



Tariko Getting Control Over CEDC

By [The Moscow Times](#)

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Moscow bartenders will still be mixing drinks with Parliament vodka if thanks to an organized bankruptcy deal. **Vladimir Filonov**

Poland's Central European Distribution Corp, seeking to reduce its debt load, has filed for pre-packaged bankruptcy that will give Russian businessman Roustam Tariko full control of the vodka producer, a court filing showed.

CEDC, which makes Absolut and Parliament vodka and is a market leader in Russia, Hungary and Poland, has struggled with financial problems and the resignation of its chief executive.

A spat with Tariko ended last December when it ceded operational control to him in exchange for up to \$65 million in funding.

The Chapter 11 restructuring plan, which was approved by the company's creditors, will slash about \$665.2 million in debt from the company's balance sheet.

The filing showed that CEDC had liabilities of \$1.74 billion and assets of \$1.98 billion.

If Delaware's bankruptcy court approves the plan, Tariko's Roust Trading will end up owning 100 percent of the company's outstanding stock.

Holders of the existing 2016 notes which have claims totaling \$982.2 million, will receive \$822 million, consisting of \$172 million in cash, \$450 million in new secured notes and \$200 million in new convertible notes.

Holders of 2013 notes who participate in the plan, will receive about \$55 million, comprised of \$25 million in cash and \$30 million in secured notes issued by Roust Trading, resulting in an estimated recovery of 35.4 percent.

In a prepackaged bankruptcy, management negotiates the general terms of a bankruptcy plan with major creditors prior to the filing.

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