



CEE

LEGAL MATTERS

YEAR 5, ISSUE 4


APRIL 2018

A large graphic of interlocking puzzle pieces covers the middle section of the cover. The pieces are primarily light gray, with a central horizontal band of orange pieces. Several pieces are highlighted in a darker red color, scattered throughout the puzzle.

2018 Corporate Counsel Handbook

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IN-DEPTH ANALYSIS OF THE NEWS AND NEWSMAKERS
THAT SHAPE EUROPE'S EMERGING LEGAL MARKETS

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YEAR 5, ISSUE 4
APRIL 2018

2018 Corporate Counsel
Handbook

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If you like what you read in these pages (or even if you don't) we really do want to hear from you. Please send any comments, criticisms, questions, or ideas to us at:

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EDITORIAL: [INSERT EDITORIAL TITLE HERE]

No, the title is not an error — although given the amount of hours I spent in front of excel sheets preparing this issue it would be an oversight that would not have shocked me.

It did catch your attention though!

It is only fitting to have a non-title. This is not a regular issue, as our regular readers will know by now. This special report is not about words as much as it is about numbers. Drawing from the experiences of a multitude of experienced in-house lawyers, this report aims to capture many aspects of the Chief Legal Office Role, based not on anecdotal story telling, but on cold statistics. It is a refreshing exercise for us as well, and we hope you'll enjoy it!

That said, without any further ado, we're proud to publish the 2018 Corporate Counsel Handbook, presenting the feedback from 517 Chief Legal Officers from across Central and Eastern Europe to our annual survey. This year's report is perhaps particularly enlightening, as many of the responses are presented next to those from previous surveys, providing a revealing look as to how the challenging role of Chief Legal Officer is transforming over time.

The second half of the Corporate Counsel Handbook, this year, presents the shortlists for CEE Legal Matters' Dealer's Choice Award for Deal of the Year in 17 different CEE countries, along with insightful and revealing commentary from

many of the Chief Legal Officers or other company representatives that made those deals happen. The winners of the Dealer's Choice Deal of the Year Awards will be announced at the Awards Banquet that concludes the big Dealer's Choice conference in Prague, on June 6. If you're interested in joining us — and we hope you will — please contact us for details.

The Corporate Counsel Handbook is really a labor of love for us, as it allows us to connect with and learn from so many of the brilliant, knowledgeable, and highly professional in-house lawyers living and working in Central and Eastern Europe. As many of you know, it forms the first part of our annual two-part engagement with corporate counsel, leading up to the big 2018 GC Summit, scheduled this year for June 7-8, also in Prague. With this report in your pocket to provide context, we hope you'll come to share the valuable lessons you've learned with your peers, and to reap the benefit of their experience in return. This will be the first GC Summit in the Czech capital, providing a backdrop of medieval glamor and good beer for all participants. We hope to see you there.

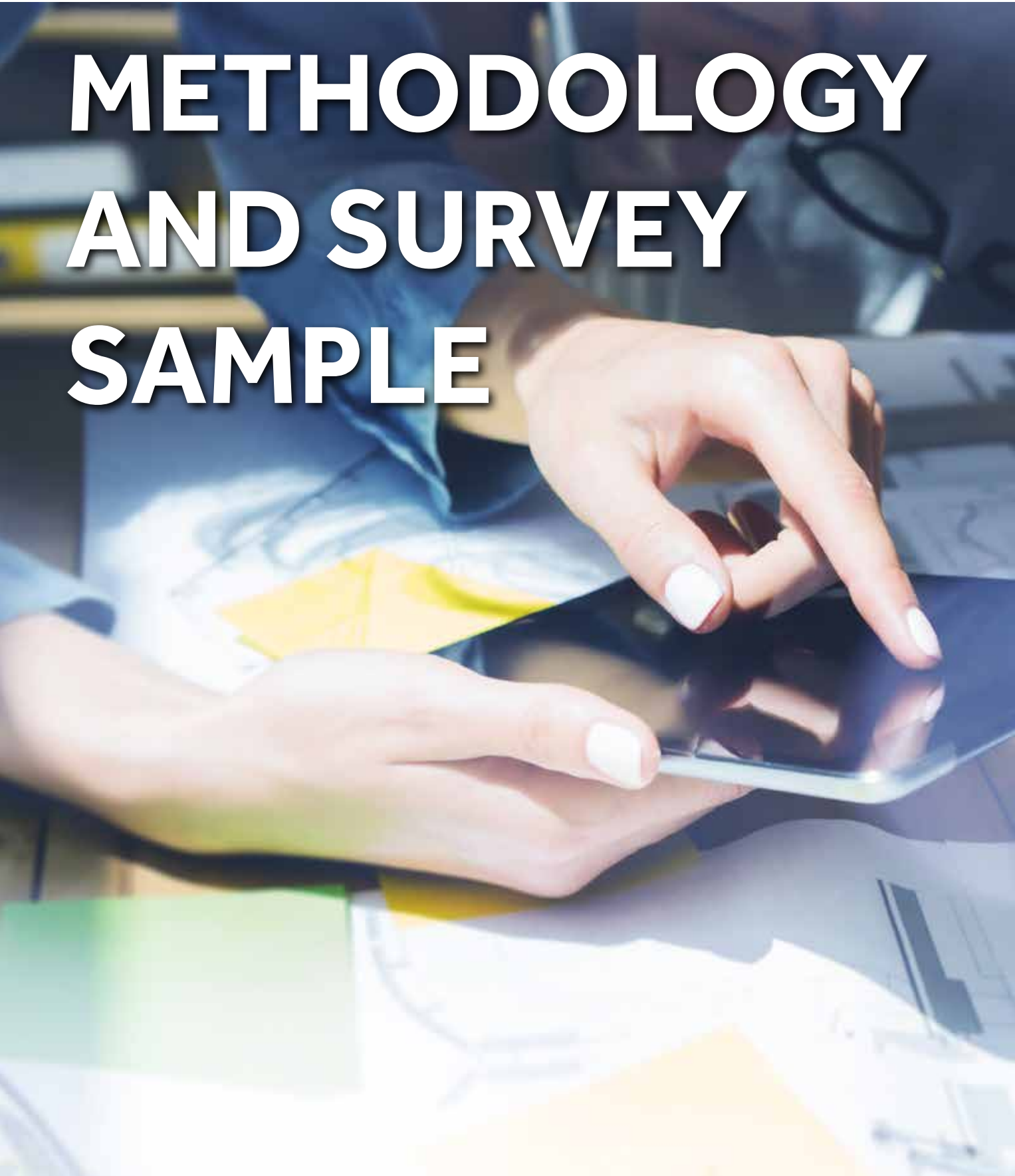


Radu Cotarcea


IN THIS ISSUE:


Preliminary Matters	3
Methodology and Survey Sample	4
The Role of the General Counsel	8
The In-House Team	12
Areas of Improvement	26
Managing Risk	34
Working with External Counsel	42
Deal of the Year: Scanning the Shortlist	48


METHODOLOGY AND SURVEY SAMPLE


A close-up photograph of a person's hands interacting with a tablet computer. The person is wearing a blue long-sleeved shirt. The background is a blurred office environment with papers and a laptop. The text 'METHODOLOGY AND SURVEY SAMPLE' is overlaid in large, bold, white letters with a black outline.





 Data was collected between April 2 and April 27, 2018. A total of 4317 General Counsel, Heads of Legal, and Legal Directors (collectively, Chief Legal Officers, or CLOs) were invited to participate in the survey.


 The sampling channels and techniques of the survey included direct invitations, social media campaigns, and mass mailing campaigns.

 Respondents were asked to identify themselves and their employers for screening/data validation purposes but were assured that the information would be kept confidential and no identifying details would be disclosed.

 In total, 517 CLOs from 21 countries in CEE participated in the survey.

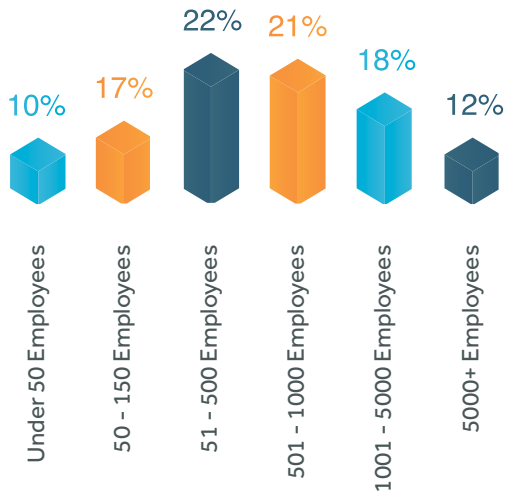
 All values expressed in this report represent averages of registered survey responses.

 Where possible, the findings of our survey were cross-referenced with the 2014, 2015, and 2016 Corporate Counsel Handbook reports.

 Survey responses were complemented by comments and analysis from the 2017 Corporate Counsel Handbook series of essays.

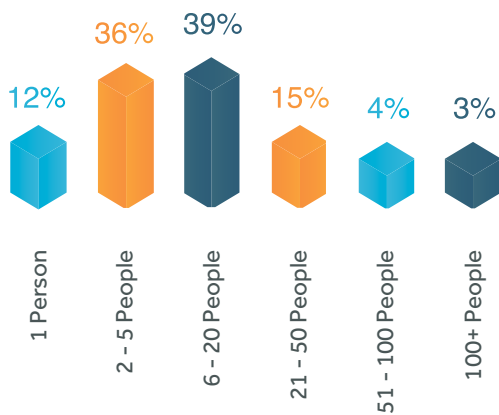
SURVEY SAMPLE BY COMPANY SIZE

1



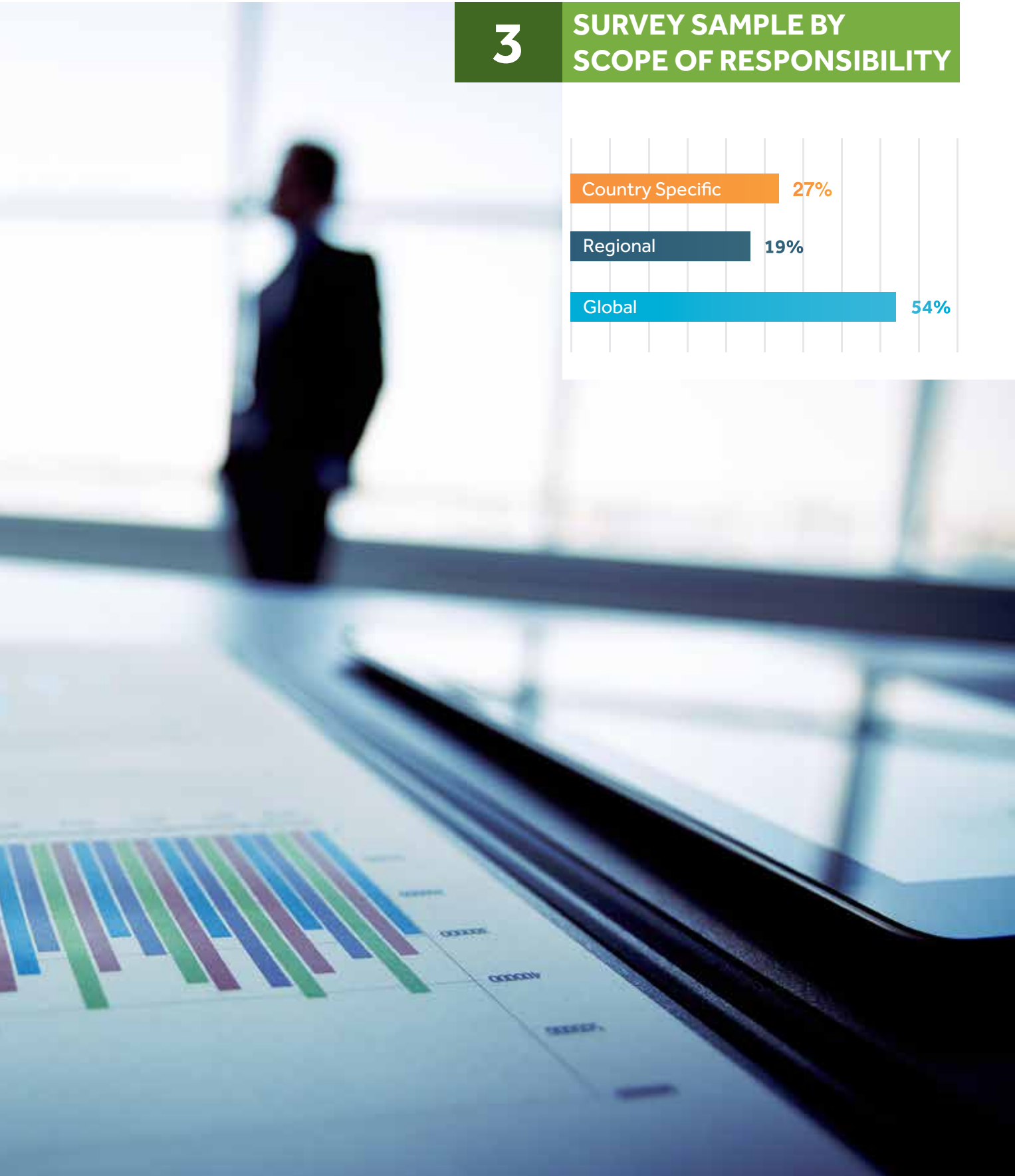
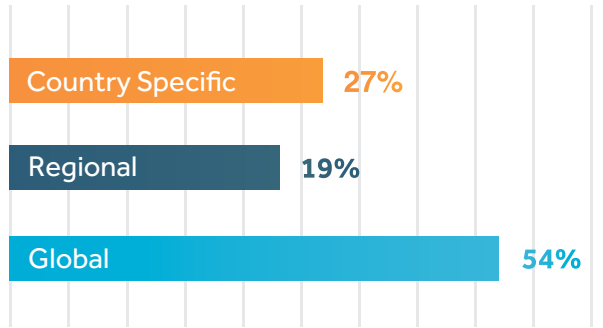
SURVEY SAMPLE BY LEGAL TEAM SIZE

2



3

SURVEY SAMPLE BY SCOPE OF RESPONSIBILITY



THE ROLE OF THE GENERAL COUNSEL





Now one can hardly find a company where the General Counsel is not a board member”

Ivan Kravstov
Senior Legal Director at
Carlsberg Ukraine

“Although the core structure of any company is its core business, its product, its service, or its go-to-market solution, the legal framework in which that product or service is created or offered and marketed makes the difference between a successful company that can focus entirely on its product or service and a company where its risk profile is always high,” explained Vasile Tiple, Legal Lead at UiPath.

As a result, according to Ivan Kravstov, Senior Legal Director at Carlsberg Ukraine “the role of Chief Legal Officer in particular has, naturally, changed significantly as well.” According to Kravstov, “now one can hardly find a company where the General Counsel is not a board member.” Ultimately, he reported, “the role of Head of Legal has three dimensions: (1) leader of a legal team; (2) solid business contributor; and (3) strategist. The General Counsel is expected to analyze and advise on issues legally, ethically, and objectively; and by this bring additional insights to key strategic decisions.”

