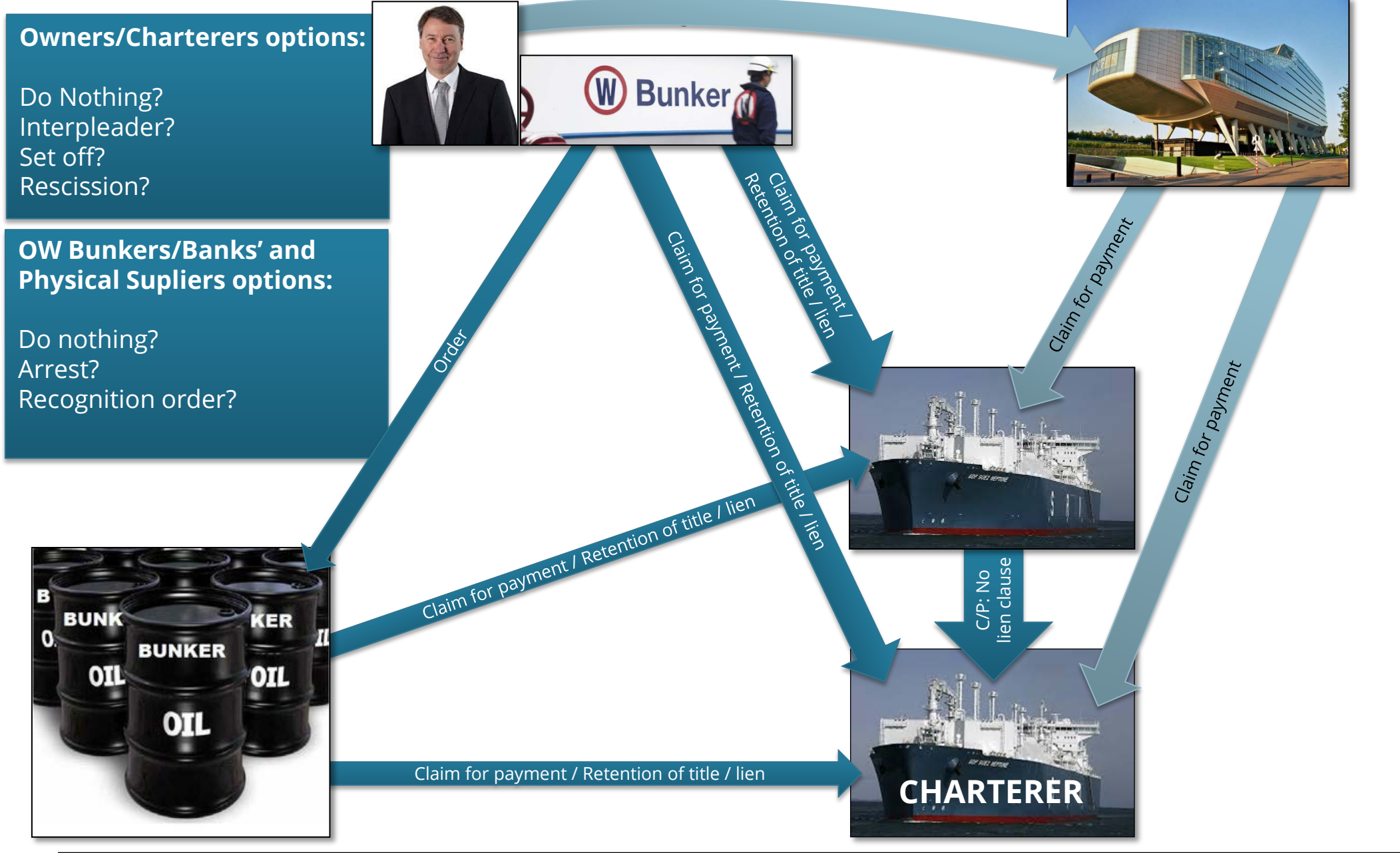




# Challenges following the OW Bunker Group collapse

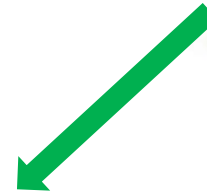
The International Maritime Law Seminar, 1 October 2015  
by Johannes Grove Nielsen, Bech-Bruun



## Derivative Contracts



ISDA 2002 Master Agreement - Section 2(a)(iii)



- *Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing*

OWB General Terms and Conditions for Derivatives Trading – Clause 3.3

- *Payments under this Agreement will only be required to be made by a party subject to the condition precedent that no Event of Default with respect to the other party has occurred and is then continuing*



**Payment obligations suspended**

## The Danish Securities Trading Act – S. 58H

- *With legal consequences for the estate and the creditors, an agreement may be made to the effect that if a breach arises, cf. subsection (1), close-out netting shall not be effected until the non-defaulting party gives notification to the defaulting party.*
- *In situations where the defaulting party is made subject to insolvency proceedings, said party may, however, demand that the close-out netting be carried out in such a manner that the conditions applicable to the parties are the same as they would have been if close-out netting had been effected without undue delay after the time when the non-defaulting party knew, or should have known, that the defaulting party was made subject to insolvency proceedings.*



VS



VS

