

Hilary Stonefrost

Called to the Bar 1991

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Hilary specialises in domestic and cross-border insolvency, restructuring and company law. She also has experience in banking matters.

Hilary has been instructed in a number of major insolvencies, including *Olympia & York*, *BCCI*, *Barings*, *Railtrack* and *Hellas*.

She has appeared in a number of substantial cases, including *Saltri III v MD Mezzanine SA Sicar* (for the security trustee); *Hellas Telecommunications (Luxembourg) II SCA* (for the administrators); *Portsmouth City Football Club* (for the administrators, CA); *Cheyne Finance* (for a creditor); *MyTravel Group* (for the company); *Bank of India v Christopher Morris* (for the Bank of India, CA); and *Colt Telecom Group Plc* (for the company).

She has acted in a number of cases involving football club insolvency: Portsmouth FC; Coventry City FC; Cardiff City FC; Crystal Palace FC; Plymouth Argyle FC; Leeds United AFC (twice); Luton Town FC; Rotherham FC; Huddersfield Town FC; and Bournemouth AFC. She has also acted for three clubs outside insolvency proceedings: Crystal Palace, Swindon Town FC and Southend United FC.

She has been instructed in many scheme of arrangement cases. In particular, she acted in three substantial cases where the schemes of arrangement were contested: *Sovereign Marine & General Insurance Co*; *British Aviation Insurance Co*; and *MyTravel Group*.

Recently, she started work in offshore jurisdictions and was admitted to appear in court in Cayman in 2014.

Hilary is named as a Leading Junior in two practice areas by Chambers & Partners 2015: Restructuring/Insolvency and Company. Described as “a standout barrister” with an “impressive track record”, she is singled out by interviewees for her accomplished advocacy skills. Comments include: “Easy to deal with, very bright and practical, and very good at finding a commercial way through a technical problem”, “very measured and thoughtful in her submissions”, and “an excellent senior junior who is great on cases that require a tough advocate.”

She is ranked by Legal 500 2014 as a Leading Junior for Insolvency, praised for her “solid advice, reassuring gravitas and good value for money.”

Her cross-examination was described as “skilful and effective” by the Judge in the judgment in the case of *Goldtrail Travel Ltd* (in liquidation) (see full CV).

Hilary was nominated for Chambers & Partners Company/Insolvency junior of the year 2015.

Insolvency and Restructuring

Cases include:

- ***In the matter of Acorn International Inc.*** FSD 109 of 2014 (AJJ), in the Grand Court of the Cayman Islands, petition and cross-petition for just and equitable winding-up of the company
 - ***Greenwich Ltd (in administration) v Dowling & Ors*** [2014] EWHC 2451, freezing injunction; judgment after parties had settled
 - ***Hosking and Bonney v Slaughter and May*** [2014] EWHC 1390 (Ch), whether liquidators had jurisdiction to challenge the fees agreed to be paid and paid by the former administrators of Hellas
 - ***Cahillane v National Asset Loan Management Ltd*** [2014] EWHC 1992 (Ch), value of security in the contest of bankruptcy proceedings
 - ***Goldtrail Travel Ltd (in liquidation) v (1) Abdulkadir Aiden (2) Black Pearl Investments Ltd (3) Onur Air Tasimaclik AS (4) Magnus Stephensen (5) Halldor Sigurdarson (5) Philip Wyatt*** [2014] EWHC 1587 (Ch), breach of duty by a director and dishonest assistance claims
 - ***Neumans LLP v Andrew Andronikou*** [2013] EWCA Civ 916, administration expenses
 - ***Re Hellas Telecommunications (Luxembourg) II SCA*** [2011] EWHC 3176, exit from administration and use of fund provided to meet costs and expenses
 - ***Jogo Associates v Internacionale Retail*** [2011] EWCA Civ 384, payment into court in claim arising from sale of business by administrators
 - ***Swindon Town Football Co v Diamandis*** [2011] EWCA Civ 84, application to restrain presentation of a winding-up petition
 - ***Re Portsmouth City Football Club*** [2010] EWHC 2013 (Ch), company voluntary arrangement which approved the payment in full to football creditors
 - ***Re Metrocab*** [2010] EWHC 1317 (Ch), application to rescind winding-up orders
 - ***Re Hellas Telecommunications (Luxembourg) II SCA*** [2009] EWHC 3199 (Ch), where senior creditors would consent only to the bid which was the subject of a pre-pack sale, an administration order was made with express liberty given to enter into the pre-pack
 - ***Re Lennox Holdings*** [2009] BCC 155, administration order in respect of a company in this jurisdiction where the trading subsidiaries were in Spain
 - ***Re Cheyne Finance*** [2007] EWHC 2402 (Ch), the cash flow insolvency test in section 123(1)(e) of the Insolvency Act 1986 did not exclude consideration of future debts
 - ***Re Cheyne Finance*** [2007] EWHC 2116 (Ch), before the occurrence of an insolvency event the receivers should make payments as debts became due on a day to day basis not on a *pari passu* basis
 - ***Hammonds v Pro-Fit USA*** [2007] EWHC 1998 (Ch), there was no established practice in relation to applications for administration orders similar to that which applied to winding up petitions where there was a cross-claim and the court should not establish such a practice
 - ***Re Leeds United Association Football Club*** [2007] EWHC 1761 (Ch), damages for wrongful dismissal payable to footballers in the event that the administrators were to adopt their contracts and then, subsequently, dismiss them did not constitute wages for the purpose of the Insolvency Act
 - ***Re Colt Telecom Group*** [2002] EWHC 2815, it was not enough to show a real prospect of insolvency - it had to be more likely than not; the no action clause was effective as a matter of New York law and there was no principle of public policy that would allow the English court to override such a clause
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Company

