



SLAUGHTER AND MAY

# Project Finance

May 2016

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# Our firm /

Slaughter and May is a leading international law firm, recognised by the global business community for its quality of service, commercial awareness and commitment to clients. We have a diverse and extensive international practice advising on the full range of corporate, commercial projects, financing and other specialist matters.

We have had a leading project finance practice since the very first transactions in the UK. We acted on most of the early North Sea projects and their financings, and have continued to be involved at the cutting edge of project finance, acting on many of the largest and most complex international transactions.

**Head and shoulders above the competition for faultless client service, in-depth market knowledge and providing a team with incredible intellect.**

Chambers UK

# What we offer /

**A strong understanding of your key legal issues** - we strive to gain an in-depth understanding of your requirements and objectives, to enable our advice to be tailored, focused and effective

**A deep understanding of the project finance industry** - we regularly work on cutting-edge deals in the project finance world

**Innovation** - we work on cutting edge transactions and are known for our ability to deliver bespoke solutions

**Accessible and responsive lawyers** - we ensure availability and provide a consistent team for the length of the transaction

**A flexible approach to fees** - we are well known for our cooperative approach to billing and fees.

“  
There is little doubt that Slaughter and May is a market leader - its status is ‘impossible to challenge,’ according to interviewees  
”

Chambers UK 2011

# Our key differentials /

**A client focused approach** - we are client focused, not product focused. We prioritise satisfying the individual business needs of each of our clients

**A multi-specialist approach to our practice** - our lawyers do not work in narrow practice areas. We have a depth of expertise, a breadth of experience and sound commercial judgement in all areas of our legal service

**Technical excellence** - our lawyers have an unsurpassed reputation for technical excellence in their legal advice

**A genuinely global, world class response** - we work as a single united team with market leading firms from around the world, who share our culture of excellence. We put the right minds in the right place at the right time.

Picture by Steven Hayes, Technology, Slaughter and May





# Our Project Finance practice /

A constantly changing global market inevitably brings challenges to the project finance sphere. Ultimately, in order to balance risk appropriately to make the project feasible for all parties involved, you need highly experienced lawyers - with an appetite for innovation and the expertise for problem-solving.

We often see project finance employed in the development of large, complex and capital intensive projects - although it can equally be applied to the financing of any asset or service where the sponsors are seeking limited recourse and where the debt is to be serviced using the asset itself and associated revenues.

Typical projects we work on include:

- power generation oil & gas (upstream, midstream and downstream)
- transportation
- telecommunications
- hospitals and schools

# Risks: the need to innovate /

As the use of project finance expands into new territories and industries, the legal issues have become more complex. The task of predicting where issues will arise in the future has become ever more difficult.

It is never possible to identify every risk that a project will face, however, the same broad categories of risk recur again and again and these will need to be identified and allocated appropriately to create a bankable project:

- **Political:** The risk that actions of the local government or issues surrounding the social stability of the host country will impact adversely on the project.
- **Legal/structural:** The inherent risk presented by the application and impact of the laws of the jurisdiction in which the project is carried out.
- **Construction:** The risk that the project will not be constructed on time, on budget and/or to the required specifications.
- **Operation:** The risk that the project will be too expensive to run, and/or will fail to perform to the necessary standard.
- **Supply:** The risk that the necessary fuel and other raw materials required by the project will become unavailable for a period of time.
- **Offtake:** The risk that the means by which the project obtains revenue will become unavailable for a period of time.

Lawyers that are on the lookout for these issues - have dealt with them before and can seek solutions quickly - are crucial to the smooth-running of a project finance transaction.



# Our experience /

We have developed an enviable record for high-quality, complex and innovative projects. We seek to overcome particular challenges unique to any project, rather than simply replicating off-the-shelf solutions.

In contrast to many other firms, our teams do not focus narrowly on one particular legal specialism, market sector or product. We take on a broad variety of projects in different sectors, and different geographical areas. Our practice forms part of our extensive Infrastructure, Energy and Natural Resources practice and covers all major sectors including oil and gas, power, water and waste management, transport, telecoms and sport.

Highlights include advising:

## Oil and Gas

### Europe

- **INEOS** in relation to its ethane supply contracts with Shell and Exxon. The long-term sale and purchase agreements commence in 2017 and will allow the Fife Ethylene Plant at Moss Moran to receive US ethane from shale gas via INEOS' new import terminal at Grangemouth. The deal provides an additional source of feedstock to complement supplies from North Sea natural gas field
- **North Sea Fields:** advised various clients on over 50 development financings of onshore and offshore fields in North Sea (including in the UK sector: Piper, Claymore, Forties, South Brae, North Brae, Beatrice, Alwyn North, Thames, Miller, Esmond, Thistle, Balmoral, Ravenspurn, Johnson, Wytch Farm; and in the Norwegian Sector: Valhalla, Veslefrikk, Ula, Thor, Statfjord; P6 in The Netherlands and Dan, Gorm, Skjold, Tyra, Rolf in Denmark)
- **Interconnector:** advised consortium on the US\$842 million financing of an underwater pipeline and related compression and pumping facilities linking the UK and Continental Europe gas distribution systems. This included advising on a loan facility from the European Investment Bank (EIB), lease financing from Abbey National and related guarantee and security arrangements
- **Bilbao Project:** advised Bahia de Bizkaia Electricidad/Gas on the US\$500 million financing of a combined regasification terminal and power station
- **POAS:** advised Dogman/Isbank on the privatisation of POAS (petrol stations) through an acquisition of a 51% shareholding by a 50/50 joint venture
- **Regas Project:** advised Batgas on the LNG reception and regasification terminals in Turkey. This included a joint venture of Botas Petroleum Pipeline Corporation, Amoco International Gas Development Limited and Total LNG International