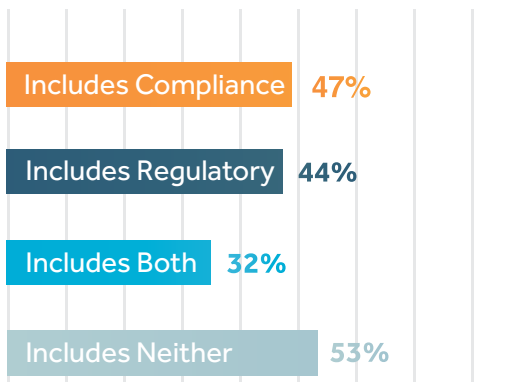
The role of Head of Legal has three dimensions:



COMPLIANCE AND REGULATORY FUNCTIONS

1

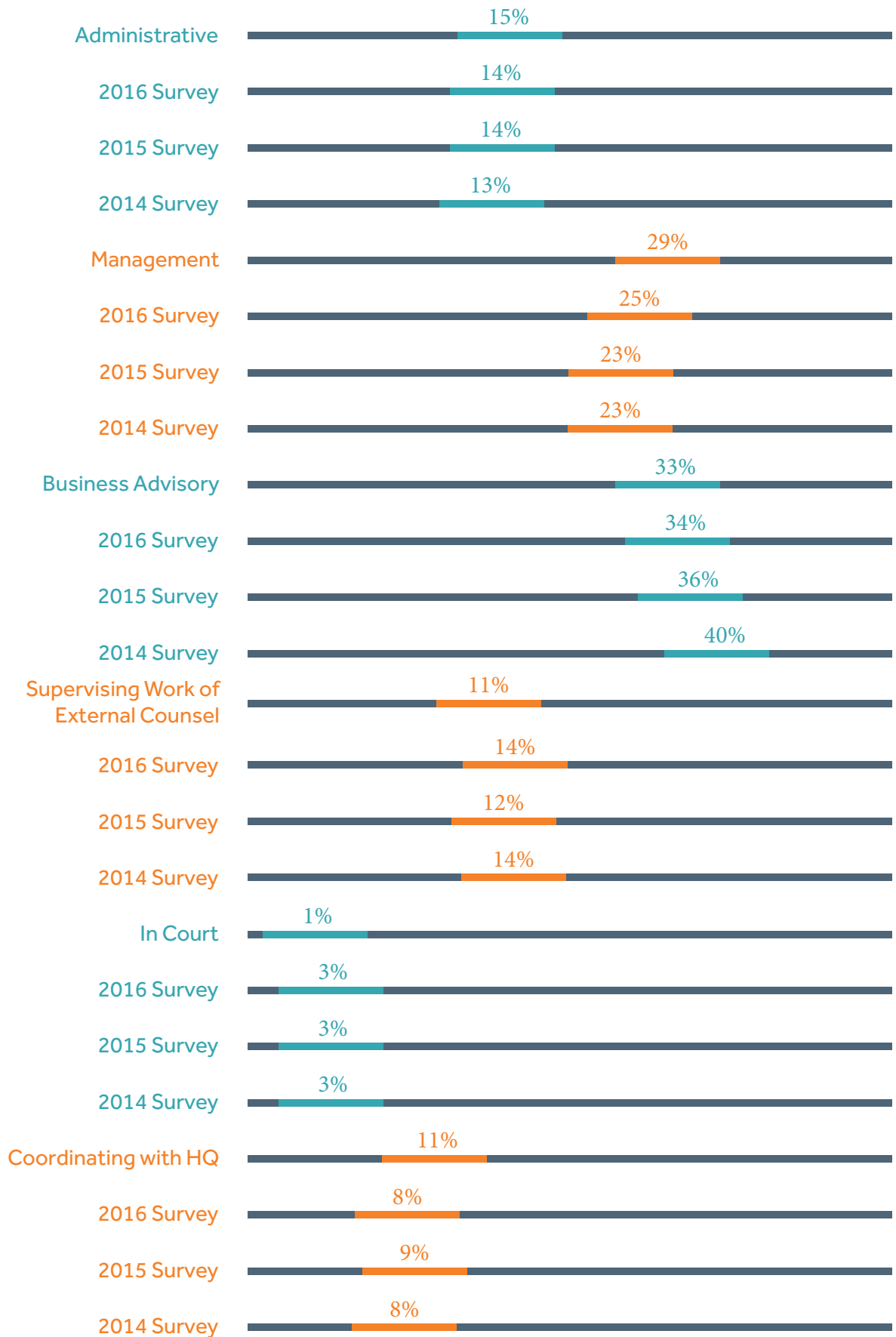
The role of the General Counsel is expanding in other ways as well, as new areas of responsibility fall within the legal team's purview. Thus, 47% of respondents reported that their teams were responsible for compliance matters, and 44% reported responsibility for regulatory matters. Almost a third — 32% — reported that their roles included both areas.



TIME EATERS

2

While the average amount of time reportedly allocated to various tasks did not change significantly over past years, respondents to the 2016 survey were already reporting an apparent decrease in time spent on direct business advisory and an increase in the average time dedicated to management. One possible explanation was offered by Daniel Szabo, SEE Legal Counsel at Hewlett Packard Enterprise: "While technology has decreased the need for qualified lawyers, administrative staff, and paralegal hours through streamlining and speeding up processes — allowing you now to do more with less — paradoxically, it has increased administrative tasks for attorneys."





THE IN-HOUSE TEAM

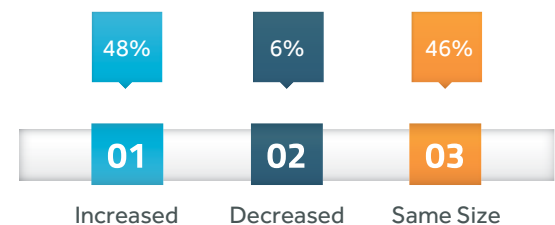


The main elements of success for an in-house team are multi-functionality and variety.”

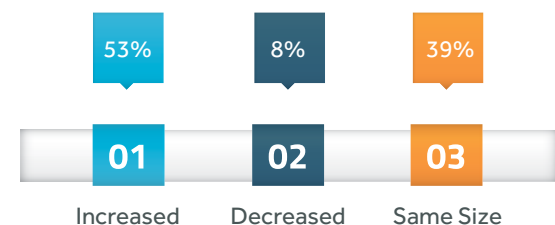
Csilla Kovari-Graner
Head of Legal Department
at Erste Bank Hungary Zrt

In both the 2015 and 2016 surveys, General Counsel were asked if, relative to the previous year, their teams had increased, decreased, or stayed the same size. In 2016, 48% of survey participants reported that their teams had increased, while 46% reported that they stayed the same size, and only 6% reported a decreased head count. The results were similar to the 2015 survey, though growth of the legal teams seemed to have slowed down a bit.

2016 Data

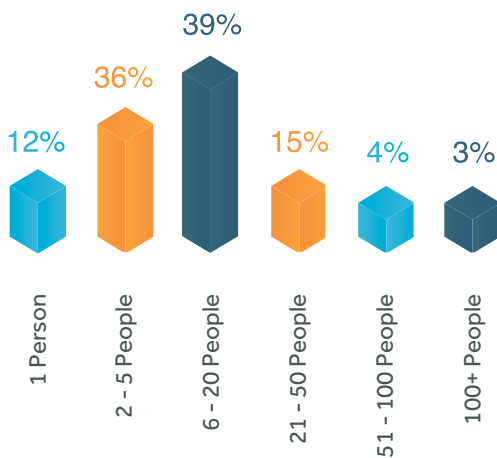


2015 Data

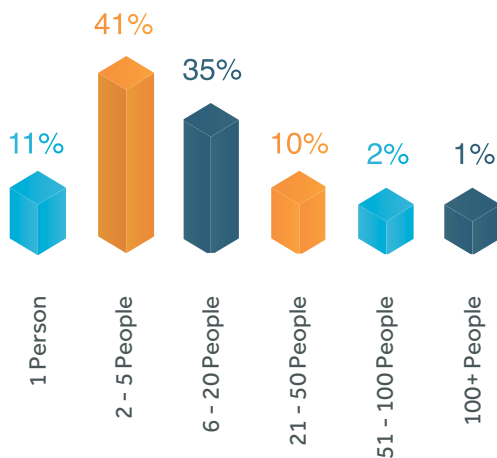


The results of the 2018 survey are consistent with those reported several years ago. Comparing the responses from 2018 to those in 2016, the percentage of responding CLOs with a legal team between 2 and 5 people has decreased from 41% to 36% while the percentage of those with teams between 6 and 20 and between 21 and 50 have jumped from 35% to 39% and from 10% to 15%, respectively. The percentage of respondents from legal teams between 51 and 100 people and of over 100 lawyers have also both increased.

2018 Data



2016 Data





Csilla Kovari-Graner
Head of Legal Department at Erste Bank Hungary Zrt

“Staff headcount in legal departments can shift between two extremes,” said Csilla Kovari-Graner, Head of Legal Department at Erste Bank Hungary Zrt, adding: “Some companies keep their in-house teams to a minimum and outsource all major items to external counsels. Some, however, take the view that only employees can be truly loyal, and accordingly operate with an inflated headcount. The first solution exposes the organization unnecessarily, as in my view taking ownership for the job at hand is increasingly difficult when the lawyer is remote from the organization. On the other hand, the second extreme creates inflexibility when planning costs and budgets. When not certain if a given headcount is right for the company at a given period, just ask yourself this: If this department was your own law firm, how many lawyers could you employ and afford to pay and also, would the clients be paying for the services of the selected colleagues?”

With my team, we went for a middle of the road solution with regard to headcount design. We introduced a time sheet system which, on the one hand, gives daily information regarding capacity utilization, and on the other hand provides the ability to track actual changes of capacity requirements over the long term. Our internal resources allowed us the flexibility to work with external legal services as and

when required. External counsels always co-operate closely with an in-house lawyer on our team designated to handle the file, thus ensuring the most efficient and quality assured legal support.”



Zeynep Derman Kucukonder, Legal Director at
Coca-Cola Turkey, Caucasus and Central Asia

But in the view of the Legal Director at Coca-Cola Turkey, Caucasus and Central Asia, Zeynep Derman Kucukonder, it is not just about the size of the team: “The main elements of success for an in-house team are multi-functionality and variety; in my view, homogeneity is always to be avoided. Diversity is a particularly important factor when selecting team members. And I do not mean this in the classical sense only (*i.e.* gender, family background, *etc.*). In a good team, the best qualities of different types of lawyers should be blended at an optimal level.

In my current team we have a wide variety of different skills. There are colleagues who have experience as external counsels who often have worked at international law firms, others who have gained experience in various banks, and some who come from outside the financial services sector. We have worked through economic booms and deep recessions (and everything in between), supported large transactions and foreclosed securities, and seen companies rise ... and become insolvent.”

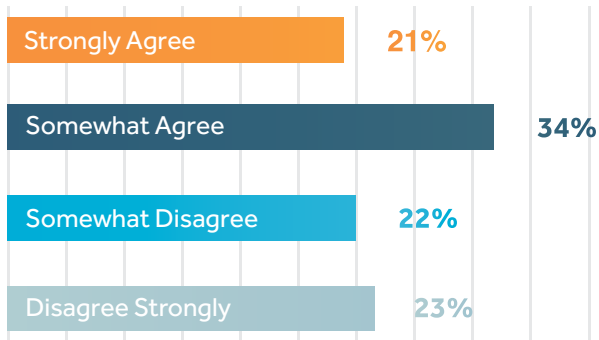
In the 2017 Corporate Counsel Handbook, increased workload was one of the main elements General Counsel pointed to as a driver towards increasing the legal teams. Ivan Kravstov, Senior Legal Director at Carlsberg Ukraine, explained:

“All of this – the increased role and importance of in-house counsel to business processes, the globalization of business, and the expanding technological tools necessary – have resulted in the size of in-house legal departments growing as well. For instance, in Ukraine, in-house legal departments in many industries grew at a 100-200% rate between 2009-2016. Unsurprisingly, as those departments have expanded there has been a decrease in the amount of work externalized as well. This trend is driven by both cost- and process-effectiveness considerations, as in-house legal resources are much cheaper and in-house lawyers are much more familiar with their business and the relevant industry.”

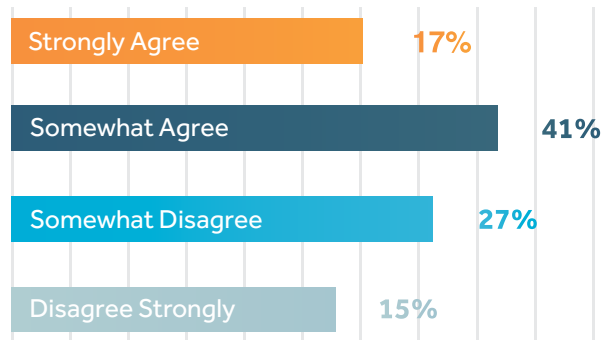


Ivan Kravstov
Senior Legal Director at Carlsberg Ukraine

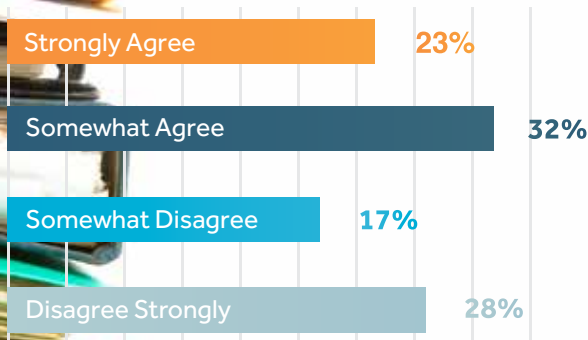
We need to increase the size of our internal legal team to meet increasing internal demands



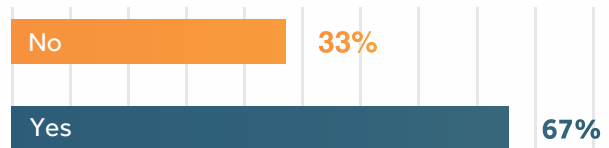
The volume of work carried out by our legal department and external counsel combined is likely to grow in the next year.



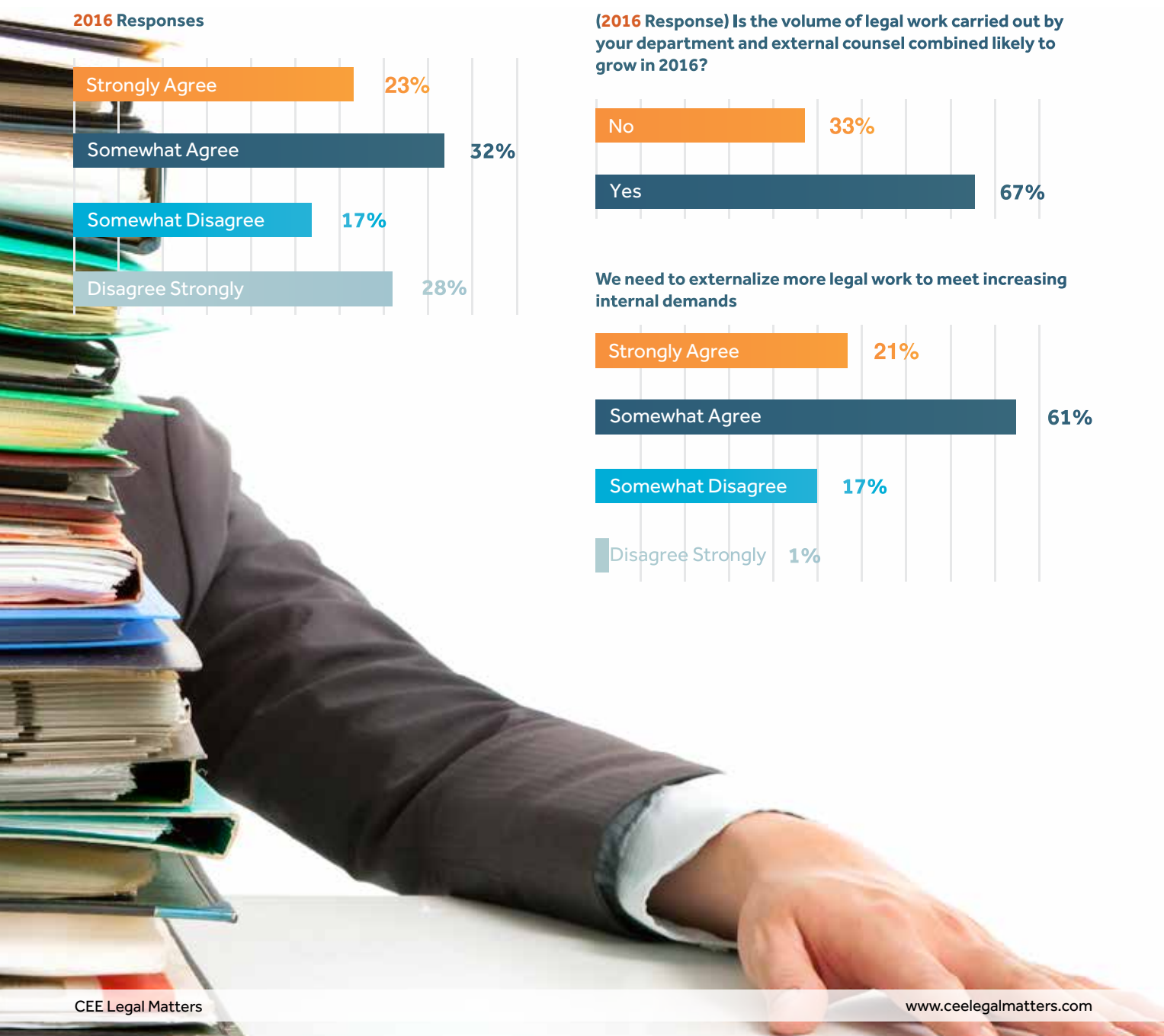
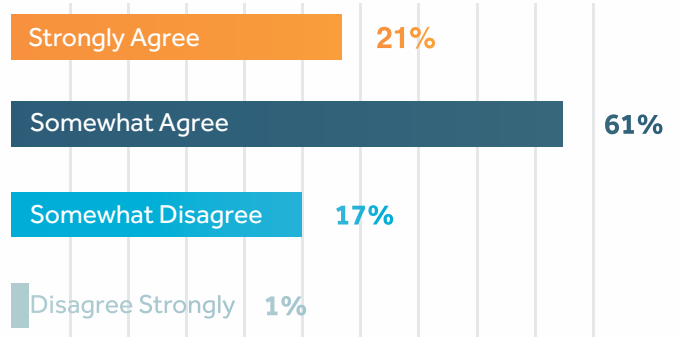
2016 Responses



(2016 Response) Is the volume of legal work carried out by your department and external counsel combined likely to grow in 2016?