Cases include:

- **Burry & Knight v Knight** [2014] EWCA Civ 604, the Court of Appeal considered the law on requests to inspect the register of members
- **Burry & Knight v Knight** [2013], an order was made directing the companies not to comply with the shareholder's request for a copy of the share register
- **Alan Lovett v Carson Country Homes** [2009] EWHC 1143, although a director had forged the signature of another director on a debenture, that forgery did not render the document a nullity under section 44 of the Companies Act 2006 as the forging director had acted with ostensible authority
- **Hawkes v Cuddy** [2007] EWHC 1789 (Ch), court had jurisdiction to grant declaratory relief on an unfair prejudice petition under the Companies Act
- **Re Sovereign Marine & General Insurance Co** [2007] EWHC 1331 (Ch) and [2007] EWHC 1331, challenge to scheme of arrangement
- **Re Equitable Life Assurance Society** [2007] EWHC 229 (Ch), sanction of a scheme for transfer of insurance business to another insurance company
- **Re British Aviation Insurance Co** [2005] EWHC 1621 (Ch), scheme of arrangement where the classes were improperly constituted
- **Re MyTravel Group** [2004] EWHC 2741 (Ch), a scheme of arrangement which involved a transfer of assets and liabilities under section 427 of the Companies Act 1985

Other

Cases include:

- **Saltri III v MD Mezzanine** [2012] EWHC 3025 (Ch), a security trustee under an inter-creditor agreement owed duties to the subordinate lenders equivalent to the duty owed by a mortgagor to a mortgagee
- **Re Harmony Care Homes** [2009] EWHC 1961, a charge granted over book debt realisations was a fixed charge where, from the inception of the debenture, the debenture holder exercised control over the monies

Awards and Recommendations

Chambers & Partners	Recommended in two practice areas: (i) Restructuring/Insolvency - Leading Junior (Band 2); and, (ii) Company - Leading Junior (Band 2)
Legal 500	Recommended as a Leading Junior for Insolvency

Career

2014 Admitted to appear in court in Cayman

1991 Called to the Bar of England and Wales
1989-1991 While studying for the Bar worked for British Bankers' Association and London Economics (consultancy)
1979-1989 Bank of England, Economist

Memberships

Chancery Bar Association
INSOL
Commercial Bar Association

Publications

Contributor to *Debt Restructuring* (Segal and Look Chan Ho, OUP, 2010)

Education and Qualifications

1989-1990 City University, Postgraduate Diploma in Law
1977-1978 London School of Economics, MSc Economics
1974-1977 London School of Economics, BSc Economics

Prizes and Scholarships

Scholarship (Middle Temple)
Social Science Research Council award to fund MSc (Econ) (London School of Economics)

Languages

French