



Ogier in BVI advises on approximately US\$2 billion restructuring for Constellation Group

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Ogier in the BVI has advised Constellation Oil Services Holding SA and its wider group, the Constellation Group, on its approximately US\$2 billion debt restructuring.

The Constellation Group is a LatAm group working in the energy sector. In December 2018, entities within the Constellation Group, including a significant number of BVI domiciled entities, elected to commence a centralised restructuring in Brazil through a judicially supervised Brazilian *recuperação judicial* (**RJ**) in the First Business Court of Rio de Janeiro (the **Brazilian Court**). The original plan of reorganisation of (the **Original RJ Plan**) was confirmed by the Brazilian Court in July 2019 and the restructuring transactions provided for pursuant to the Original RJ Plan were substantially implemented in December 2019.

On 24 March 2022, upon the unanimous approval of the creditors of the Constellation Group, the Original RJ Plan was amended (the **RJ Plan Amendment**) and on 28 March 2022, the Brazilian Court confirmed the RJ Plan Amendment.

The RJ Plan Amendment called for a series of further restructuring and recapitalisation steps, including a US\$800 million of the Constellation Group's indebtedness being restructured into convertible debt and the introduction of US\$60 million of new financing in the form of super senior secured notes. Closing of these transactions took place simultaneously on 10 June 2022.

The transaction involved a number of complex BVI aspects, including, in addition to the take-on of new finance and security arrangements, a multi-layer BVI statutory merger involving multiple encumbered companies.

The Ogier transactional team was led by partner Michael Killourhy and included senior associate David Mathews and associate Tiffany Tolliss, with finance partner Ray Wearmouth also lending his expertise on aspects. The Ogier team worked with onshore counsel White & Case and the in-house team at Constellation Group to advise on the restructuring - as well as liaising closely with Ogier's

disputes team, led by partner Grant Carroll, on BVI insolvency law matters.

Commenting, lead partner Michael Killourhy said: "Requiring legal and practical commercial expertise across corporate, finance, reconstruction and recovery disciplines this transaction perfectly demonstrates Ogier BVI's considerable strength across all areas of BVI commercial law and practice and our ability to swiftly marshal that talent and expertise to produce the most effective results for our clients."

About Ogier

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