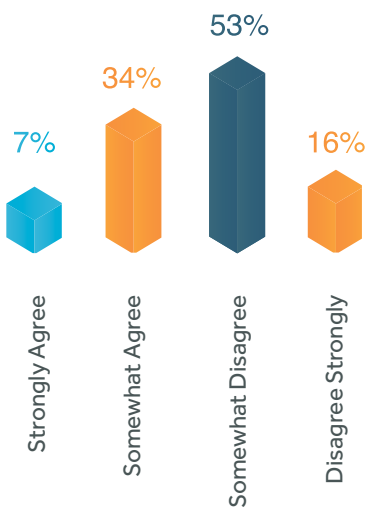
We need to externalize more legal work to meet increasing internal demands



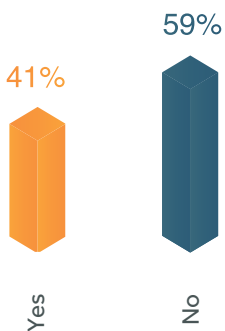
In line with Ivan Kravstov’s analysis, with in-house teams increasing in size, a minority of General Counsel foresee an increase in the amount of legal work they externalize.

Thus, although 58% of respondents predict that the overall amount of legal work will increase, and although 82% agree they would need to externalize more legal work to meet their internal clients’ needs, only 41% believe that the volume of work they externalize next year is likely to increase.

The volume of work externalized to law firms is likely to grow in the next year.



(2016 Response) Is the volume of legal work that you externalize to outside counsel likely to grow in 2016?





“

For instance, in Ukraine, in-house legal departments in many industries grew at a 100-200% rate between 2009-2016.

Unsurprisingly, as those departments have expanded there has been a decrease in the amount of work externalized as well. ”

Ivan Kravstov
Senior Legal Director at
Carlsberg Ukraine

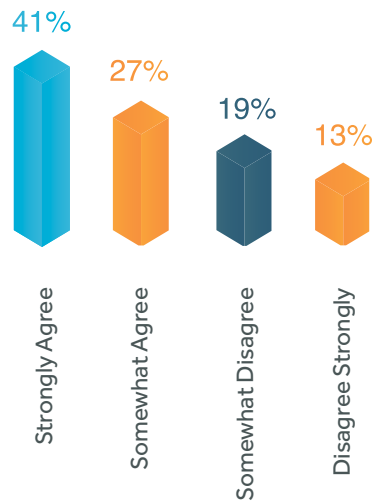
“In big companies, the responsibilities that fall into the gray area between business management and practicing law are being pushed into legal operations,” explained Dana Ionescu, Legal & Global Mobility Manager at Adecco. “And this is only the beginning, in an ever-changing business environment that constantly challenges the traditional legal department and ‘classic’ professionals. We also face a shift in the role of the in-house legal department, from the consultants of old to entrepreneurs.”

Complementing the ever-increasing workload, in Ionescu’s view, is an internal pressure to keep costs low, while not compromising on the quality of the work product: “It is a fact that legal departments will face more pressure to realize efficiencies, which will require a keen focus on driving greater productivity. From being smart on how and when to divide responsibilities with an outside counsel to acknowledging that technology is a crucial component of departments’ activity, in-house departments have to navigate between adapting to cost pressures and meeting shorter delivery deadlines.”

Ionescu also explained why the growth of the in-house legal teams makes sense from a cost perspective: “The existence of a growing body of competitive outside lawyers has presented a continuing challenge to inside counsel. But let’s face it; an in-house legal team is more cost-effective than an external firm and it can deliver equally business-critical legal services, especially as it is more knowledgeable about the industry, business operations, and strategy than outside counsel. So my money will always be on the internal legal department.”

And many of the General Counsel responding to the 2018 survey reported feeling this budget pressure.

There is strong internal pressure to cut down on legal costs





...in-house departments have to navigate between adapting to cost pressures and meeting shorter delivery deadlines.”

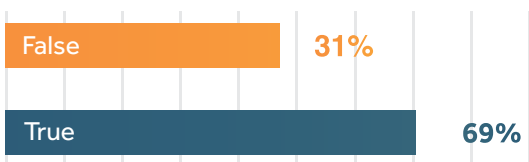
Dana Ionescu, Legal & Global Mobility Manager at Adecco



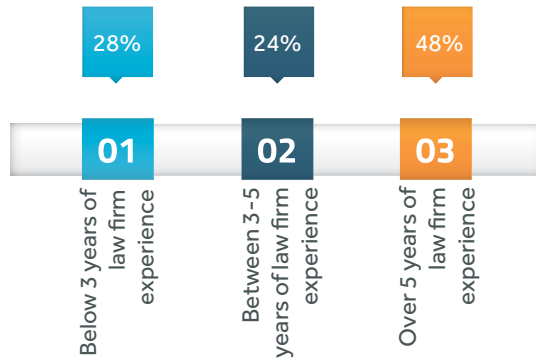
Because “doing more with less is becoming the mantra of the post-crisis business environment, and control of legal costs is no exception,” said Gligorije Brajkovic, Head of Legal and Compliance at Uni-credit Bank, “the focus is very much on cost reduction, including of course external fees, and creating an in-house team that can manage an increasing volume and complexity of work is important.” Furthermore, he explained, “the enlarged scope of the activities expected from the General Counsel can only be produced by a strong and efficient team.” To reduce costs, then, “in-house legal teams must now deal with legal matters previously handled by outside counsels. A first-class in-house team must be staffed with experienced lawyers who have a high level of understanding of the company’s objectives and are able to recognize the appropriate routes to achieve them. If such a team exists, out-side legal costs can be controlled while the quality of rendered services remains the same. To achieve this, time is of the essence, because proper planning and succession must be introduced.”

In order to get a sense of the status-quo, we asked General Counsel two questions related to their current team: one to get a feel of the overall readiness for the global market, about the English proficiency of team members, and one about the level of experience working in private practice.

All of the lawyers on my team speak advanced English



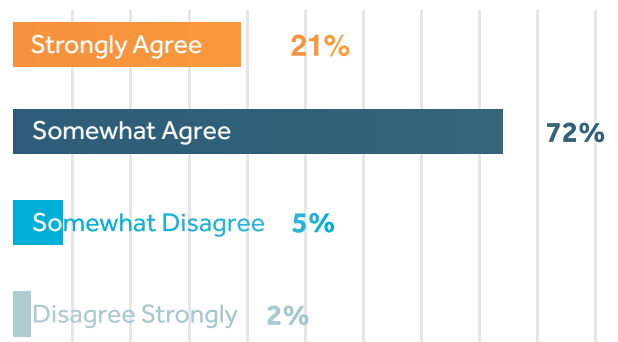
The average lawyer (including yourself) on your team has:



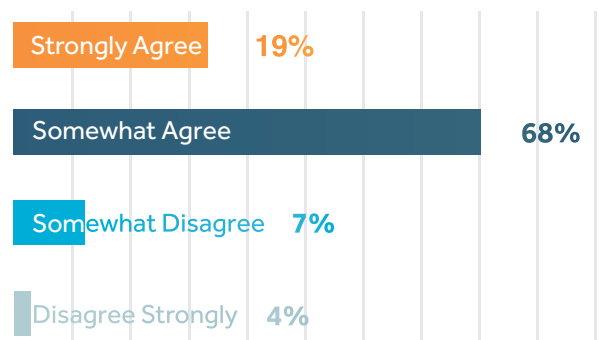


Unsurprisingly, then, growth comes not simply by increasing the team size but by enhancing the capabilities of the existing team as well. And while capabilities development was a priority among respondents to the 2016 survey, it appears to be even more so now. Thus, while 19% strongly agreed and 68% somewhat agreed they needed to enhance their legal team's capabilities in 2016, those numbers rose to 21% and 72% respectively in 2018.

We need to increase the capabilities of our internal legal team to meet increasing internal demands



2016 Responses



According to Mirna Zwitter-Tehovnik, Head of Group Legal at HETA Asset Resolution AG, “while cost-cutting is paramount in many organizations, no large company will be able to thrive without having a strong legal department. Investing in and maintaining the in-house legal team will reduce legal risks, contribute to the business’s general success, and ultimately reduce external legal costs. Thus, we must consider how one builds this strong legal team.”

Zwitter-Tehovnik suggested a framework of four pillars upon which to build an effective legal department.

Building an effective legal department rests on four pillars:



Maxim Nikitin, General Counsel at Virgin Connect Group Russia, also shared his approach to developing the in-house legal function, which he called simply as “Four Twos”:

“The First Two: The Setup

It’s not the equivalent of announcing the discovery of a distant land to say there are two basic approaches in setting up an in-house legal function. The first is a more generalist approach, which works perfectly in companies which do not require very deep professional expertise in a particular area of practice on regular basis. Instead they require broad legal expertise across various areas.

The second approach is to structure the legal function by practice. This is more common in bigger companies that can afford specialized professionals responsible for particular areas or practices.

If the company is not a law firm and is small, then it does not have many lawyers. A legal function is a cost rather than a revenue-generating function. Still, while the cost-saving role (which lawyers are usually proud of) is great, it definitely should not be the core of a business. Then the role of legal function involves addressing any legal issues that appear within the company’s activity: tax, regulation, litigation, labor, contractual, etc. Of course, the company may seek external professional advice when material risks arise and/or where internal experience or resources are insufficient.

Because bigger companies naturally have bigger risks (at least in terms of the amount of money at risk) they generally demand more professional solutions from their legal teams. As the majority of risks recur, many times hiring an in-house professional is more cost effective for a company than hiring a law firm.

Of course there can be a combination of generalist and specializing approaches in a company.

The Second Two: Hiring

As a Legal Director you always have to find a balance between conserving costs and obtaining the best possible professionals for your team. When you hire a ready-to-work professional, you might think that the job is done and you can sleep well. Ideal candidates do not exist, however, and an adaptation or a shift of focus for a new employee can be required. In such cases re-training might be painful, and a candidate used to working in another environment may fail. By contrast, there are no such risks if you hire less experienced candidates, who may be more willing to learn and committed to following the career path. I personally feel satisfaction when I hire a less experienced lawyer who exceeds expectations and becomes professional in a short time. And I am sure that primary role of a head of legal is not to be the best in profession but to be

able to set up a team of the best.

The Third Two: Training

On this subject there are no twos, and only a choice: To train or not to train. You may train your people, spend time, money, and energy, only to see the now well-trained person thank you and leave. Alternatively, you may not train your people and then face the risk that your team falls behind in this rapidly changing environment. There is no universal solution. If the company uses strong motivation tools and employees are happy to work not for money only, then training can bring a great value. Otherwise it can be waste of resources.

The Fourth Two: Managing

I strongly believe that each person, at one point, makes his or her choice: To stay in his/her initial practice area and become a narrowly-specialized 'know-everything' professional or to shift to management. A combination of the two is not possible. It is an angle of sight. Either you see deep or you see broad. If you are a specialized professional, be the best in your chosen area and constantly develop yourself to stay the best. If you are instead a manager, then delegate and motivate.

A manager is not allowed to do everything by himself – even things he can do better and faster than those he delegates it to. What can be delegated must be delegated. In this case the manager gains the ability to focus on more important tasks that cannot be delegated at the moment. Delegation also helps develop the professional abilities of subordinates and – maybe most importantly – it makes the system more sustainable by decreasing the dependence of the company from one person: you.

The second primary aim of the manager is motivation. Although difficult to measure, everybody knows the difference in attitude and performance between highly motivated and unmotivated employees. If the company has a strong motivation policy, then you just need to follow it. But if not, then you need to motivate yourself and afterwards somehow motivate your team. Obviously, in this case you do not use material motivation tools like bonus, salary increases, or valuable gifts. Instead you need to use non-material motivational instruments: competition, public awards, and so on.”



Investing in and maintaining the in-house legal team will reduce legal risks, contribute to the business's general success, and ultimately reduce external legal costs.”

Mirna Zwitter-Tehovnik, Head of Group Legal at HETA Asset Resolution AG



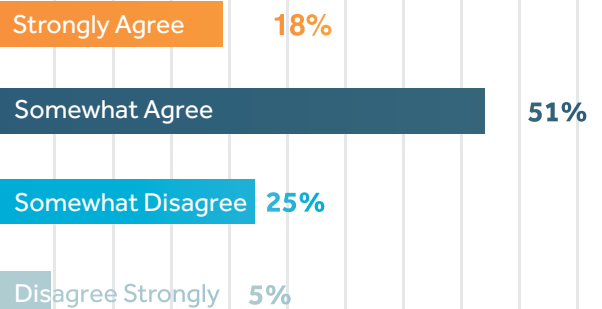
AREAS OF IMPROVEMENT



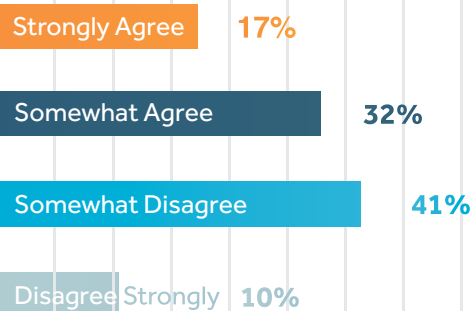


While under 50% of respondents believed they needed to enhance their compliance programs in 2016, the function seems to have come back into the spotlight, with 69% now agreeing they need to do so.

We need to enhance our existing compliance program



2016 Responses





The old-fashioned way of presenting long texts or power point presentation is far from catchy. People want it light and fast.”

**Kameliya Naydenova,
Legal Counsel, Balkans
Region, and Roland
Csecsei, Senior Legal
Manager Balkan &
Germany at AVON**

In their 2017 Corporate Counsel Handbook essay, “How To Break Through ‘Compliance Noise,” Kameliya Naydenova, Legal Counsel, Balkans Region, and Roland Csecsei, Senior Legal Manager Balkan & Germany at AVON, offered a case-study based on AVON’s 2016 Central Europe-piloted program aimed at presenting the essence of the legal and compliance rules under the internal brand of “Simply Legal”:

“Our materials are business-friendly and straight-forward. They present the basic topics in a way that is interactive, funny, and easy to remember. As part of Simply Legal we created 60 second guidelines, DO and DON’T lists, videos and cartoons, and dawn raids guidance, and instructions which are short in time and easy to remember. People learn while they have fun. The old-fashioned way of presenting long texts or power point presentation is far from catchy. People want it light and fast. In the digital era and with the dynamics we face in all industries and spheres, creativity is crucial to catch the attention of the business.

Companies should ensure constant updates, contact points for advice and training, and Q&A sessions with their in-house legal counsel.

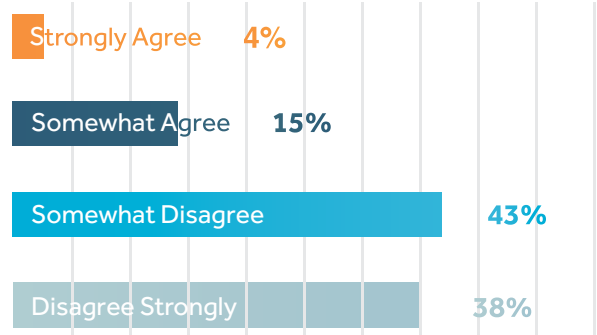
Integral parts of successful compliance systems and processes are compliance monitoring and audits. Whether performed by internal or external auditors/monitoring teams, such reviews allow for a check on compliance awareness within organizations, the processes behind the rules and policies, and the overall success of a compliance culture’s implementation.

At this stage the role of the legal counsel is more that of an ambassador, enhancing the processes of testing and auditing by providing clarifications, explanations, and guidance to the auditing teams.”

