



Asset Finance Legal Update

April 2026

CLIFFORD CHANCE BRIEFINGS



[First of its kind: U.S Bankruptcy Court recognizes proceeding under Luxembourg's new restructuring regime in Chapter 15 case](#)



[EU Directive harmonising certain aspects of insolvency law: adopted by the Council](#)



[Insolvency and restructuring law reform in South and South East Asia – an unprecedented wave and what it means for private capital](#)



[AI, cyber and ESG – where financial services risk is heading](#)



[Artificial intelligence in 2026 – our top ten trends to watch](#)

LEGAL AND REGULATORY



[LSTA publishes market advisory on export controls](#)



[Contractual recognition of bail-in-amendments to Article 55 BRRD](#)

CASES



CLIFFORD CHANCE BRIEFINGS



First of its kind: U.S Bankruptcy Court recognizes proceeding under Luxembourg's new restructuring regime in Chapter 15 case

On March 25, 2026, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") recognized ARD Finance, S.A.'s Luxembourg judicial reorganization proceeding (*procédure de réorganisation judiciaire par accord collectif*) as a foreign main proceeding under Chapter 15 of the U.S. Bankruptcy Code (the "Bankruptcy Code") over the objection of certain creditors arguing that the proceeding was not a "collective proceeding" and that it was manifestly contrary to US public policy. Notably, this is the first Chapter 15 recognition of a proceeding commenced pursuant to Luxembourg's law of 7 August 2023 on business preservation and modernisation of the bankruptcy regime (the "Luxembourg Restructuring Law").

Links:

- [Clifford Chance website version](#)
- [PDF version](#)

[Back to top](#)



EU Directive harmonising certain aspects of insolvency law: adopted by the Council

Harmonising insolvency regimes – reduce divergence, increase certainty, predictability and recoveries

The EU Directive harmonising certain aspects of insolvency law was adopted by the Council on 30 March. The Directive marks a significant milestone in the EU's long-running efforts to reduce fragmentation across national insolvency regimes. The Directive, part of the EU's Capital Markets Union agenda, introduces targeted minimum harmonisation in a number of core areas of substantive insolvency law, with the objective of improving legal certainty, predictability and recoveries for creditors and investors operating on a cross-border basis.

Links:

- [Clifford Chance website version](#)
- [PDF version](#)

[Back to top](#)



Insolvency and restructuring law reform in South and South East Asia – an unprecedented wave and what it means for private capital

South and Southeast Asia are undergoing a wave of insolvency and restructuring law reforms, reshaping the region's financial and corporate landscape. Clifford Chance has published a briefing outlining these reforms and examining their potential implications for private capital investors, corporates and other creditors.

Links:

- [Clifford Chance website version](#)
- [PDF version](#)

[Back to top](#)



AI, cyber and ESG – where financial services risk is heading

As financial institutions face another year of regulatory, technological and geopolitical change, we explore three of the key areas that boards need to focus on now: AI, cyber and ESG. How is AI being implemented and what are the emerging legal and operational risks? Are organisations fully prepared for cyber threats, and how do they respond to cross-border incidents? How do firms navigate political divergence, shifting regulation and growing litigation around ESG issues?

Links:

- [Clifford Chance website version](#)
- [Full publication PDF](#)

[Back to top](#)



Artificial intelligence in 2026 – our top ten trends to watch

Existential threats, safety and governance and the economic and societal impact of AI have been the focus of the global AI summits to-date. As the torch passes to Geneva for 2027, will the spotlight shift to the practical steps that countries, regulators and businesses need to take to convert aspirations into operational reality and manage risks? That's the focus on the ground, and the key for 2026.

Links:

- [Clifford Chance website version](#)
- [Full publication PDF](#)

[Back to top](#)

LEGAL AND REGULATORY



LSTA publishes market advisory on export controls

The Loan Syndications and Trading Association (LSTA) has published a market advisory addressing US export control issues in lending transactions, along with a blackline against the exposure draft published in December 2025.

The advisory provides examples of provisions which members may include in credit agreements. It follows recent developments which highlight the increased risk of

violating US export controls and new attention by the US federal government on financial institutions' obligations to consider export controls.

Please note these documents are only available to LSTA members.

Links:

- [Loan Syndications and Trading Association homepage](#)
- [Market advisory](#)
- [Blackline](#)

[Back to top](#)



Contractual recognition of bail-in-amendments to Article 55 BRRD

New EU legislation amends Article 55 of the Bank Recovery and Resolution Directive (BRRD) to reduce the burden of the requirement to include contractual recognition of bail-in clauses in banks' contracts which are not governed by the law of an EU Member State. This blogpost summarises the changes made by the new legislation which are scheduled to apply from May 2028.

Links:

- [Clifford Chance blog post](#)

[Back to top](#)

CASES



***Shukla v St James Bank & Trust Company Ltd and another* [2026] EWHC 851 (Comm)**

This High Court case may be of interest as it confirms that: (i) a lender has an implied duty to cooperate with a borrower to enable the borrower's repayment of a loan; and (ii) the doctrine of clogs on the equity of redemption in respect of security subsists (this doctrine invalidates any term in a security document that prevents or restricts the security provider's equity of redemption (which is their right to redeem the secured property on repayment of the secured debt)). The takeaways for lenders are that the equity of redemption cannot be contractually excluded and to be aware of the implied duty, breach of which could lead to a damages claim.

Clifford Chance has prepared a case summary of the case including a summary of the judgement and its reasoning in the context of the facts and existing case law.

Links:

- [Judgment](#)
- [Case summary](#)

[Back to top](#)

Additional Information

This publication does not necessarily deal with every important topic nor cover every aspect of the topics with which it

deals. It is not designed to provide legal or other advice. Clifford Chance is not responsible for third party content.

Please note that English language content may not be available for some content.

Some third-party content may only be available if your organisation possesses a licence for the relevant website.

All links to content were valid at the time of compilation, but urls may sometimes change. In the event of difficulty in accessing any of the content of this Alerter please reply to this e-mail, stating which item(s) you cannot access.

► [Financial Markets Toolkit](#)

LONDON

[Oliver Hipperson](#)

NEW YORK

[Zarrar Sehgal](#)

EUROPE

[Tobias Schulten](#)

ASIA

[Fergus Evans](#)

MIDDLE EAST

[Stephen Chance](#)

Knowledge Director

[Marisa Chan](#)

Follow us

 [LinkedIn](#)

Browse our podcasts

 [View our library](#)

UK: We are sending this email on the assumption you do not live or work in New York State. If that is not the case, please [follow this link](#).

If you prefer, you can write to us with your marketing or monitoring request at Marketing Department, Clifford Chance, 10 Upper Bank Street, London, E14 5JJ, UK.

This email does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice. Prior results do not guarantee a similar outcome.

Clifford Chance LLP is a limited liability partnership registered in England & Wales under number OC323571. The firm's registered office and principal place of business is at 10 Upper Bank Street, London, E14 5JJ. The firm uses the word "partner" to refer to a member of Clifford Chance LLP or an employee or consultant with equivalent standing and qualifications. The firm is authorised and regulated by the [Solicitors Regulation Authority](#) (SRA) under SRA number 447778.

For further details about Clifford Chance, including our [Privacy Statement](#) see our [website](#).

Copyright: © Clifford Chance. 2026. All rights reserved.