



## Lucinde Rhodie

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### Q *What led you to pursue a career in corporate finance?*

A Since commencing my articles, I have been practicing in the dispute resolution space. Currently, I am specialising in corporate restructuring, from a business rescue and insolvency perspective.

There is a general misconception that in order to be involved in corporate finance, one cannot be a litigator. That is simply not correct. Disputes, restructuring and insolvencies in the corporate finance space are complex, urgent and challenging.

Dispute work, pursuant to a corporate finance transaction, can involve a myriad of legal principles, statutes and processes. I have been called upon to give advice and litigate on directors' liability, consequences of not complying with the Companies Act, 2008, appraisal rights, enforcing complex securities for creditors, advising on possible insider trading and market manipulation claims, as well as impeachable transactions. Not one day nor one matter is ever the same in a disputes practice.

One day you can advise on whether a director, in concluding a transaction, breached his/her fiduciary duties and can personally be held liable for the debts of a company, and the next day, you can be drafting urgent court papers to prevent a substantial transaction from being implemented, and shortly thereafter appearing before the Financial Sector Conduct Authority in an insider trading investigation against a client.

### Q *What, in your opinion, is the hardest part of a transaction?*

A Answering this question from a disputes, restructuring and insolvency perspective,

one must keep in mind that the advice given will determine whether a company/business continues to exist and fight its way back to financial health, or whether it will forever close its doors, with a devastating loss of employment to many persons.

To give such advice, considering all the options, is by far the hardest part of a matter of this nature. No director or owner of a business wants to be told that their business has failed, or is failing, but we must always remember that it is our responsibility to make sure the advice given and action proposed is to ensure the best outcome in the circumstances.

The converse is also true – when we are instructed to look after the interest of creditors, we are responsible for acting as quickly as possible to make sure a creditor's interest and security are protected immediately. Any delay in acting can be prejudicial to a creditor, through the loss of or damage to the asset, forming the basis of the security provided.

### Q *What is your favourite sector in which to do a deal and why?*

A I thoroughly enjoy the business rescue and insolvency sector. I am a member of CDH's Corporate Debt, Turnaround and Restructuring Sector. The work we do is fast paced and involves not only insolvency legislation, but all aspects of restructuring, including distressed M&A, contractual issues, company law issues, particularly directors' liability and creditors' rights, dealing with complex bonds, cessions, pledges etc in enforcing creditors' rights. Advising on whether complex transactions and payments may constitute impeachable transactions, and litigating on those legal issues, is incredibly interesting, although challenging.

Guiding a business or creditor through

the business rescue process is also very interesting. It is important for the directors of any company to understand the concept of a business being financially distressed, what their options and (more importantly) obligations are, as a board, and to assist them through this process and their engagements with the business rescue practitioners.

If you act on behalf of a creditor in a business rescue, your approach is different. Now you are advising a creditor to ensure that their best interest is looked after in the business rescue. You are required to negotiate with business rescue practitioners, make sure any security your client holds for its claim is preserved, and advise your client on the implications and consequences of any proposed business rescue plan.

### Q *When things go wrong, what advice would you give about moving on?*

A We all would like to think that we are perfect lawyers and that things never go wrong, but they do. Own your mistakes and learn from them. Act fast to ensure that what went wrong can be dealt with, so you can pivot and still get the best result for your client. Identify the pitfalls, as they are sure to occur again in future, and ensure that you're prepared to deal with them appropriately.

### Q *What advice would you give a young woman working on her first deal?*

A Always be prepared, and always be confident in your abilities. It is important for your clients and your colleagues to know that you are competent, reliable and trustworthy. Don't be afraid to ask questions, and make use of every opportunity that presents itself to upskill and enhance your profile. 