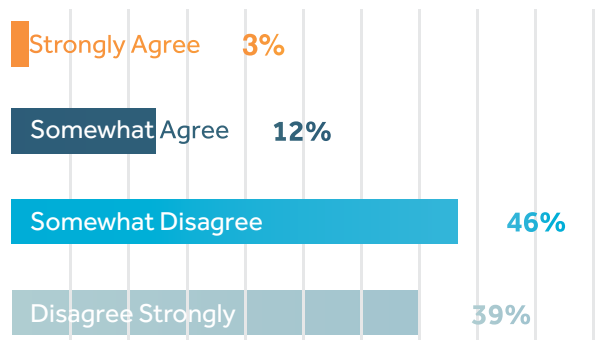




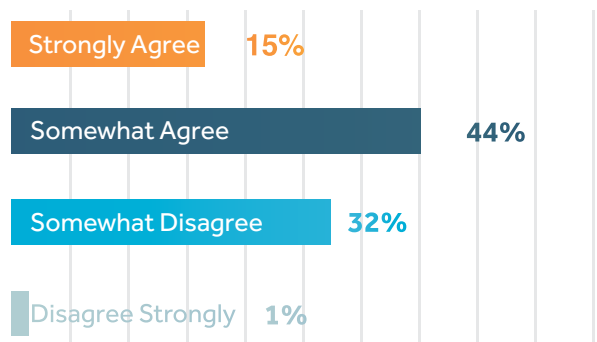
We need to improve our ability to keep track of regulatory developments



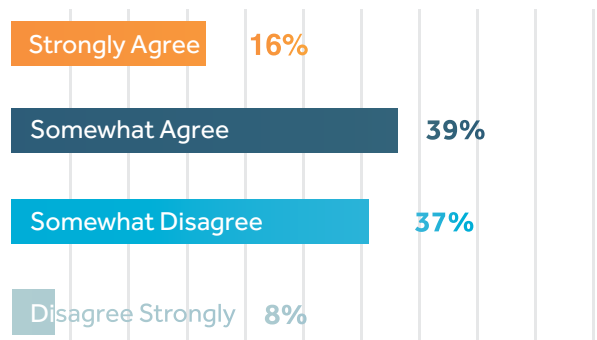
2016 Responses



We need to improve our communication / collaborations with other business functions



2016 Responses



STRATEGIES FOR EFFICIENCY

1

Survey participants were asked to select from a list of strategies those they pursued to enhance the efficiency of their legal teams in assisting internal clients

67% of respondents said they turned towards a "greater use of technology tools"



56% gave the same response in 2016



14% of respondents selected "internal restructuring / reorganization of resources"



12% gave the same response in 2016



5% of respondents reported opting for a "greater use of paralegals and other paraprofessionals"



7% gave the same response in 2016



54% of respondents identified "knowledge management" as part of their strategy



49% gave the same response in 2016



14% of respondents selected "outsourcing to non-law firm service providers"



11% gave the same response in 2016



6% of respondents opted for "project management training"



8% gave the same response in 2016



36% of respondents said they set up "in-house trainings"



31% gave the same response in 2016





“

Three decades ago the legal profession was almost entirely analogue. Lawyers had to read and memorize the codes and court cases and mobilize this data with their brains while advising clients in face-to-face meetings or plead in court, correspondence was paper-based, and fax machines provided for speed. The legal education I went through (or had to endure, I should rather say) entirely mirrored this reality by valuing memory above all. We could say that this was the era of ultimate personal computing.”

Daniel Szabo SEE Legal Counsel at Hewlett Packard Enterprise



2

TECHNOLOGY

Ivan Kravstov, Senior Legal Director at Carlsberg Ukraine, describes a decidedly different kind of lawyering than the analog days described by Daniel Szabo: “There is the rapid digitalization of business and industry. As the amount of data has increased, and business processes have speeded up, legal functions need to seek software systems and solutions such as contract management systems, data search, online document storage, automatic document assembly and document sharing, and legal project management and matter management software.”

Tobiasz Adam Kowalczyk, Head of Legal at Volkswagen, highlighted just a few of the array of technological tools and services designed to help improve legal services which emerged in recent years. Kowalczyk concluded: “There is little doubt that technology is having a huge impact on how we live, work, and play – and indeed, it blurs the lines between the three. Like many other sectors, the legal world – and how law is practiced – has been dramatically affected by the advances in technology. We can either embrace it or ignore it – in other words, embrace disruption or be disrupted. If we choose the latter, we may end up standing still while everyone goes forward. Legal professionals who want to thrive in modern business must lean towards technological transformation.”

- Management Software
- Dedicated Document Management Systems
- Case Preparation and Litigation Support Tools
- e-Discovery Tools
- Trial Specific Software
- Document Encrypting Tools
- Cloud-based Research Products and Services

MANAGING RISK



1 GREATEST RISK AREAS

Survey participants were asked to select the regulatory areas that present the greatest risk/require the closest attention. Results are compared to the 2015 and 2016 responses below.

79% of respondents identified "Industry-Specific Regulations"



Reported in 2016: 74%



61% of respondents identified "Data Privacy Law"



Reported in 2016: 32%



Reported in 2015: 39%

35% of respondents identified "Antitrust Laws"



Reported in 2016: 41%



Reported in 2015: 38%

19% of respondents identified "Labor Laws"



Reported in 2016: 26%



Reported in 2015: 23%

28% of respondents identified "Anti-Corruption Laws"



Reported in 2016: 24%



Reported in 2015: 20%

4% of respondents identified "Environmental Laws"



Reported in 2016: 11%



Reported in 2015: 20%

23% of respondents identified "IP Laws"



Reported in 2016: 19%



Reported in 2015: 11%

2

BALANCING BETWEEN 'VITAL' AND 'GENERAL' COMPANY MATTERS

“The nature of the business determines the particular legal matters on which a company should focus,” explained Vasile Tiple, Legal Lead at UiPath. Thus, he said, “we can distinguish among ‘vital company matters’ and ‘general company matters.’ Where we draw the line to make this distinction may, however, be a delicate matter with no obvious solution. A legal professional might insist that from a legal point of view these have the same importance and value for a company. Nevertheless, for management, certain matters are more important to the business of the company than others. Therefore, making this distinction should be a concern – not only for management but also for the legal department. Only once those ‘vital company matters’ are properly addressed is the company able to shift its focus to the ‘general company matters’ and work on both categories somehow simultaneously.

This distinction is therefore extremely important for the General Counsel. It is not something that needs to be documented in processes or procedures because you cannot (as a legal professional will make sure to stress) actually differentiate among the legal matters that need to be addressed in order to be legally complaint. For example, it would be difficult to find a legal professional who could say that it is more important to make sure that company is tax compliant than that it is privacy compliant or that employment law issues in a company trump competition law risks. All these are equally important and compliance with the law overall makes a company successful and protected against potential risks and liabilities. The fine line that a General Counsel should address in his/her work is to understand which of these areas need to be focused on in the early stages of the business and which

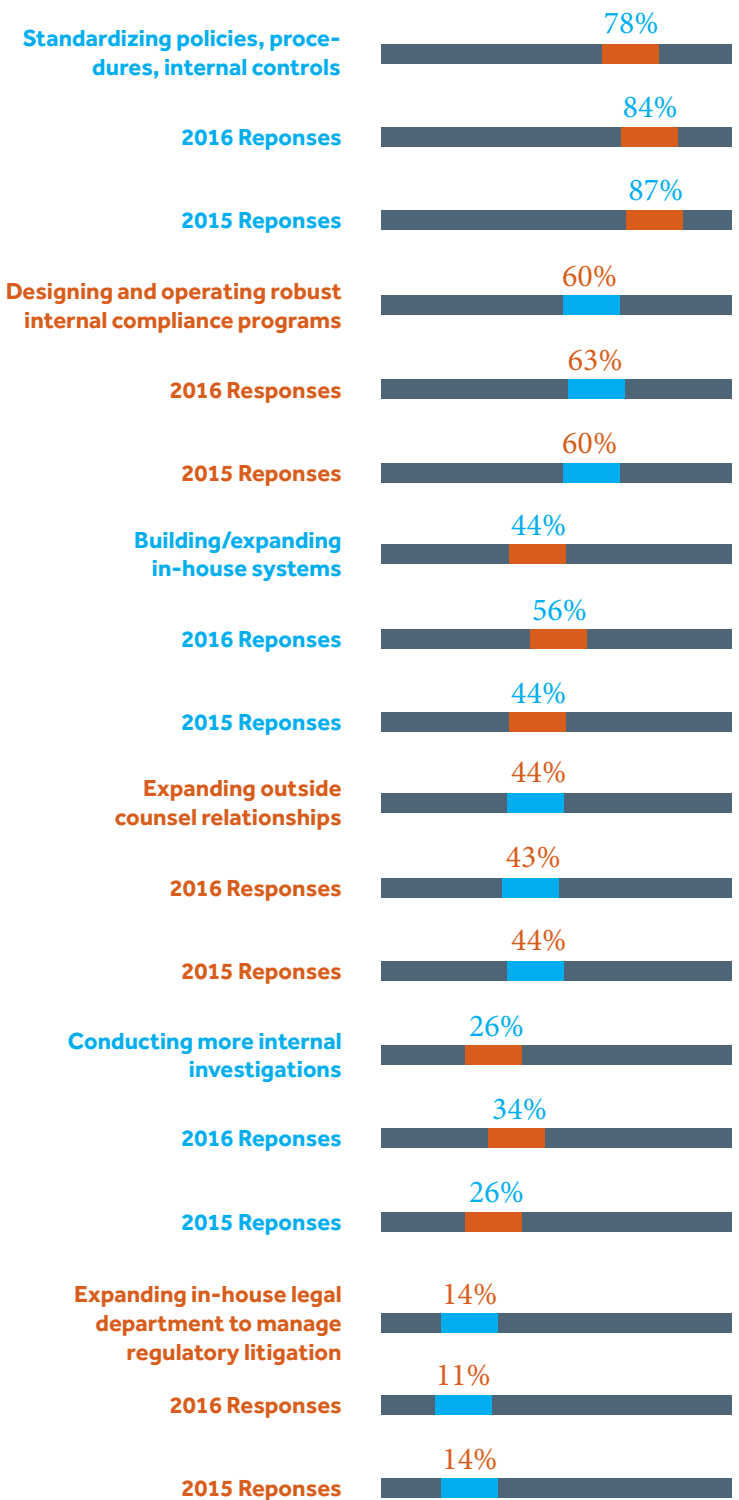
afterwards, when the company starts reaching its more mature stage. Should there be a matrix of focus points based on the likeliness of their occurrence, or should the legal department treat all issues equally, irrespective of the likeliness of occurrence and ignore the nature of the potential risks?

Either way the challenge for the legal function is constantly present. One way to address vital company matters and general company matters is to create appropriate mechanisms within the legal department that would allow it to timely predict potential legal issues and categorize them in order to prevent or contain any risks. In this way, the level of focus and resource allocation are properly made while an eye is constantly maintained on the newest technology developments.”

3

PREFERRED TOOLS IN MEETING RISKS

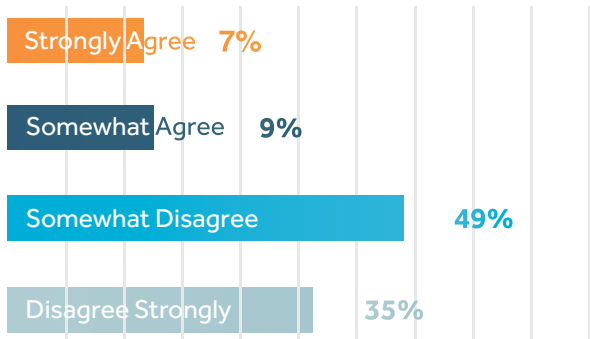
Participants were also asked what tools they prefer using to manage their companies' risks.



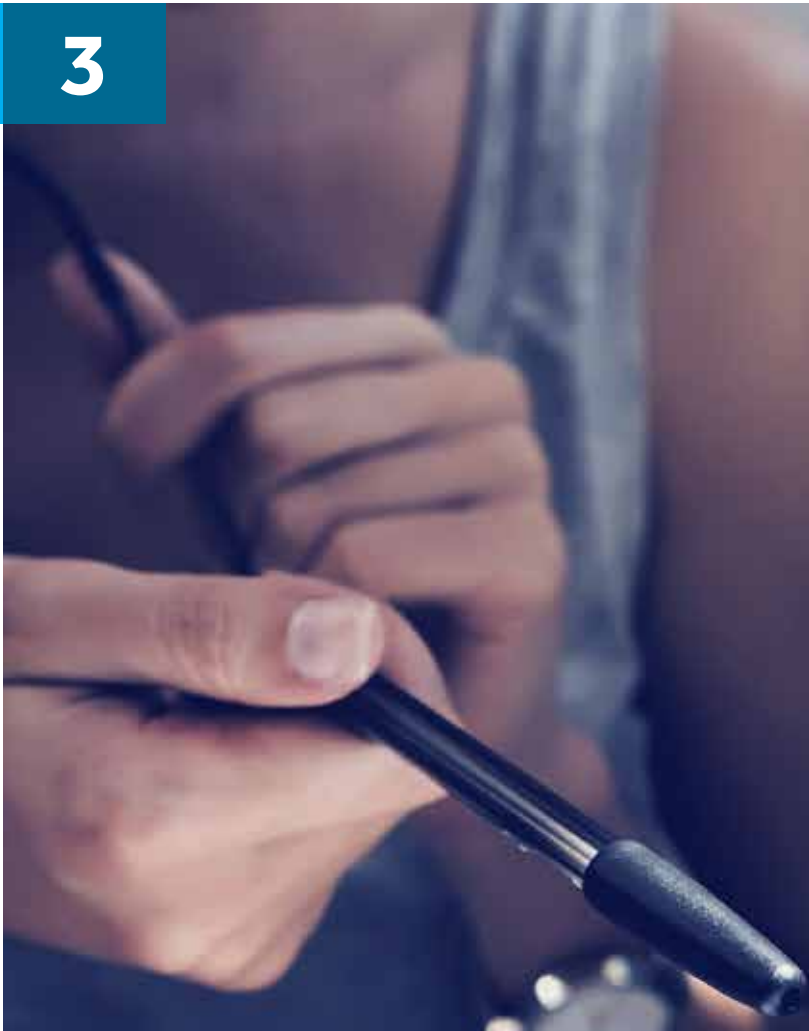
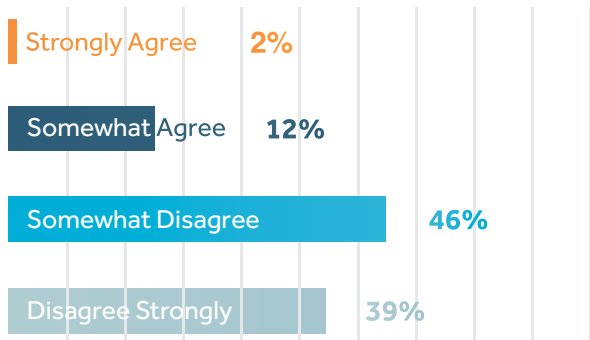
INTEL & RESEARCH

3

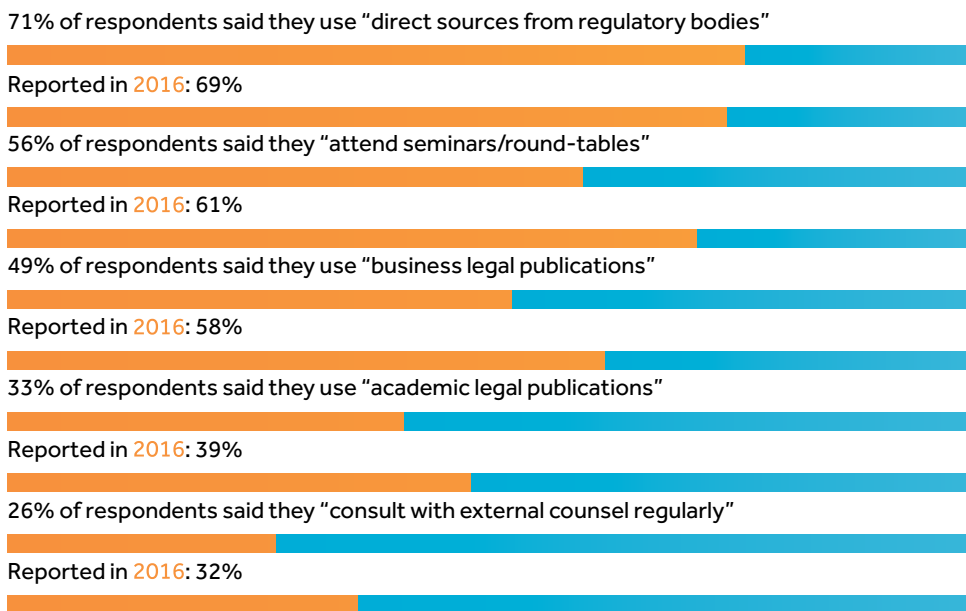
We need to improve our ability to keep track of regulatory developments



2016 Responses



Which of these tools do you use for staying apprised of regulatory updates?





Management expects in-house lawyers to be up to date with new regulations – and, ideally, to possess a sixth sense on how and where regulations are going to be changed in the future – so companies can prepare and achieve competitive advantage.”

Gligorije Brajkovic, Head of Legal and Compliance at Unicredit Bank

According to Gligorije Brajkovic, Head of Legal and Compliance at Unicredit Bank, “as the increasing number of regulations means a correspondingly increased threat of regulatory fines, and the risks related to litigation rise, the importance of the in-house team has never been greater. Management expects in-house lawyers to be up to date with new regulations – and, ideally, to possess a sixth sense on how and where regulations are going to be changed in the future – so companies can prepare and achieve competitive advantage. Prioritizing which regulations are most significant and pose the most risk, in this over-regulated environment, combined with the multi-jurisdictional nature of many businesses, becomes a great challenge for General Counsel. The General Counsel’s task is impossible without a high level of support and trust not only from senior management within the company but also with regulators, government bodies, and other market participants.”

