

Magic circle firm in share-swapping controversy

Magic circle firm Freshfields Bruckhaus Deringer has reached a settlement agreement with the liquidator of an insolvent German bank which sued the firm for advice given over controversial share-swapping schemes. A [Law Gazette](#) report notes that the liquidator of the defunct German lender Maple Bank brought a civil case against Freshfields for €95m in April over advice about the legality of 'cum-ex' transactions, which allegedly exploited a flaw in Germany's tax code and allowed investors to reclaim billions of euros in tax they never paid. **A €50m settlement agreement has now been reached, the liquidator confirmed.** A Freshfields spokesperson said: 'A dispute regarding a potential liability claim stemming from a mandate completed several years ago has been resolved.' 'The parties have agreed after intensive discussions that not only the claim for payment of €95m, but also additional claims, will be withdrawn. We are convinced that our advice always complied with applicable law.'