

Haynes and Boone Advises Agent for \$2 Billion Credit Facility in Out-of-Court Workout

January 17, 2018 Charles Beckham, Javier Martinez, Arsalan Muhammad

PRACTICES Commodities, Finance, Restructuring

Haynes Boone represented The Bank of Tokyo-Mitsubishi UFJ, Ltd, as Administrative Agent (“Agent”) to a large group of international commodity finance banks in their successful recovery of more than \$2 billion in debt owed by Noble Americas Corp. (“Noble Americas”) — a full recovery of all amounts owed to the bank syndicate under the company's U.S. borrowing base facility.

On Jan. 15, the Vitol Group, a large commodity trading conglomerate headquartered in Geneva, Switzerland, announced that its subsidiary, Vitol US Holding Co., had completed the purchase of Noble Americas, the U.S. oil trading subsidiary of Hong Kong-based Noble Group Limited (“Noble Group”). The sale proceeds were sufficient to allow Noble Americas to retire the debt owed to the U.S. bank syndicate under its borrowing base facility. The sale of Noble Americas outside of a bankruptcy court process was a win-win for the Noble Group and the U.S. bank syndicate.

The Haynes Boone team that advised the U.S. bank syndicate as restructuring counsel consisted of both bankruptcy and commodity finance lawyers. The bankruptcy team was led by Partners [Charles A. Beckham Jr.](#) in Houston and Geoffrey Raicht in New York, and the commodity finance team was led by Partners Steven Epstein in New York and [Javier Martinez](#) in Dallas. [Arsalan Muhammad](#) in Houston was the lead associate advising the bankruptcy team. A number of other partners and associates in several disciplines added their talents to assist in representing the Agent.

The Haynes Boone team was engaged by the Agent and advised the bank syndicate on a variety of matters. Haynes Boone worked closely with a team of restructuring advisers and the transaction counsel for the original financing to negotiate several amendments and waivers to the original credit facility to avoid “events of default” and to develop the overall restructuring plan that resulted in the sale of Noble Americas and the full recovery for the U.S. bank syndicate.

"In the end, our clients were paid off in full, which is a phenomenal result that was made possible by a true team effort on behalf of a disparate group of banks and their professionals, working cooperatively and diligently to find the optimal solution to a highly complex problem," Raicht said.

"Our commodity finance practice team worked seamlessly with the Agent, other outside professionals and the Haynes Boone restructuring team led by Charlie Beckham and Geoff Raicht to create synergies that resulted in an optimal outcome for our client," Epstein said.