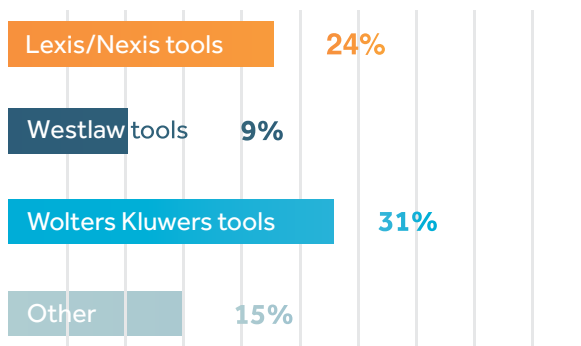
Alexey Statsenko, Regional General Counsel, EY CIS, elaborated on the types of interactions he and his team carry out, both internally and with other market participants: “General Counsel should make sure that their teams keeps up with what is going on in the relevant field. We must be connected and insightful. For us in the EY CIS General Counsel’s Office this means that we make every effort to utilize the expertise available within and outside our global organization. In addition to external trainings, we communicate with and learn from knowledgeable and experienced colleagues across the entire EY network. We keep in touch with our IT and Information Security people. We monitor the briefings, memos, and other communications from regulators to understand the regulators’ opinions and to be able to anticipate changes in the relevant areas. It also helps a lot to maintain relations with colleagues in both our industry and other sectors – such cross-industry knowledge





exchange can bring numerous fresh ideas. Last but not least we try to benefit from events held by reputable external law firms and bring external lawyers to speak at our internal trainings, which helps provide access to cutting edge expertise and knowledge.

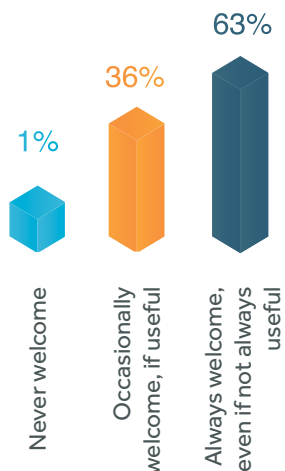
Which of these tools do you use most often to carry out online research?



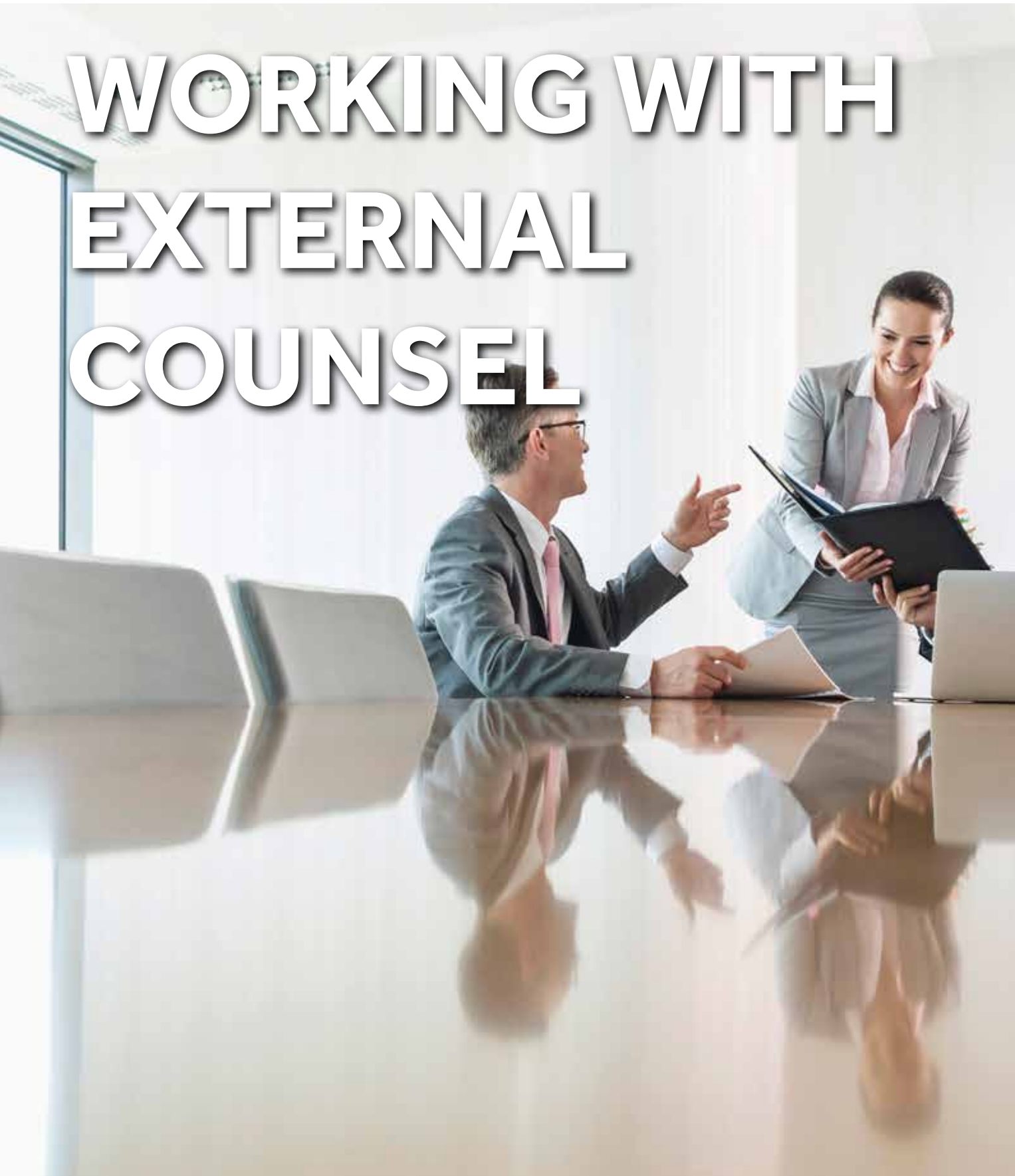
32% of the respondents selected neither of the tools nor identified any others.

Tools with repeated mentions in the "Other" option box: Eurolex; RIS; Legalis; Manz Rechtsdatenbank; Carta; Akademik; Lexpera; and 3% referred to "local" sources without identifying them.

Unsolicited legal updates from law firms are, in your opinion:



WORKING WITH EXTERNAL COUNSEL



1**BRINGING IT HOME**

“In-house counsels have become better positioned to take on the role external counsels may have previously been responsible for,” reported Dana Ionescu, Legal & Global Mobility Manager at Adecco. She added: “The relative mix of inside and outside legal resources has changed over the years. Many companies have brought in-house much of the work typically done by law firms or external business counsels, trusting their in-house teams more and more. This emphasizes the rise of the in-house counsel from a position of inferiority in the legal profession to one of the highest significance.

2

CHOOSING THE RIGHT ONES - A GC'S PROCESS

Marina Makarova, Head of Legal at e-Tachki, organized her criteria when picking external counsel in the 2017 Corporate Counsel Handbook:

“1. The Purpose of Attracting an External Consultant

In order not to make a mistake in choosing an external consultant and to instruct him/her correctly, the company must clearly define the goal for which the external resource is attracted, what the expected result of the cooperation is, and what the key conditions that must be observed are (for example, applicable mandatory deadlines, and so on).

2. External Consultant's Reputation

The external consultant's reputation is of great importance not only in terms of the consultant's professional competence, but also in terms of the risk of

confidential information about the company's internal processes leaking. For an external consultant, reputation is the main asset and, as a rule, outsourcing companies (including law firms) cherish their reputation and can't afford to lose the client's trust.

3. Availability of Recommendations for the External Consultant

When searching and selecting an external consultant, various sources can be used, including websites of legal companies and other legal portals and recommendations from partners or others who have had positive experiences with a certain external consultant.

I think that the best advertising for an external consultant, and in particular a lawyer, is the recommendation of another client, who was pleased with the services rendered to him. However, one should not blindly trust such recommendations, since the lawyer being considered may be a very good specialist in the field relevant to the person who recommended him/her to you (for example, in contract law) but may not have the necessary experience in the sphere of law relevant for you. Hence we have the following criterion.

4. Specialization of External Consultant

It is very important that the consultant or law firm has experience in the sphere in which you have a question or need for assistance. Also, if a law firm is recommended to you for a particular field of activity, make sure that the lawyers who will work with you on behalf of this law firm are – if not the same ones that worked with the source of the referral – at least of the same professional level.

The cost of services, in my opinion, is not fundamental when choosing an external consultant. The only point that should be taken into account when discussing the payment for a consultant's work is the ability to pay in stages, based on the amount of work performed.”





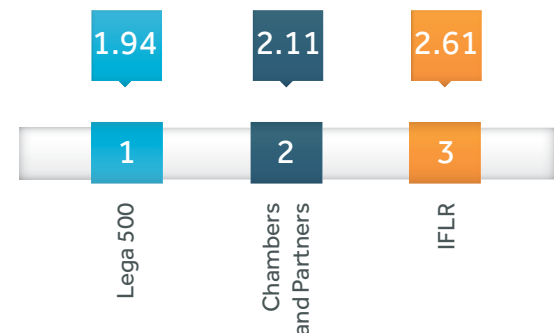
3

CHOOSING THE RIGHT ONES - SURVEY RESULTS

We asked General Counsel to rank the following 6 criteria in order of importance when picking external counsel. Results are reported as average ranks received by each (1 - most important; 6 - least important).



We also asked them to rank the following 3 directories based on which they most often refer to. Results are reported as average ranks received by each (1 - most often; 3 - least often).



MANAGING EXTERNAL COUNSEL

4

For Eleni Stathaki, Legal Counsel at Upstream, managing her external advisors comes down to clear expectations and regular input without falling in the trap of micro-management:

“For a relationship to grow and be mutually beneficial, it is very important to make expectations from external counsel clear from the outset. First, the general frame of the relationship should be set. As the external counsel will send an engagement letter with general terms and conditions, it is useful for the in-house counsel to share their own guidelines and processes for outside counsel and emphasize any matter that is especially important to them, whether related to billing, conflicts of interest, or anything else.


Once this process is complete, the parties can move forward with specific tasks. In my experience, the clearer and more precise the particular brief to outside counsel is, the better they will understand what is needed of them and the happier the in-house counsel will be with the results. This requires, of course, hands-on management by in-house counsel, including a careful review of any memos, availability to clarify any questions, and provision of feedback. I have found that the more a legal department works with external counsel, the less input and guidance the latter will need when handling a task. This is one of the great advantages of forging a strong relationship with outside counsel.

Of course, external counsel should not be put under such pressure that he/she is unable to act. Frequent updates are essential and feedback from the legal department on specific items will always be needed, but micro-management from the in-house counsel’s side is always a sign that outside counsel’s performance is not ideal.



5

STICK TO YOUR OUTSIDE COUNSEL?



Dino Aganovi, Head of Legal and Compliance at HETA Asset Resolution BIH, suggested that General Counsel should aim, whenever possible, to use the same external advisors: “When hiring an attorney or a consultant, you have to take into consideration the basic principle for every business: You get a bigger discount if you increase turnover. Apart from getting more favorable conditions when focusing on one supplier, you tend to form a sort of symbiosis, meaning that you as a GC do not have to spend as much time explaining your issues and your expectations to the external service provider as you would with someone you work with less regularly. In addition, by securing external counsel able to obtain knowledge of and understanding for your needs, you get a fully attentive partner able to provide free tips and/or information to keep you from getting into an off-side situation and helps you improve your business.”

In contrast, Ahmet Ilker Dogan, Vice President and General Counsel at Alacer Gold, called upon his peers to remember that they are not married to a firm they have worked with in the past. “If you think the external counsel you are working with is not a good fit for the job, or if that firm provides incorrect information, or delivers its product late, don’t hesitate to find an alternative. The legal market is continuously evolving; legal fees change frequently, and a lawyer that knows your company won’t hesitate to move to another firm.”

SCANNING THE SHORTLISTS



**THE FINALISTS FOR CEE LEGAL
MATTERS 2018 DEALER'S CHOICE
DEAL OF THE YEAR AWARDS**

“

I strongly believe that such a short period for finalization of the deal can only be achieved as the result of the highly professional teams involved in the process.”

Mihaela Scarlatescu, Head of Legal & Compliance, A&D Pharma

AUSTRIA

1

RAIFFEISEN BANK INTERNATIONAL MERGER WITH RAIFFEISEN ZENTRALBANK OESTERREICH

ON THE DEAL:

- Raiffeisen Bank International AG (Schoenherr)
- Raiffeisen Zentralbank Oesterreich AG (bpv Hugel)

ABOUT THE DEAL:

Schoenherr advised Austrian Raiffeisen Bank International AG on its merger with unlisted Raiffeisen Zentralbank Oesterreich AG, which was advised by bpv Hugel. As a result of the deal, Raiffeisen Landesbanken (the former majority shareholders of RZB) will hold 58.8% of RBI and the rest will be free float.

INSIDE INSIGHT:

“From an internal perspective, the merger between RZB and RBI was an important milestone in the group’s history; it helped improve our group’s capital position, entailing a clearer definition of relationships with our main shareholders and streamlining organizational structures. On its face it was only a transaction between group companies; but it was reported to be among the largest corporate reorganizations in Austria, involving the merger of two banks, with one of them being a listed company — certainly not an everyday transaction.

Although it was a transaction among group companies, rules of fairness and at-arm’s-length principles clearly had to apply. Usually we try to live up to the tradition of involving external counsel only if needed; here we were working with a team of 3-4 lawyers in-house, but at the same time went so far as to engage separate outside counsel for both RZB and RBI to make differences of opinion transparent and firm up internal assessments. And in all fairness, “family affairs” can sometimes be more heated than a battle between strangers. But as the final transaction is perceived, it appears we managed it well.

Secondly, in a regulated industry the coordination of notifications to regulators across CEE was a “piece of art” in its own right — in particular when apparently harmonized EU laws are not construed consistently.”

Robert Kaukal, Head of Legal Services Corporate, Raiffeisen Bank International AG

LIBERTY GLOBAL SALE OF UPC AUSTRIA TO T-MOBILE

2

ON THE DEAL:

- Seller: Liberty Global plc. (Freshfields Bruckhaus Deringer)
- Buyer: T-Mobile (Wolf Theiss; NautaDutilh)

ABOUT THE DEAL:

Wolf Theiss advised Austrian mobile communications company T-Mobile — a fully-owned subsidiary of Deutsche Telekom AG — on its EUR 1.9 billion acquisition of UPC Austria from Liberty Global plc. NautaDutilh advised T-Mobile on matters of Dutch law, and Liberty Global was represented by Freshfields.

INSIDE INSIGHT:

“We at Liberty Global have quite a strong relationship with Freshfields from an M&A perspective. Although we never worked with the Austrian team before, when this decision was taken to sell our Austrian business — UPC Austria — which involved various strategic decisions for us, as UPC Austria is one of the oldest members of our group (it has been a member for over 20 years), we decided to go with Freshfields. In the past, we had worked with a couple of other firms on the Austrian market, when we had smaller, strategically less important acquisitions, but this one involved a high degree of complexity, and I have to say it was definitely the right decision. The team from Freshfields was brilliant at driving complex processes and making sure that things got done, working on extremely tight time frames. They provided great support in the analyses of the separation issues.”

Giles Rowbotham, Vice President and Senior Corporate Counsel, Liberty Global

3

CORPORATE RESTRUCTURING OF HEAD GROUP

ON THE DEAL:

- HEAD Group (Graf Patsch Taucher Rechtsanwälte GmbH; Peters, Schoenberger & Partner)

ABOUT THE DEAL:

The restructuring of the internationally operating HEAD group, clarifying its divisional structure.

BULGARIA

1 NEPI ACQUISITION OF PARADISE CENTER FROM BUL DOM OOD

ON THE DEAL:

- Buyer: NEPI Rockcastle plc (Djingov, Gouginski, Kyutchkov & Velichkov)
- Seller: BUL DOM OOD (Penkov, Markov & Partners)

ABOUT THE DEAL:

DGKV's real estate team advised NEPI Rockcastle on the acquisition by its subsidiary NEPI Project Two EOOD of Bulfeld EOOD — the owner of the Paradise Center shopping center in Sofia — from BUL DOM OOD. Penkov, Markov & Partners advised the sellers on the deal.

HUGO PFOHE SALE OF MOTO-PFOHE GROUP TO SUMITOMO CORPORATION

2

ON THE DEAL:

- Seller: Hugo Pfohe GmbH (CMS)
- Buyer/Winning Bidder: Sumitomo Corporation (Wolf Theiss)

ABOUT THE DEAL:

CMS advised Hugo Pfohe GmbH on the legal aspects of a competitive tender to sell Bulgaria's Moto-Pfohe Group, with Wolf Theiss advising the winning bidder, the Sumitomo Corporation. The deal is reported to be the largest ever in the automotive sector in Bulgaria.

