

Momentive Performance Materials files for Chapter 11

On Sunday, 13 April 2014, Momentive Performance Materials Inc, owned by Apollo Global Management LLC, filed for Chapter 11 bankruptcy protection as part of a "restructuring support agreement" with some of its creditors.

Momentive Performance Materials Inc. announced in a statement issued on 13 April that it has entered into a Restructuring Support Agreement (the "Restructuring Support Agreement" or "RSA") with certain of its key stakeholders regarding the terms of a balance sheet restructuring plan that will strengthen the Company's financial position by reducing long-term debt and enhancing liquidity. The key terms of the RSA include a USD 600 million rights offering, which will provide a significant equity infusion to the Company, along with the securing of commitments for USD 1.3 billion of exit financing. The RSA has been supported by holders owning approximately 85% of the company's Second Lien Notes. To implement this "pre-negotiated" plan, MPM and its U.S. subsidiaries voluntarily filed to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York in White Plains, NY.

The company said all of its silicones and quartz businesses will continue to operate in the ordinary course throughout the Chapter 11 process. MPM's operations outside the U.S. are not included in the Chapter 11 proceedings. The filing relates solely to MPM and not to Momentive Specialty Chemicals Inc. (MSC), which has a fully independent debt capital structure and a separate and strong balance sheet. MSC had liquidity of USD 773 million as of December 31, 2013 and has no material debt maturities prior to 2018.

Adresse:

<http://www.gupta-verlag.com/rubber/news/industry/14388/momentive-performance-materials-files-for-chapter-11>