announced that Oct. 2, 2015 (“Transfer Bar Date”) will be the last date for the filing of Claim Transfer Request Forms (“CTRFs”) for transferring claims filed against Kaupthing. Parties to unsettled claims trades that require assignment of title must submit their CTRFs to Kaupthing’s transfer agent, Epiq Bankruptcy Solutions LLC, or Epiq Systems Limited (“Epiq”) on or before Oct. 2, 2015.

Kaupthing and Epiq are requiring the freeze of the claims register for calculation, notice and voting consistency in connection with the convening of a meeting to approve a composition between Kaupthing and its creditors to be completed before Dec. 31, 2015.

To enable creditors to quickly transfer their claims before the Transfer Bar Date, an expedited transfer process will be applied to all pending and future timely filed CTRFs **effective immediately**.

Based on such expedited transfer procedure:

- Each transfer will take four to nine days to settle instead of the normal 14 to 21 days (provided all required transfer documents are submitted with the CTRF and all administrative fees are paid).
- Following receipt of a CTRF, and after the notice of proposed transfer has been issued, the WUC will effectively eliminate the objection period.
- Both the transferor and the transferee must acknowledge receipt of the notice of proposed transfer by email. Such acknowledgment will serve

as a full waiver of the objection period.

- The notice of successful transfer will be sent the following day after the later of the two email acknowledgements is received by the WUC.

As we discussed in our Sept. 10, 2015 *Alert*, “Glitnir Trading Protocol Impacted by Closing of Transfer Register,” trades where CTRFs are not submitted to Epiq prior to the deadline will need to settle via an alternative method (i.e., by way of participation or some alternative means, such as a total return swap).

Kaupthing announced that its next creditors’ meeting will take place on Sept. 30, 2015.

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If you have any questions concerning this *Alert*, please contact your attorney at Schulte Roth & Zabel or one of the authors.

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DISTRESSED DEBT AND CLAIMS TRADING

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