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# Debt Finance Weekly

**Tuesday 29th September 2026**

## CLIFFORD CHANCE SEMINARS AND BRIEFINGS

**Clifford Chance Seminar: US private credit in Europe – navigating cross-border lending**

**Clifford Chance Comment: EURIBOR Manipulation and Loan Agreements: CJEU Rules Against Automatic Invalidity The CJEU's landmark judgment in Livronsa (Case C-60/25) definitively closes the debate?**

## LEGAL AND REGULATORY

**LMA publishes ZARONIA transition Q&A update**

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**Riyad Bank, London Branch v Dragados Industrial SA [2026] EWHC 2204 (Comm) - High Court implies term to provide for an alternative rate to LIBOR**

## CLIFFORD CHANCE SEMINARS AND BRIEFINGS

### Clifford Chance Seminar: US private credit in Europe – navigating cross-border lending

The next seminar in the Autumn Perspectives Series will be presented both in person and online on Tuesday, 6 October at 12pm EDT / 5pm BST / 6pm CEST at our offices in Canary Wharf, London.

For US investors and private credit funds investing in Europe, navigating complex legal and regulatory requirements across multiple legal landscapes can be a significant challenge. This session will provide practical guidance on structuring and executing cross-border lending transactions across European markets. Clifford Chance speakers Folko de Vries, Jason Ewart, Steffen Schellschmidt, Katherine Sinclair and Minerva Vanni, together with Emre Abale of Houlihan Lokey, will discuss market trends, common issues and strategies for managing risk.

To register for this event, please complete the online registration form.

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**Clifford Chance Comment: EURIBOR Manipulation and Loan Agreements: CJEU Rules Against Automatic Invalidity The CJEU's landmark judgment in Livronsa (Case C-60/25) definitively closes the debate?**

In recent years, EURIBOR-related litigation has emerged as one of the most significant areas of banking disputes across Europe. Following the European Commission's decisions finding that a group of banks had manipulated EURIBOR in the euro interest rate derivatives sector (the "EIRD Decisions"), borrowers have brought a wave of claims arguing that EURIBOR-referenced interest clauses in loan agreements are automatically void.

Clifford Chance has prepared a briefing paper examining the CJEU's key findings in relation to loan agreements and considering the implications for lenders, borrowers and national courts.

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## LEGAL AND REGULATORY

**LMA publishes ZARONIA transition Q&A update**

The Loan Market Association (LMA), in conjunction with Bowmans and FTSE Russell, has prepared a ZARONIA transition update explaining the proposed tough legacy legislation, including proposed amendments to the Financial Sector Regulation Act 9 of 2017, and the development by FTSE Russell of a forward-looking term reference rate for ZARONIA.

The Johannesburg Interbank Average Rate (JIBAR) is due to be published for the final time on 31 December 2026 (being the cessation date for JIBAR). The Market Practitioners Group (MPG), the joint public-private sector body established by the South African Reserve Bank (SARB), recommends the active transition of JIBAR-referencing financial products, including syndicated loans. Since 1 May 2026, the MPG's "No new JIBAR" initiative has also recommended that market participants should not enter into new JIBAR transactions, products or exposures, except in specified exceptional cases. Certain existing contracts may nevertheless qualify as tough legacy contracts where active transition is not feasible.

The update includes consideration of:

- the proposals regarding Synthetic JIBAR in the South African market; and
- the development of a forward-looking term reference rate for ZARONIA and its intended use cases.

The LMA intends to continue to issue updates as these topics evolve leading up to the JIBAR cessation date.

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## CASES

### *Riyad Bank, London Branch v Dragados Industrial SA* [2026] EWHC 2204 (Comm) - High Court implies term to provide for an alternative rate to LIBOR

This High court case may be of interest as it considered the question of what to do with a provision in a counter-indemnity in respect of a bank guarantee which provided for interest on unpaid sums to be calculated by reference to LIBOR, with no fallbacks specified. The Judge followed the approach in *Standard Chartered plc v Guaranty Nominees Ltd and others* [2024] EWHC 2605 (Comm) to imply a term that there was an entitlement to interest at a reasonable rate similar in nature to what was previously LIBOR.  In this case SOFR (as per the claimant's suggestion, although the judge indicated that a slightly higher rate would have been justifiable).

By way of reminder, the *Standard Chartered* case was heard under the Financial Markets Test case scheme and considered the rate of dividends for Non-Cumulative Redeemable Preference Shares which was set at 3-month USD LIBOR. The Issuer sought guidance from the court and a binding declaration on an alternative rate in view of three-month USD LIBOR no longer being operative. The court was prepared to imply a term that the reasonable alternative to three-month USD LIBOR was to be used. Clifford Chance published a briefing paper on this case in October 2024.

While the *Standard Chartered* case concerned preference shares, the court also provided some helpful guidance for the financial markets, indicating obiter that an implied term would be a suitable approach for unamended legacy debt instruments referencing LIBOR in any calculation mechanism. The current case is an example of this guidance being employed in practice and sets a precedent for the *Standard Chartered* approach in a debt finance context.

*Riyad Bank, London Branch v Dragados Industrial SA* [2026] EWHC 2204 (Comm)

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