

## Ian Fletcher Moot Clarifications 2024

In accordance with the applicable rules governing the Competition, the Competition Committee makes the following clarifications.

### Typographical Errors

In paragraphs 18 and 19 of the Problem, references to 2023 should instead refer to 2022.

### Factual Clarifications

- La Buena Tienda operates in Nuzilia and maintains bank accounts in Nuzilia. Of note, La Buena Tienda maintains a distribution warehouse in Nuzilia for shipping its clothing within 200 miles of Nuzilia.
- As can be inferred from the Problem, La Buena Tienda did not change its domicile. At all times, it has been incorporated in Spain.
- As set forth in paragraph 5(a) of the Problem, Rhapso filed the involuntary proceeding “one month prior” to the filing of the Chapter 10 proceeding. Thus, on the face of the Problem, the involuntary proceeding was commenced on January 1, 2023, and the strikes in Spain commenced in January 2023.
- As set forth in paragraph 9 of the Problem, La Buena Tienda is a multinational corporation. As such, its creditors are located globally.
- The 2025 Notes and 2026 Notes
  - Bond indentures in respect of each series of notes were executed by La Buena Tienda, the indenture trustee, and noteholders, in the usual way.
  - As can be inferred from the facts, Rhapso is not a noteholder.
  - Although La Buena Tienda is a private company, its indentures are available through certain paid-subscription-based databases, as the indentures have to be filed with certain governmental agencies – *i.e.*, the indentures are not confidential, but are not readily publicly available online without a subscription.

### Additional Clarifications

- As set forth in paragraph 1 of the Problem, Nuzilia is a common law jurisdiction. Accordingly, parties are to interpret Nuzilia statutes consistently with how common law jurisdictions interpret their statutes.
- As set forth in paragraph 1 of the Problem, Nuzilia has adopted the Model Law on Cross-Border Insolvency and Article X of the Model Law on Recognition and Enforcement of Insolvency-Related Judgments. It can therefore be inferred that Nuzilia has not adopted the remainder of the Model Law on Recognition and Enforcement of Insolvency-Related Judgments.
- In paragraph 18 of the Problem, the reference to CTO refers to a Chief Talent Officer (as, pursuant to paragraph 11, the Chief Technology Officer only worked 3 months per year in Arcadia, and the CTO referred to in paragraph 18 was required to spend 7 months per year in Arcadia).
- The phrase “remainder released” (in paragraphs 35 to 37 of the Problem) means that the remaining amounts were discharged / the residual claims were extinguished.
- The Nuzilia Bankruptcy Court does not expect parties to cover issues relating to Spanish Insolvency Law beyond what is stated in the Problem.
- The Nuzilia Bankruptcy Court does not expect to hear arguments as to Rhapso’s standing or the existence or quantum of its claim against La Buena Tienda.
- As set forth in footnote 2, “Chapter 10 proceedings in Utopia broadly resemble proceedings under chapter 11 of the United States Bankruptcy Code”, and thus include all of the provisions in chapter 11 of the United States Bankruptcy Code, except as modified

by Utopia as set forth in footnote 2. Whether or not the remainder of the Utopian Bankruptcy Code is similar to the remainder of the United States Bankruptcy Code is not relevant.

- The Chapter 10 plan is a reorganization plan. Accordingly, it is clear that (a) La Buena Tienda would not cease operations following confirmation of the plan and (b) the plan would not fully exhaust all of La Buena Tienda's funds.
- Assume that, if relevant, the Problem would have expressly stated if Utopia or Nuzilia were a European member state.
- Assume that, if relevant, the Problem would have expressly stated if Nuzilia had added a reciprocity requirement to its enactment of the MLCBI.
- The hearing mentioned in paragraph 8 of the Problem refers to the date of your oral arguments. The hearing will be set in accordance with the Competition Rules and the timeline found at: <https://www.ianfletcherinsolvencymoot.com/2024-fletcher-moot>.
- The Nuzilia Bankruptcy Court does not require the parties to address the arguments in any particular order. Each party should make their own determination as to the most effective way to answer the questions presented.

To the extent a team has submitted an inquiry which remains unanswered, the Competition Committee has determined that such question is either (a) not relevant to the discrete questions that the Nuzilia Bankruptcy Court has asked the parties to address or (b) is a question which, while relevant, is a matter for the teams to research independently and address, as may be appropriate, in the context of their submissions.