



## Insights

### Global Restructuring Review: Kobre & Kim Wins Second Bondholder Standing Decision

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As reported by *Global Restructuring Review* (GRR), Kobre & Kim has now obtained a second New York Supreme Court ruling that a beneficial holder of a global note has legal standing to bring suit against Zhongrong International Resources directly, without the bond trustee. The court entered judgment in BFAM Asian Opportunities Master Fund's favor for US \$170 million.

This second decision comes after Kobre & Kim persuaded the New York Supreme Court in a separate matter to dismiss Chinese real estate developer Glory Health Industry's motion to throw out a suit brought by BFAM also based on an alleged defect in standing, GRR reported. Kobre & Kim's John Han shared with GRR that the decision in Zhongrong gives the ruling on standing "more conclusive weight" given it is a final judgment rather than a denial of a motion to dismiss.

BFAM filed its complaint against Zhongrong in March 2022 after Zhongrong issued US \$500 million in senior high-yield notes under an indenture and accompany global note, but failed to make several payments.

The Kobre & Kim team includes John Han, Leif Simonson, Geoff Derrick, Alaina Heine, Henry Cheung, Ilona Groark and Jason Kang.

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