

September 2012

Inside story: Nurburgring Race Track

This month's inside story is brought to you by Mr Jens Lieser of Lieser Rechtsanwälte, <http://www.lieser-rechtsanwaelte.de/> .

"Nurburgring, one of Germany's most popular race tracks and home to a European leg of the Formula 1 tournament, may face bankruptcy after entering into insolvency this year, with European officials now investigating the terms of its state-sponsored rescue." Bild

In its decision of 24 July - 6 IN 91/12 the court of Bad Neuenahr has opened preliminary insolvency proceedings under self-administration about Nürburgring GmbH. Attorney Jens Lieser, Koblenz has been appointed custodian.

The Nürburgring is a tradition-rich circuit – a myth well known amongst racing enthusiasts. This is what explains the high media interest in the ongoing insolvency proceedings. Nürburgring GmbH is purely a holding company. Properties at and around the Nürburgring belong to it.

The operating company now is Nürburgring Automotive GmbH (NAG) whose lease agreement has already been terminated. Regarding the termination of this contract, an action is pending before court and also the parties are participating in arbitration negotiations.

The Koblenz prosecutors' office is investigating the former managing director, former directors of the state owned investment bank ISB as well as the former Minister of finance of the state Rheinland-Pfalz.

Prof. Dr. Schmidt has been announced as managing director to reorganize the company and together with attorney Jens Lieser he aims a privatization of the Nürburgring, with the best possible conditions. Increasing transparency is most important. Such measures have to be under current EU-law and in line with the principles of non-discrimination and proportionality throughout Europe. Numerous legal questions have to be resolved before the sale of any asset is possible. In view of the above it is not expected to sell any asset this year.

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