

Deviating from Absolute Priority

Background

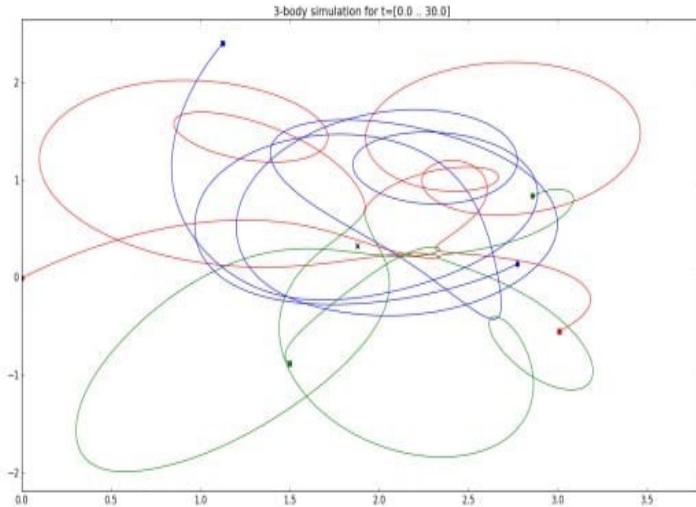
- 2019 EU Preventive Restructuring Framework
 - Choice between APR and EU RPR

- US APR
 - Uphold the normal ranking
 - No value to shareholders unless unpaid creditors as a group consent

- Netherlands 2019 Bill *confirmation of private plans (WHOA)*
 - In principle APR, unless
 - ... there are reasonable grounds for such deviation and the interests of the said creditors or shareholders are not prejudiced by it
 - Broeders/Bouts qualify rule as being *an* RPR

- (FIP 2019: Waarbij in het kader van een WHOA overigens ook wel van een *relative priority rule* kan worden gesproken, nu afwijking van de wettelijke rangorde mogelijk is.)

'Three body problem'



- What Poincaré proved is that there is no formula where you can plug in the initial information and get the right answer for where any of the objects will be at any future point in time.

<https://www.epsilontheory.com/three-body-problem/>

- Secured creditors
- Unsecured creditors
- Shareholders

Please be clear as to which relation(s) you are discussing priority.