3 NEPI ACQUISITION OF SERDIKA COMPLEX FROM S IMMO AG AND A GERMAN CO-OWNER

ON THE DEAL:

- Buyer: New Europe Property Investments (Deloitte Legal)
- Seller: S IMMO AG and Unnamed German Shopping Mall Developer (Schoenherr)

ABOUT THE DEAL:

Schoenherr advised South African real estate fund NEPI on its acquisition of the Serdika Center shopping mall and the adjacent Serdika Offices office building from IMMO AG and a German co-owner. Deloitte performed full-scale due diligence on all relevant companies and assets.

INSIDE INSIGHT:



types of deals, was challenging.”

**Lutz Garbers, Legal Counsel,
ECE Projektmanagement G.m.b.H. & Co. KG**

CROATIA

1 ARRIVA ACQUISITION OF 78.34% OF THE AUTOTRANS GROUP

ON THE DEAL:

- Buyer: Arriva (Divjak Topic Bahtijarevic; BDK Advokati; Attorney at Law Peter Thyri)
- Seller/Target: Autotrans Group (Mamic Peric Reberski Rimac)

ABOUT THE DEAL:

Divjak, Topic & Bahtijarevic advised Arriva on its acquisition of 78.34% of the Autotrans Group, making Arriva the largest private bus operator in Croatia. Mamic Peric Reberski Rimac advised the sellers on the deal, which gives Arriva a 25-30% market share.

INSIDE INSIGHT:

“It was an exciting deal, very professionally run on both the sell side and the buy side, and it enabled Arriva to significantly grow our business coverage in Croatia. DTB acted for Arriva, and I found them to be very thorough, extremely dedicated, and fun to deal with.”

Piers Burgess, Head of Group Legal, Arriva plc

UNITED GROUP ACQUISITION OF CME'S CROATIAN AND SLOVENIAN MEDIA PORTFOLIO

2

ON THE DEAL:

- Seller: Central European Media Enterprises (Covington & Burling)
- Buyer: United Group (owned by Kohlberg Kravis Roberts and the EBRD) (Simpson Thacher & Bartlett; Schoenherr)

ABOUT THE DEAL:

Schoenherr and Simpson Thacher & Bartlett advised the United Group on its EUR 230 million acquisition of Slovenia and Croatia's most important privately held media companies.

3 APS HOLDING ACQUISITION OF NPL PORTFOLIOS FROM ZAGREBACKA BANKA

ON THE DEAL:

- Seller: Zagrebacka Banka d.d. (Unicredit Group) (CMS)
- Buyer: APS Holding (Ostermann & Partners)

ABOUT THE DEAL:

CMS teams in Austria and Croatia advised Zagrebacka Banka, a member of UniCredit Group, on its sale of non-performing loan portfolios to a company controlled by APS Holding. Ostermann & Partners advised APS Holding on the deal.

INSIDE INSIGHT:



“By closing the largest NPL deal in Croatia, APS strengthened its prime position as the leading distressed debt investor and servicer across the CEE and SEE region. Ostermann & Partners advised APS on all legal aspects of the transaction. Our goal is to find more investment opportunities and support banks' deleveraging activities leading to long-term economic growth.”

Viktor Toth, Investment Manager, APS Investment s.r.o.



CZECH REPUBLIC

1 AGROFERT TRANSFER OF SHARES TO AB PRIVATE TRUST

ON THE DEAL:

- Owners of the shares: Agrofert and SynBiol (Kocian Solc Balastik)
- Private Trust: AB Private Trust I and II

ABOUT THE DEAL:

KSB advised on the transfer of 100% of shares in Agrofert, a.s. and SynBiol, a.s. to two private trusts (AB private trust I and AB private trust II) to secure Agrofert's compliance with the Conflicts of Interest Act binding on public officials.

CPI PROPERTY GROUP ACQUISITION OF RETAIL PORTFOLIOS FROM CBRE GLOBAL INVESTORS

2

ON THE DEAL:

- Buyer: CPI Property Group (Dentons)
- Seller: CBRE Global Investors (Clifford Chance; Szecsenyi and Partners)

ABOUT THE DEAL:

Clifford Chance advised CBRE Global Investors, a Fortune 500 real estate company with offices in more than 64 countries worldwide, on the sale of its high-quality retail portfolio in Central and Eastern Europe to CPI Property Group. Dentons advised CPI on the transaction, which is valued at over EUR 600 million and involves properties — including 11 shopping centers — in the Czech Republic, Poland, Hungary, and Romania.

INSIDE INSIGHT:

“The deal in question — the disposal of eleven assets located in four countries and held in two real estate funds — represents the most complex disposal activity CBRE Global Investors has been involved with during the company's 15-year history in Central Europe. We were faced with numerous

complexities when doing the deal, with geographical allocation (six jurisdictions involved), financing (eight banks providing external financing for the buyer) and competition approval (two antimonopoly clearances required), all needing careful consideration, structuring, and planning.

Despite these obstacles the negotiation of the transaction lasted less than three months. This was mainly due to the perfect organization of all the legal teams involved and top-level, professional performance of Clifford Chance's Prague office — namely Emil Holub and Aneta Sosnovcova. They were able to resolve the wide-ranging legal issues across all jurisdictions involved and find solutions acceptable to both parties to the transaction. These two core lawyers coordinated legal teams in the Czech Republic, Poland, Hungary, Slovakia, the Netherlands, and Luxembourg. Clifford Chance played a vital role in the arrangement of reps & warranties insurance, which was the only option available as the funds entered into liquidation or a form of restructuring following the transaction.

Ultimately, the added value for the investors in both of the CBRE Global Investors-managed funds was the highly efficient exit from this broad portfolio of assets. Negotiating with one buyer significantly reduced the time and cost of exit in comparison to individual transactions with several buyers. All the investors in both funds declared their full satisfaction with the process and result of the transaction.”

Robert Snincak, Fund Manager of CBRE Property Fund Central and Eastern Europe and CBRE Property Fund Central and Eastern Europe

3 MID-EUROPA SALE OF ALPHA MEDICAL GROUP TO UNILABS

ON THE DEAL:

- Buyer: Unilabs (bpv Braun Partners; Baker McKenzie)
- Seller: Mid Europa (CMS; Sidley Austin)

ABOUT THE DEAL:

BPV Braun Partners and Baker Mckenzie advised Unilabs on its acquisition of Alpha Medical Group's laboratories in the Czech Republic and Slovakia from Mid Europa Partners, including environmental and compliance matters. CMS, working alongside Sidley Austin, advised Mid Europa Partners on the sale.

ESTONIA

1 PROVIDENCE EQUITY PARTNERS' ACQUISITION OF BALTIC SUBSIDIARIES OF MODERN TIMES GROUP

ON THE DEAL:

- Seller: Modern Times Group (Cobalt; Fort Legal; Hamilton Law Firm; Skopina & Azanda)
- Buyer: Providence Equity Partners (Sorainen; Mannheimer Swartling)

ABOUT THE DEAL:

Sorainen and global counsel Mannheimer Swartling advised Providence Equity Partners on the acquisition of the Baltic businesses of Swedish media holdings Modern Times Group. Cobalt and Sweden's Hamilton law firm advised the Modern Times Group on the deal. The total disclosed value of the acquisition in all three Baltic States is EUR 115 million — equivalent to 12 times FY 2016 EBIT.

MAAG GRUPP ACQUISITION OF TERE FROM ELVEDA

2

ON THE DEAL:

- Buyer: Maag Grupp (Ellex Raidla)
- Seller: Elveda OU

ABOUT THE DEAL:

Ellex advised AS Maag Grupp, one of the leading dairy and meat processing companies in Estonia, on its acquisition all the shares of Tere AS from its bankrupt parent company Elveda OU.

INSIDE INSIGHT:

“Acquisition of Tere was the most complicated transaction for Maag ever; even Swedbank admitted that this is the most complex structure they have ever financed in Estonia. The deal started as an ordinary M&A transaction, but the divesting shareholder and the banks soon found themselves amid implacable disputes.

The banks declared the parent company of Tere bankrupt and

the bankruptcy administrator took over the management of Tere. The banks then announced a tender for their loan portfolio regarding Tere. Tere filed for restructuring protection. A huge number of lawsuits were filed by all sorts of different parties.

Maag had a plan: we first negotiated separate deals with each party and then proposed a global settlement for everyone. Success!

Our special thanks for making the deal happen goes to Ellex's legal team, led by their head of Corporate and M&A, Partner Sven Papp, and the Keystone Advisers team, led by its Managing Partner Tonis Kons. Without their superhuman efforts the deal would not have happened.”

Roland Lepp, Chairman of the Board, Maag Grupp

3 LHV AND LIVONIA PARTNERS AND AMBIENT SOUND INVESTMENTS' ACQUISITION OF STAKE IN C-GATES

ON THE DEAL:

- Investors Consortium: LHV Pension Funds Estonia (TGS Baltic); Livonia Partners (Cobalt); Ambient Sound Investments (Cobalt)
- Seller: Polaris Invest and Com Holding (Primus)

ABOUT THE DEAL:

Primus advised Polaris Invest and Com Holding, the shareholders of Cgates, the second largest cable operator in Lithuania, on the sale of a stake in the company to Livonia Partners. Cobalt advised Livonia Partners on the transaction.

GREECE

1 ATTICA BANK NPL SECURITIZATION AND SALE

ON THE DEAL:

- Seller: Attica Bank (Zepos & Yannopoulos; Shearman & Sterling; Bahas, Grammatides & Partners)
- Buyer: Aldridge EDC Specialty Finance (Jones Day)

ABOUT THE DEAL:

Zepos & Yannopoulos and Shearman Sterling advised Attica Bank SA, a Greek medium sized bank, on the securitization of non-performing loans and future receivables from the EUR 1.3 billion sale of real estate and on the sale of the portfolio to a Luxembourg SPV, which was advised by Jones Day.

FRAPORT GREECE PROJECT FINANCING

2

ON THE DEAL:

- Borrowers: Fraport AG Frankfurt Airport Services Worldwide (Freshfields Bruckhaus Deringer; Koutalidis Law Firm)
- Lenders: Alpha Bank, the Black Sea Trade and Development Bank; the EBRD, the EIB, and the IFC (Chadbourne & Park; Karatzas & Partners)

ABOUT THE DEAL:

Freshfields Bruckhaus Deringer and the Koutalidis Law Firm advised Fraport AG Frankfurt Airport Services Worldwide and the Copelouzou Group on the EUR 1 billion financing from Alpha Bank (Greece), the Black Sea Trade and Development Bank, the EBRD, the EIB, and the IFC of the operating concessions to run a total of 14 regional airports in Greece. Chadbourne & Park and Karatzas & Partners advised the lenders on the financing, which will provide for development of the airports and form part of the payment to the Hellenic Republic Assets Development Fund.

3 INTELLIGENT APPS ACQUISITION OF TAXIBEAT

ON THE DEAL:

- Seller: CEO and Majority Shareholder Nick Drandakis and Other Shareholders (Kyrkiakides Georgopoulos Law Firm; Waterfront Solicitors)
- Buyer: Daimler AG/Intelligent Apps (Noerr; Zepos & Yannopoulos; Moroglu Arseven; Estudio Olaechea)

ABOUT THE DEAL:

Noerr, Zepos & Yannopoulos, Moroglu Arseven, and Peru's Estudio Olaechea advised Daimler AG on the acquisition by its Intelligent Apps GmbH subsidiary — the provider of the e-hailing app mytaxi — of Taxibeat, the Greek app-based taxi booking company. The selling shareholders were advised by KG Law and Waterfront Solicitors.

INSIDE INSIGHT:



“The deal of my company’s acquisition from Daimler was of extreme importance, not only to me and all our shareholders (which is easy to imagine) but for Greece in general. This was widely regarded as one of the most important business events of the year. Our company was built with very limited financial resources amid the terrible financial crisis, and yet it still managed to grab the attention of a European conglomerate and get acquired. It also created a great sense of optimism among fellow Greek startup ecosystem members, and it pushed the efforts of building the ecosystem with significant results in the post-acquisition period. The Kyrkiakides Georgopoulos law firm played a significant role in successfully closing this deal. While keeping their eye on strongly protecting our interests, they were always focused on the big issues that mattered most, without wasting everyone’s time with a thousand tiny details — something that very often happens with legal advisors.”

Nikos Drandakis, Chief Executive Officer, Taxibeat

HUNGARY

1 WABERER'S IPO

ON THE DEAL:

■ Citigroup and Berenberg as Joint Global Coordinators; Citigroup, Berenberg, Erste Group, and Renaissance Capital as Joint Bookrunners; and Erste Group as Mandated Lead Arrangers (Kinstellar; Shearman & Sterling)

■ Issuer: Mid Europa Partners (Lakatos, Koves & Partners; White & Case)

ABOUT THE DEAL:

Lakatos, Koves and Partners and White & Case advised Mid Europa Partners on the IPO of Waberer's International Nyrt., one of Europe's largest haulage and logistics companies. Shearman & Sterling and Kinstellar represented the Mandated Lead Arrangers.

INSIDE INSIGHT:



"Waberer's IPO was Hungary's biggest public listing in more than a decade. The proceeds of the IPO allowed Waberer's to complete the acquisition of LINK in Poland. Lakatos, Koves and Partners ... successfully tackled the challenges of harmonizing the corporate, regulatory, listing and securities processes, including changing the legal framework to allow timely settlement."

**Timea Toth, Chief Legal and Compliance Officer,
Waberer's Group**

BUDAPEST AIRPORT GROUP RESTRUCTURING

2

ON THE DEAL:

■ Borrowers: Budapest Airport Group (Dentons; Linklaters)

■ Lenders/Investors: Senior lenders: BBVA, BNP Paribas, Credit Agricole, Deutsche Bank, EDC, HSH-Nordbank, ING, K&H, KBC, Natixis, RBC, Siemens, SMBC, Societe Generale, UniCredit Hungary; Junior lenders: Deutsche Bank, Macquarie, Park Square, Credit Suisse, CDPQ, GIC, PSP Investments; Swap counterparties: BBVA, BNP Paribas, Credit Agricole, Deutsche Bank, K&H, RBC, SMBC, Societe Générale, Uni-

Credit (Allen & Overy; Wolf Theiss)

ABOUT THE DEAL:

Linklaters and Dentons advised Budapest Airport and its shareholders on the amendment and extension of its existing EUR 1.4 billion debt facilities. Allen & Overy in London and Wolf Theiss in Budapest advised the lenders and security agent Bayerische Landesbank. The transaction successfully enabled the company to exchange junior debt with pari passu debt.

INSIDE INSIGHT:

"It was an extremely interesting, challenging, and complex amendment of the senior structured financing of the Budapest Airport Group. It required extensive legal advice and creative solutions — we just had to invent in order to obtain the success we achieved. We owe great honor to Dentons' Hungarian team to assist us through this process with their professional attitude and excellent legal advice."

**Tamas Dekany, Head of Corporate Finance,
Budapest Airport Zrt**

3 CEE EQUITY PARTNERS ACQUISITION OF INVITEL FROM MAGYAR TELEKOM

ON THE DEAL:

■ Buyer: CEE Equity Partners (CMS)

■ Seller: Magyar Telekom (Dechert)

ABOUT THE DEAL:

CMS advised the China CEE Investment Co-operation Fund, advised by CEE Equity Partners, on its acquisition of 99.9% of Magyar Telekom B.V.'s holdings in the Invitel Group. Dechert advised Magyar Telekom on the deal, which was approved unanimously by Matel's Board of Directors.

INSIDE INSIGHT:



"We are happy to have successfully completed the acquisition of Invitel, a household telco brand in Hungary with a long history of service to its customers and to the country. We are proud of being the current custodians of the Invitel tradition of competence in running telecommunications infrastructure, which we intend to further develop to benefit the overall economic development of Hungary. Notwithstanding its complexity, this transaction is a good example of what we were trying to achieve in Fund I and the types of investment we will be seeking to make in Fund II."

Judith Gliniecki, General Counsel, CEE Equity Partners

LATVIA

1 SIA ITERA SALE OF STAKE IN CONEXUS B.G. TO AST

ON THE DEAL:

- Buyer: AS Augstsprieguma Tikls (TGS Baltic)
- Seller: SIA Itera Latvija (Aldis Paunins, Attorney at Law)

ABOUT THE DEAL:

TGS Baltic, acting as part of a consortium led by Rothschild, advised Latvia's Ministry of Economics on the acquisition by Latvian electricity transmission system operator AS Augstsprieguma Tikls of 16.05% of the shares of the natural gas transmission and storage system operator AS Conexus Baltic Grid from SIA Itera Latvija.

