

Press Release

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“Boștină and Associates” obtains court order for the irrevocable closure of RAFO’s judicial reorganization

March the 10th, 2011– Bucharest. **“Boștină and Associates” wins decision for S.C. RAFO S.A., thus avoiding the company’s bankruptcy and obtaining the irrevocable closure of the company’s judicial reorganization.** On March the 8th, 2011, the Court of Appeals of Brasov irrevocably decided to maintain Brasov Tribunal’s decision to close SC RAFO SA’s judicial reorganization, after five years of insolvency. A year ago, the court rejected the request for bankruptcy proceedings, and decided to close S.C. RAFO S.A’s judicial reorganization. The decision enables the Company to re-enter the business world, with beneficial consequences for the local economic and social environment.

Decision no. 140/R/08.03.2011 issued by the Court of Appeals of Brasov dismissed as out of time the second appeal filed by Bivolaru Ion, Stancu Zamfir, Atanasiu Valentin George, Dumbravă Adrian, Zarna Ion, Stănică Iezeanu Dorin and Sraier Victor Daniel (as creditors), and rejected as ungrounded the second appeal lodged by the creditor Glencore Energy UK.
The decision is irrevocable.

Bogdan Paraschiv, partner and coordinator of the team who represented S.C. RAFO S.A. in court: “The solution is pivotal to the Company, and it comes as an acknowledgement that S.C. RAFO S.A. is a viable business. It allows the Company to receive the bank guarantees required to access financing for resuming the process flows blocked thus far by the insolvency proceedings. The success is due to our entire legal team, whose strategy really paid off”.

According to law, the judicial reorganization is a measure taken against an entity debtor and intended to ensure the payment of debts under a debt payment plan. Reorganization procedures are closed by court decision, in response to the full payment of the obligations assumed under the reorganization plan, as confirmed by a bankruptcy judge.

The communication department of
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