BALTCAP INTERNATIONAL FUND ACQUISITION OF 75% OF SIA ANAEROBIC HOLDING FROM SIA RESSE AND SUBSEQUENT ACQUISITION BY SIA ANAEROBIC HOLDING OF THE BIOGAS BUSINESSES OF SIA AUGSTKALNU DRUVAS AND SIA ZELTEZERI

2

ON THE DEAL:

- Buyer/Investor: Baltcap Infrastructure Fund (Eversheds Sutherland Bitans)
- Sellers: SIA Resse; SIA Zeltezeri; SIA Augstkalnu Druvas (Sorainen)

ABOUT THE DEAL:

Eversheds Sutherland Bitans assisted BaltCap Infrastructure Fund in its EUR 9.45 million acquisition of 75% of the shares of SIA Anaerobic Holding from SIA Resse and the subsequent acquisition of SIA AD Biogazes Stacija and SIA Aizkalnu Tehnika, from SIA Augstkalnu Druvas and SIA Zeltezeri, respectively. Sorainen advised SIA Augstkalnu Druvas on the deal.

INSIDE INSIGHT:

“The investment into Anaerobic Holding for BaltCap's EUR 100 million Infrastructure Fund closed in July 2017, its 2nd, was its largest investment so far — and the first in Latvia. This is the first case in Latvia where the pension savings of a large part of the Latvian and Baltic population will directly benefit



from investment in the local renewable energy infrastructure through our investors: Baltic Pension Funds. Our other investors include EIB, the EBRD, and NEFCO. Anaerobic Holding has developed the most efficient biogas plant portfolio in Latvia, not only generating electricity, but also providing excess heat to business consumers and municipalities. Eversheds Sutherland was instrumental in supporting Baltcap to close the transaction efficiently under a very tight time schedule.”

Matiss Paegle, Investment Director, BaltCap

3 UNIPER SALE OF STAKE IN CONEXUS BALTIC GRID TO AST

ON THE DEAL:

- Seller: Uniper Ruhrgas International (Ellex Klavins)
- Buyer: AS Augstsprieguma Tikls (TGS Baltic)

ABOUT THE DEAL:

Ellex Klavins and EY Latvia advised Uniper Ruhrgas International GmbH on the sale of its stake in AS Conexus Baltic Grid, Latvia's unified natural gas transmission system operator and natural gas storage system operator. The buyer, AS Augstsprieguma Tikls, was advised by TGS Baltic.

PROVIDENCE EQUITY PARTNERS' ACQUISITION OF BALTIC SUBSIDIARIES OF MODERN TIMES GROUP

4

ON THE DEAL:

- Seller: Modern Times Group (Cobalt; Fort Legal; Hamilton Law Firm; Skopina & Azanda)
- Buyer: Providence Equity Partners (Sorainen; Mannheimer Swartling)

ABOUT THE DEAL:

Sorainen and global counsel Mannheimer Swartling advised Providence Equity Partners on the acquisition of the Baltic businesses of Swedish media holdings Modern Times Group. Cobalt and Sweden's Hamilton law firm advised the Modern Times Group on the deal. The total disclosed value of the acquisition in all three Baltic States is EUR 115 million — equivalent to 12 times FY 2016 EBIT.

LITHUANIA

1

UAB EUROAPOTHECA ACQUISITION OF APOTEKSGRUPPEN FROM SWEDEN

ON THE DEAL:

- Buyer: UAB Euroapothea (TGS Baltic; Hammar skiold & Co)
- Seller: The Kingdom of Sweden and > 100 private entrepreneurs (Lindahl; Cederquist)

ABOUT THE DEAL:

TGS Baltic and Sweden's Hammar skiold & Co law firm advised UAB Euroapothea, a Baltic and CEE pharmacy retail and wholesale group, on its purchase of Swedish pharmacy chain Apoteksgruppen from the Kingdom of Sweden and over 100 private entrepreneurs. The sellers were advised by the Lindahl and Cederquist law firms. The value of the transaction was over EUR 171 million.

INSIDE INSIGHT:



“The acquisition of Apoteksgruppen in Sweden was a major transaction for Euroapothea. After the acquisition the consolidated revenue of the group almost doubled (from EUR 360 to EUR 700 million). The biggest challenges were the timing and the complexity of the deal. The entire process, from the distribution of the info memo to the signing of the SPA took two months. In

fact there were two separate processes: one in which the Kingdom of Sweden sold the franchise organization, and another in which more than 100 owners of pharmacies sold their companies operating one or few pharmacies. Consequently, there were two VDRs, two biddings, two SPA negotiations, and so on. In some ways the complexity of the deal even helped with its execution; having a tight timeframe, the enormous scope of the due diligence, and the complexity of negotiations kept all the team focused on the key topics, avoid distractions, and keep minor issues minor (meaning, we did not spend time on addressing them during the M&A process, and they are now being dealt with successfully).

We really appreciate the work of our external advisors, including Rothschild & Co (M&A), Hammar skiold & Co and TGS Baltic (legal), PwC (financial, tax, commercial), and JKL (com-

munications), who demonstrated extraordinary capabilities. Our conclusion: a good team is key in such a transaction. For those two months our team worked like a clock mechanism to bring us success in acquiring Apoteksgruppen.”

Oksana Kostogriz, Head of Legal & HR, Board Member, UAB Euroapothea

IRI INVESTMENTS (IKEA) ACQUISITION OF UAB PAMARIO

2

ON THE DEAL:

- Sellers: Stichting AE Fund Management and Orion Alternative Energy Fund (Ellex Valiunas)
- Buyer: UAB IRI Investments Lietuva (Glimstedt)

ABOUT THE DEAL:

Ellex Valiunas represented Stichting AE Fund Management (the Netherlands) and Orion Alternative Energy Fund (Lithuania) to transfer 100% of shares in UAB Pamario Jegaime Energija to an investment SPV of IKEA. This was the Swedish furniture giant's first investment into Lithuania's renewables sector.

INSIDE INSIGHT:



“Intensity — that's the best word to describe our journey through the acquisition and sale of the UAB Pamario Jegaime Energija. The Orion Alternative Energy Fund and a co-investor acquired PJE at the greenfield level in September 2014, redesigned essential technical parameters of the windfarm, managed to face force majeure circumstances, and still complete the development in less than two years — and sell it immediately after that completion. It was a sale auction, and significant effort was made to prepare the company for the sale and make it as bulletproof as possible from both the legal and technical points of view. The buyer was new in the Lithuanian energy market — very cautious, and not usually participating in sale auctions — and the particularity of the due diligence (which was especially technical) was one of a kind, and therefore we are pleased with the work made by the advisors and project team.”

Benas Poderis, Head of Investment Funds Center, Orion Alternative Energy Fund

3

**PROVIDENCE EQUITY PARTNERS'
ACQUISITION OF BALTIC SUBSIDIAR-
IES OF MODERN TIMES GROUP****ON THE DEAL:**

■ Seller: Modern Times Group (Cobalt; Fort Legal; Hamilton Law Firm; Skopina & Azanda)

■ Buyer: Providence Equity Partners (Sorainen; Mannheimer Swartling)

ABOUT THE DEAL:

Sorainen and global counsel Mannheimer Swartling advised Providence Equity Partners on the acquisition of the Baltic businesses of Swedish media holdings Modern Times Group. Cobalt and Sweden's Hamilton law firm advised the Modern Times Group on the deal. The total disclosed value of the acquisition in all three Baltic States is EUR 115 million — equivalent to 12 times FY 2016 EBIT.



POLAND

1 MID-EUROPA SALE OF ZABKA POLSKA TO CVC CAPITAL

ON THE DEAL:

- Seller: Mid Europa Partners (CMS; White & Case);
- Buyer: CVC Capital Partners (Greenberg Traurig; Orrick, Herrington & Sutcliffe)
- Zabka Polska Management (Travers Smith)

ABOUT THE DEAL:

White & Case and CMS advised Mid Europa Partners on the sale of Zabka Polska to funds advised by CVC Capital Partners. Greenberg Traurig and Orrick, Herrington & Sutcliffe advised CVC Capital on the deal, which is the largest transaction ever in the Polish food retail sector and the largest ever private equity exit in Poland. Travers Smith advised the Zabka Polska Management.

EDF GROUP SALE OF ASSETS TO PGE 2

ON THE DEAL:

- Vendor: EDF Polska (Dentons)
- Buyer: Polska Grupa Energetyczna (White & Case; DLA Piper)

ABOUT THE DEAL:

White & Case advised PGE Polska Grupa Energetyczna S.A., Poland's largest power producer, on its PLN 4.51 billion acquisition of the EDF Group's assets in Poland. The EDF Group was represented by Dentons.

3 ARCUS ACQUISITION OF 85% STAKE IN GDANSK TRANSPORT COMPANY

ON THE DEAL:

- Buyer: Arcus Infrastructure Partners (Hogan Lovells)
- Sellers: Grupa NDI and TIIC (Norton Rose Fulbright); A1 Invest AB Skanska (DLA Piper); John Laing Infrastructure Limited (CMS)

ABOUT THE DEAL:

Hogan Lovells advised Arcus Infrastructure Partners on the acquisition of an 85% stake in the Gdansk Transport Company, a special purpose company set up in 1996 to pursue the DBFMO project for the northern section of the AmberOne A1 motorway concession in Poland. The acquisition was a multi-step transaction, involving Arcus's acquisition of NDI Autostrada sp. z o.o., which owns a 25.31% stake in GTC, from Grupa NDI and the Transport Infrastructure Investment Company. Norton Rose Fulbright advised Grupa NDI and TIIC, CMS advised John Liang, and DLA Piper advised Skanska.

INSIDE INSIGHT:



"TIIC's investment strategy implies that we sell the assets after going through the initial stages of development, and we thought GTC was mature enough to justify the exit. The transaction, although complex, reflected the enormous interest that a well-managed asset can generate. All advisors were problem-solving-oriented, which was key for the closing of the transaction. We think that Arcus and APG are very good investors to pursue the development of GTC, and we feel that this transaction was really a win/win deal!"



Filipe Dias Rodrigues, Investment Director, and Manuel Ravara Cary, Partner, TIIC

ROMANIA

1 A&D PHARMA ACQUISITION BY DR. MAX / PENTA INVESTMENTS

ON THE DEAL:

- Seller: A&D Pharma (RTPR Allen & Overy)
- Buyer: Dr. Max (Musat & Asociatii; Baker McKenzie; Havel, Holasek & Partners; Tsvetkova Bebov Komarevski Attorneys-at-Law; Clerides, Anastassiou, Neophytou; Jan Evan Law Office)

ABOUT THE DEAL:

RTPR Allen & Overy advised the shareholders of A&D Pharma on the sale of the entire group to the Dr. Max pharmacy network, owned by Penta Investments. A number of firms, coordinated by Musat & Asociatii, provided legal advice to the buyers.

INSIDE INSIGHT:

“Taking into consideration just this short presentation of A&D Pharma, I feel compelled to highlight to you the complexity of the due diligence process, which created a huge volume of work for all involved parties — both on the buyer and seller side — both in structuring the DD process and also in collecting and presenting the documentation for legal evaluation.

Also, the complexity resided in the negotiations between parties, which were professionally sustained by the law firms assisting both parties (RTPR Allen & Overy and Musat and Associates). Strictly from the legal point of view, in such a complex transaction, besides M&A legal experience, a strong legal knowledge over all types of activities involved in the pharmaceutical industry was required in order to ensure a successful transaction. The same complexity existed during the process of notification of the merger to the Competition Authorities of Romania, Bulgaria, Poland, and the Czech Republic, especially due to the high number of relevant retail markets and the special regulations applicable in such mergers of pharmacies.

The dynamism of the deal is a consequence of this complexity, related to the duration between the moment when the negotiations started (in May 2017) and when the agreement was signed (in November 2017). The deal was closed on April 10, 2018.

I strongly believe that such a short period for finalization of the deal can only be achieved as the result of the highly professionalism of all teams involved in the process — both Penta’s and A&D Pharma’s, together with all their consultants.

Last but not least, I want to highlight not only the professionalism of all teams involved in the deal process, but also their constructive attitude and innovative thinking and the rapidity in finding solutions to all the difficulties that arose during the process.”

**Mihaela Scarlatescu, Head of Legal & Compliance,
A&D Pharma**

VITRUVIAN PARTNERS ACQUISITION OF 30% STAKE IN BITDEFENDER FROM AXCESS CAPITAL

2

ON THE DEAL:

- Seller: Axxess Capital (CMS; Norton Rose Fulbright)
- Buyer: Vitruvian Partners (Orrick, Herrington & Sutcliffe; Clifford Chance)

ABOUT THE DEAL:

Orrick and Clifford Chance advised Vitruvian Partners on the acquisition of an approximately 30% stake in Bitdefender, a global cyber-security technology company founded and based in Romania. CMS and Norton Rose advised the target and seller group. The transaction valued the business at over USD 600 million.



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3

BANCA TRANSILVANIA ACQUISITION OF BANCPOST, ERB RETAIL SERVICES IFN S.A., AND ERB LEASING IFN S.A. FROM EUROBANK GROUP

ON THE DEAL:

- Buyer: Banca Transilvania (PeliFilip)
- Sellers: Ergasias S.A., ERB New Europe Holding B.V., Eurobank Household Lending Services S.A. (Schoenherr; Shearman & Sterling)

ABOUT THE DEAL:

PeliFilip advised Banca Transilvania on its acquisition of Bancpost S.A., ERB Retail Services IFN S.A., and ERB Leasing IFN S.A. from Eurobank Group. The sellers were advised by Shearman and Sterling and Schoenherr. Bancpost is the 9th largest bank in Romania, with a market share of 3% and total assets amounting to RON 11.6 billion (EUR 2.5 billion).

INSIDE INSIGHT:



"With over 13% market share, Banca Transilvania is the second bank in Romania. BT has over 2.2 million customers, around 7,000 employees, and nearly 500 locations in its network. It is the first banking institution to be listed on the Bucharest Stock Exchange and the only Romanian bank in the rankings of Brand Finance 500 Ranking 2018. The acquisition of Bancpost is of strategic importance in Banca Transilvania's story on the path of consolidating its leading position on the banking market. Compared with Volksbank, which was bought by Banca Transilvania in 2015, the Bancpost acquisition was about complementarity: acquiring market share and customers, rather than assets. An ambitious plan for integration based on common synergies will follow. Banca Transilvania's story continues in 2018, with its becoming the largest shareholder in Victoriabank, Moldova's third-largest lender, and we are looking forward to the next step."

**Bogdan Plesuvescu, Executive Director and
Chief Legal Officer for Banca Transilvania**

RUSSIA

1 EN+ GROUP IPO

ON THE DEAL:

- Issuer: EN+ (White & Case; Ogier; Egorov Puginsky Afanasiev & Partners)
- Underwriters: BMO; Citigroup; Credit Suisse; Gazprombank; J.P. Morgan; Sberbank CIB; Societe Generale; VTB Capital; UBS (Linklaters)

ABOUT THE DEAL:

White & Case, Ogier, and Egorov Puginsky Afanasiev & Partners advised EN+ Group plc as issuer, and Linklaters counseled the underwriters, on the offering of global depository receipts admitted to trading on the London Stock Exchange and the Moscow Exchange. The total size of the offering amounts to USD 1.5 billion at the offer price.

2 GLENCORE/QATAR INVESTMENT AUTHORITY SALE OF STAKE IN ROSNEFT TO CEFC

2

ON THE DEAL:

- Sellers: Glencore (Linklaters); Qatar Investment Authority (Cleary Gottlieb Steen & Hamilton)
- Buyer: China Energy Company Limited (LXL; Alrud)
- Lender to Glencore-QIA Consortium on Original Acquisition and Escrow Bank on Sale: Intesa (Latham & Watkins)

ABOUT THE DEAL:

Linklaters acted for Glencore and Cleary Gottlieb Steen & Hamilton advised the Qatar Investment Authority in the disposal of a 14.16% stake in Rosneft they held to China Energy Company Limited. LXL and Alrud advised CEFC on the deal, with Latham & Watkins advising escrow bank Intesa.

3 FESCO RESTRUCTURING

ON THE DEAL:

- Client: FESCO (Cleary Gottlieb Steen & Hamilton; Ogier; Loyens & Loeff; Chrysses Demetriades & Co; Gregory Danz)
- Financer: VTB Bank PJSC (Herbert Smith Freehills)
- Ad hoc group of bondholders (Dechert)

ABOUT THE DEAL:

Cleary Gottlieb Steen & Hamilton, Ogier, Loyens & Loeff, Chrysses Demetriades & Co, and Gregory Danz advised the Far-Eastern Shipping Company PLC and its subsidiaries on a new scheme of arrangement sanctioned. Dechert advised the ad hoc group of bondholders.



SERBIA

1 EBRD FINANCING OF VETROELEKTRANE – CIBUK WINDFARM

ON THE DEAL:

- Lender: EBRD & IFC (Karanovic & Nikolic; Norton Rose Fulbright)
- Borrower: Vetroelektrane Balkana (Maric i Mujezinovc law office in cooperation with Kinstellar; Shearman & Sterling)

ABOUT THE DEAL:

The Maric i Mujezinovc law office in cooperation with Kinstellar and Shearman & Sterling advised Vetroelektrane Balkana on the EUR 215 million financing provided by the EBRD and the IFC for the largest wind farm project in Serbia. Karanovic & Nikolic and Norton Rose Fulbright advised the EBRD and IFC.

INSIDE INSIGHT:



“This project was challenging, as it involved trying to create effective security under Serbian law, which had not previously been attempted. Notably, the wind farm was divided up into a number of plots under various forms of ownership, easements, and rights, creating difficulties in creating a unified security over the project assets and land acceptable to the lenders.”

Marie-Anne Birken, EBRD General Counsel

“Bringing a project of the magnitude of the development of the Cibuk 1 wind farm to a successful financing stage is a feat that involved a large team of legal, insurance, financial, environmental, and other professionals, across a number of jurisdictions, all working with dedication and creativity on the deal, around the clock. As the largest wind farm in the Western Balkans region, and consequently the most complex in terms of the required infrastructure and deal structuring, we believe the project also positively contributed to the knowledge-building in the mentioned expert areas as well as within the state authorities with whom the



project company, Vetroelektrane Balkana, closely cooperated. We hope that the footprint left by the project will allow new investors to tread this path more easily.”

Zeljko Duric, Director, Vetroelektrane Balkana

PROJECT FINANCING FOR THE KOVACICA WIND POWER PLANT

2

ON THE DEAL:

- Sponsor: Enlight Renewable Energies and Borrower: Electrawinds K-Wind (BDK Advokati; Dentons)
- Lenders: Erste Group Bank AG, Erste Bank Serbia, and the EBRD (Norton Rose Fulbright; Harrison's)

ABOUT THE DEAL:

BDK Advokati and Dentons advised Enlight Renewable Energy, as the sponsor, and Electrawinds K-Wind, as the borrower, on the EUR 142 million project financing of Serbia's 104.5 MW Kovacica Wind Farm. Norton Rose Fulbright and Harrison's advised lenders Erste Group Bank AG, Erste Bank Serbia, and the EBRD on what is reported to be Serbia's first large-scale energy project financing transaction to have successfully reached financial close.

INSIDE INSIGHT:



“This was the first major wind farm project for Erste in Serbia and the first to be closed under the new PPA [power purchase agreements] regime. The due diligence process was challenging due to the wind farms being located on hundreds of mainly privately owned land plots. At the same time sponsors were able to establish a good cooperative relationship with the municipality of Kovacica and the local community, which contributed to the project's success. We also had to invest time and effort into complying with all foreign currency regulations, including some peculiarities of how security over the accounts works in Serbia.”

Martin Racek, Group Legal, ErsteGroup Bank AG

“Each project which involves cooperating with partners from different countries and with different legislation and practice is unique. The experience we gained in cross-border finance and renewable energy project finance was very significant in this project. Though this project was being developed for a relatively long time — specifically, the part relating to the definition of the structures of the loans and the creation and alignment of financial documents — this experience helped us



to contribute to a successful and timely closing of the transaction. Apart from the role of the borrower, our bank also performs the function of the Account Bank, which is a very important function due to the international nature of the whole project, which implies payments (i.e., transfers of funds for the purpose of various commercial requirements and on various legal grounds). The Account

Bank function begins with account opening and lasts during the validity of the loan, therefore it requires continuity in monitoring the regulations relating to foreign exchange transactions and payment services. The payment service area has been, to a high extent, harmonized with EU regulations, and it is expected that the new amendments to Serbia's Law on Foreign Currency Transactions will further tackle the issues related to such projects."

Zoran Rubezic, Head of General and Special Financing Legal Support Unit, Erste Bank Serbia

3 NATIONAL BANK OF GREECE SALE OF VOJVODJANSKA BANKA TO OTP

ON THE DEAL:

■ Seller: National Bank of Greece (Bojovic & Partners; Freshfields Bruckhaus Deringer)

■ Buyer: OTP Banka Srbija (Karanovic & Nikolic; Weil, Gotshal & Manges)

ABOUT THE DEAL:

Karanovic & Nikolic and Weil, Gotshal & Manges advised OTP Banka Srbija A.D. Novi Sad on its EUR 125 million acquisition of Vojvodjanska Banka a.d., NBG Leasing d.o.o., and a portfolio of Serbian-risk corporate loans from the National Bank of Greece, which was advised by Bojovic & Partners and Freshfields Bruckhaus Deringer.

INSIDE INSIGHT:

"After over 15 years of successful presence in Serbia, NBG divested from its Serbian operations to deliver on its commitments to the European Authorities under the Restructuring Plan. The transaction also strengthens NBG's position in terms of capital and liquidity, allowing for the redeployment of resources to support the Greek economic recovery."

Leonidas Fragkiadakis, CEO, National Bank of Greece



SLOVAKIA

1 EPH GROUP ACQUISITION OF SLOVENSKE ELEKTRARNE FROM ENEL

ON THE DEAL:

- Seller: Enel Group (Allen & Overy (originally); (Second firm (requesting anonymity) taking over for the second stage of the project)

- Buyer: EPH Group (White & Case)

ABOUT THE DEAL:

White & Case advised Energeticky a Prumyslovy Holding, a leading Central European energy group, in connection with its two-stage acquisition of 66% of the shares of Slovenske Elektrarne, a member of the Enel Group, and on the issues related to the joint venture between EPH and ENEL in the period prior to EPH's acquisition of the second tranche of shares. Allen & Overy advised the Enel Group on the initial stage of the deal, with another international firm that has asked to remain unnamed taking over for the second stage.

ment strategy and dispose of the asset to be able to concentrate on its investment on the primary Bratislava market in Slovakia. Due to the professionalism of the investor, CNIC, as well as the advisors acting for both parties, the deal was closed within a very short time.

**Ildiko Kollar, VP Legal Counsel
CEE, Prologis**



3 PATRICK HESSEL INVESTMENT INTO AEROMOBIL

ON THE DEAL:

- Investor: Patrick Hessel (Majernik & Mihalikova)

- Founders: Stefan Klein (White & Case); Juraj Vaculik (Carpathian Advisors Group)

ABOUT THE DEAL:

Majernik & Mihalikova advised private investor Patrick Hessel on his investment into AeroMobil, a Bratislava-based developer of flying cars. White & Case and the Carpathian Advisors Group advised the company's two founders.

CNIC CORPORATION PROPERTY ACQUISITION FROM PROLOGIS

2

ON THE DEAL:

- Seller: Prologis (Kinstellar)

- Buyer: CNIC (Dentons)

ABOUT THE DEAL:

Dentons advised CNIC Corporation Ltd., an investment company owned by the Chinese government, on its acquisition of Prologis Park Galanta-Gan in Slovakia — described as “the largest logistics asset, both by area and investment volume, ever sold in the CEE region” — from Prologis, which was advised by Kinstellar.

INSIDE INSIGHT:

Prologis Park Galanta-Gan is the largest logistics asset, both by area and investment volume, ever sold in the CEE region. After completing two built-to-suit transactions, the development of the park was complete, which provided the right momentum for Prologis to take the next step in its long-term invest-



SLOVENIA

1

TRIGANO ACQUISITION OF ADRIA MOBIL FROM 36 PRIVATE SHAREHOLDERS OF PROTEJ D.O.O.

ON THE DEAL:

- Buyer: Trigano (CMS)
- Sellers: 36 Private Shareholders of Protej d.o.o. Protej d.o.o, (Kavcic, Bracun & Partners (some sellers))

ABOUT THE DEAL:

CMS advised Trigano on its purchase of Adria Mobil, the Slovenia-based caravan and motor home manufacturer. Kavcic, Bracun i& Partners represented a subset of the selling shareholders.

3

SIJ ACRONI AND METAL RAVNE FINANCING

ON THE DEAL:

- Lenders: UniCredit Banka Slovenija d.d., UniCredit SPA, NLB d.d., EBRD, SKB d.d., NKBM d.d., Erste Group Bank AG, Addiko bank d.d., Unicredit Bank – London branch (CMS Reich-Rohrwig Hainz)
- Borrowers: SIJ Acroni d.o.o. and SIJ Metal Ravne

ABOUT THE DEAL:

CMS advised a consortium of lenders including UniCredit Banka Slovenija d.d., UniCredit SPA, NLB d.d., EBRD, SKB d.d., NKBM d.d., Erste Group Bank AG, Addiko Bank d.d., and Unicredit Bank on EUR 240 million financing to SIJ Acroni and SIJ Metal Ravne.

DARS REGISTERED NOTE ISSUANCE

2

ON THE DEAL:

- Issuer: DARS (Kavcic, Bracun & Partners)
- Guarantor: Republic of Slovenia

ABOUT THE DEAL:

Details of this note issuance, by request of Kavcic, Bracun & Partners, are confidential.

INSIDE INSIGHT:

“The transaction is important for the company from more than one point of view. It is important because of the diversification of the financing sources of our core business, of the diversity of financial creditors, and of the duration of financing with repayment at the end of the period. The instrument is, for companies like DARS (i.e., not big and not small), very convenient in terms of maturity and complexity of the documents themselves, which plays a crucial role in ensuring quality legal support. A special challenge is on the side of the bank that organizes the issue, which must have quality relationships with potential buyers and convince them to trust the issuer.”

Robert Stumpf, Advisor to the Management Board, DARS



TURKEY

1 VITOL ACQUISITION OF PETROL OFFISI FROM OMV

ON THE DEAL:

- Buyer: Vitol Investment Partnership Limited (Kolcuoglu Demirkan Kocakli; Hengeler Mueller)
- Seller: OMV AG (Cerha Hempel Spiegelfeld Hlawati; Balcioglu Selcuk Akman Keki Attorney Partnership)

ABOUT THE DEAL:

CHSH and the Balcioglu Selcuk Akman Keki Attorney Partnership advised OMV on the EUR 1.368 million sale of 100% of its shares in Turkish mineral oil distribution company OMV Petrol Ofisi AS to the Vitol Group. Kolcuoglu Demirkan Kocakli and Hengeler Mueller advised Vitol on the deal.

INSIDE INSIGHT:



“The transaction is important for the company from more than one point of view. It is important because of the diversification of the financing sources of our core business, of the diversity of financial creditors, and of the duration of financing with repayment at the end of the period. The instrument is, for companies like DARS (i.e., not big and not small), very convenient in terms of maturity and complexity of the documents themselves, which plays a crucial role in ensuring quality legal support. A special challenge is on the side of the bank that organizes the issue, which must have quality relationships with potential buyers and convince them to trust the issuer.”

**Andreas Aigner, Head of M&A Legal,
OMV Aktiengesellschaft**

MAVI JEANS IPO

2

ON THE DEAL:

- Issuer: Turkven Private Equity, the Akarlilar Family, and Mavi Giyim Sanayi ve Ticaret A.S. (Baker McKenzie and the Esin Attorney Partnership)
- Underwriters Bank of America Merrill Lynch, Goldman Sachs, and Is Yatirim (White & Case and the Cakmak-Gokce Avukatlik Burosu)

ABOUT THE DEAL:

The Esin Attorney Partnership and Baker McKenzie advised Turkven Private Equity, the Akarlilar Family, and Mavi Giyim Sanayi ve Ticaret A.S. on Mavi's IPO. White & Case and Cakmak-Gokce Avukatlik Burosu advised underwriters Bank of America Merrill Lynch, Goldman Sachs, and Is Yatirim. The offering consists of an international offering of 16,624,300 shares by Blue International Holding B.V. outside the United States and Turkey to institutional investors in offshore transactions.

INSIDE INSIGHT:



“Mavi's IPO was 2017's first successful public offering and was the largest Turkish IPO in dollar terms since 2013. Mavi's IPO is a can opener in Turkey, ending a long silent period on the Turkish IPO market. This landmark deal signifies international ECM investors' interest in high-quality Turkish assets, and highlights Turkey's strong economic programs and the rising interest in

Turkish capital markets. It promises to shake up a moribund market for Turkish IPOs, characterized by years of cancelled or postponed sales.

Mavi's IPO is also the very first exit of a private equity investor through an IPO in Turkey, showing to international private equity firms interested in Turkish assets that this exit strategy, which is frequently used in Europe, is also available to them in Turkey.”

**Tuba Pekin, Senior Director of Legal Affairs
and Compliance, Mavi**

3 GLOBAL LIMAN INTERNATIONAL IPO

ON THE DEAL:

■ Underwriters: Goldman Sachs International, Citibank, Barclays, VTB Capital, and Shore Capital (Akol Ozok Namli Attorney Partnership; Cleary Gottlieb Steen & Hamilton)

■ Issuer: GLI (Baker McKenzie and the Esin Attorney Partnership)

ABOUT THE DEAL:

Baker McKenzie and Esin Attorney Partnership advised Global Liman Isletmeleri Anonim Sirketi (Global Ports Holding), the world's largest independent cruise port operator, on its IPO on the London Stock Exchange. The Akol Ozok Namli Attorney Partnership and Cleary Gottlieb Steen & Hamilton advised underwriters Goldman Sachs International, Citibank, Barclays, VTB Capital, and Shore Capital on the IPO, which marks the first time shares of a Turkish company have been offered only on the LSE.



UKRAINE

1 UKRAINE EUROBOND ISSUANCE

ON THE DEAL:

- Issuer: State of Ukraine/The Ministry of Finance of Ukraine (Avellum; White & Case)
- Joint Lead Managers: BNP Paribas, Goldman Sachs, and J.P. Morgan Securities plc (Latham & Watkins; Sayenko Kharenko)

ABOUT THE DEAL:

Avellum and White & Case advised the Ministry of Finance of Ukraine on its USD 3 billion, 15-year, 7.375% Eurobond issue, which was combined with a cash tender offer to the holders of the outstanding Eurobonds due 2019 and 2020. Sayenko Kharenko and Latham & Watkins advised joint lead managers BNP Paribas, Goldman Sachs, and J.P. Morgan Securities on the transaction, which is the first stand-alone sovereign bond issue by Ukraine since its 2015 sovereign debt restructuring.

METINVEST DEBT RESTRUCTURING

2

ON THE DEAL:

- Coordinating Committee: Deutsche Bank, ING, Natixis, and UniCredit (Redcliffe Partners; Clifford Chance)
- Metinvest (Baker McKenzie; Allen & Overy)
- Bondholders Committee (Linklaters and Avellum)

ABOUT THE DEAL:

Clifford Chance and Redcliffe Partners advised Deutsche Bank, ING, Natixis, and UniCredit in their capacity as the coordinating committee for the pre-export finance banks in connection with the successful implementation of a USD 2.3 billion debt restructuring for Metinvest, a vertically integrated group of Ukrainian steel and mining companies and one of the largest producers of iron ore raw materials and steel in the CIS. Baker McKenzie and Allen & Overy advised Metinvest on the restructuring, while Linklaters and Avellum advised the bondholders.

3 AUCHAN GROUP ACQUISITION OF KARAVAN HYPERMARKET CHAIN

ON THE DEAL:

- Buyer: Auchan Group (Sayenko Kharenko)
- Seller: Shareholders of Karavan Hypermarket chain (Avellum)

ABOUT THE DEAL:

Avellum advised the shareholders of the Karavan Hypermarket chain on their sale of the company to the Auchan Group. Sayenko Kharenko advised the buyers on the transaction.

INSIDE INSIGHT:



“The most challenging aspect of the deal was the fact that it was concluded between two direct competitors, each with a significant market share on the Ukrainian retail market. This added a lot of tension into the negotiations process. Taking into account that Auchan wanted Karavan to restructure the business prior to completing the deal, we were taking a lot of commercial risks — in particular, the risk of potentially wasted time and money should the deal terminate before completion. However, due to our strong operational team and solid legal support, we managed to handle the deal smoothly and close it within the shortest possible time frame to the mutual benefit of both parties.”

Denis Sluchynskyi, CEO, CenterGroup, Karavan



Thank You To Our Country Knowledge Partners For Their Invaluable Input and Support



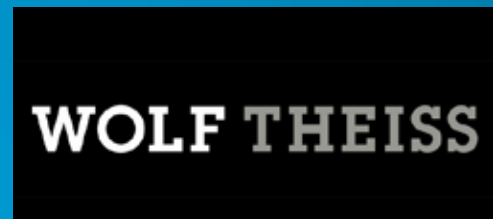
Bulgaria



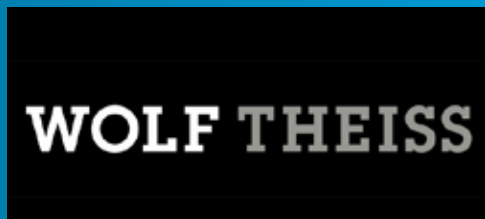
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SLAUGHTER AND MAY

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