## Middle East/Africa

- **Oil shale project in Jordan:** advised YTL Power International in relation to its joint venture arrangements with Eesti Energia AS (the national energy company of Estonia) and North East Investment Co (its Jordanian partner) for the development of certain shale oil projects in Jordan with an anticipated value of US\$5 billion
- **Kosmos:** advised Kosmos Energy in relation to a reserves based loan to fund its share of appraisal and development by Kosmos of the Jubilee Field offshore Ghana. The financing won *African Oil & Gas Deal of the Year* at the Project Finance International (PFI) Awards 2009
- **Svenska Petroluem Exploration** on the increase in commitments for the US\$200 million reserves based loan facility to be used for upstream developments in Côte d'Ivoire and other countries
- **Rialto** which is the licence holding company in respect of an offshore Côte d'Ivoire integrated gas project
- Advised **the banks** on the financing of the development costs of the CI 27 Block offshore Côte d'Ivoire
- **Mostorod Oil Refinery Project:** advised the European Investment Bank, African Development Bank and a syndicate of banks on a US\$2.6 billion debt package. The financing of the Egyptian Refinery Company's project is the largest ever project financing in Africa
- **Idku:** advised mandated lead arranging banks, led by Bank of Tokyo-Mitsubishi, on proposed US\$0.95 billion project finance facilities to construct an LNG complex at Idku, near Alexandria in Egypt, as part of the development of the West Delta Deep Marine gas field
- **Egyptian Refinery Company:** advised international lenders, the Export Import Bank of Korea and EIB on a proposed project financing for the Egyptian Refinery Company of its US\$3 billion refinery project in Cairo
- **EMethanex Project:** advised EMethanex, as project company and its sponsors on the development of, and the US\$530 million long term project financing facilities for, a 1.26 million tonne per annum methanol plant at Damietta in the Nile Delta region of Egypt
- **Egyptian LNG (Train 2):** advised international and local commercial lenders, The Bank of Tokyo-Mitsubishi and EIB on the US\$880 million project financing facilities for Idku National Gas Liquefaction Company S.A.E (Egyptian LNG Train 2 Co). This was named Project Finance International's *EMEA Gas Deal of the Year 2005*

**Slaughter and May offers bespoke solutions to the unique challenges thrown up by project finance transactions, lending its expertise to an array of sectors.**

Chambers UK, 2013

- **Egyptian LNG (Train 1):** advised EIB, international and Egyptian lead arranging banks (led by The Bank of Tokyo-Mitsubishi), and Law Debenture Trust Corporation as common security trustee, on the US\$950 million project facilities for Egyptian LNG Train 1, sponsored by The Egyptian General Petroleum Corporation, British Gas and Petronas - the country's first major project financing in the oil and gas sector. This was named Euromoney's Project Finance Magazine's *LNG deal of the year 2003*
- **Egyptian LNG (Train 1) Refinancing:** advised international and local commercial lenders (led by The Bank of Tokyo-Mitsubishi) and EIB on the refinancing, and Société Générale on the associated underwriting, of the US\$950 million project finance facilities for ELNG Train 1
- **Svenska Finance Facility Amendment:** advised Svenska Petroleum Exploration AB on a US\$80 million credit facility, to be used, among other things, to fund the development of the Baobab oil field in Block CI-40, Cote d'Ivoire
- **Baobab Development Project:** advised Svenska Petroleum Exploration AB on the US\$30 million financing facility for the development of the Baobab oil field in block CI-40, Cote d'Ivoire, where Svenska held a 27.39% equity interest
- **Oman LNG:** advised international lead arranging banks, led by National Westminster Bank and ABN AMRO and Citigroup (as security trustee) on the US\$2.5 billion financing of the two-train Oman LNG project including commercial loan facility and four separate tranches of export credit finance (supported by EGCD, US Exim, NCM and SACE), together with an option to raise up to US\$500 million of project bonds in the US capital markets
- **Oman LNG Refinancing 2001:** advised international and local commercial lenders (led by The Bank of Tokyo-Mitsubishi) on a US\$1.3 billion new term loan and US\$64 million credit facilities, to refinance in full the original project debt raised in 1997 to fund the Oman LNG project
- **Oman LNG Additional Facilities:** advised lenders, led by The Bank of Tokyo-Mitsubishi, on a US\$195 million additional bank credit facilities for the Oman LNG Project to finance its investment in Train 3 (owned by Qalhat LNG)
- **Oman LNG Refinancing 2005:** advised international and local banks (led by The Bank of Tokyo-Mitsubishi) on the US\$1,305 million refinancing of the Oman LNG project finance facilities, to replace the 2001 facilities
- **Qalhat LNG:** advised international and local banks (led by Calyon) on the US\$680 million credit facilities for the Train 3 LNG project, adjoining Trains 1 and 2 owned by Oman LNG, at Qalhat in Oman

**Slaughter and May has enjoyed a further year of growth, acting on a number of big-league oil and gas and power matters.**

Chambers UK, 2013

- **SADAF** (Saudi Petrochemical Company): advised SADAF on a US\$650 million refinancing of two existing project facilities
- **Kemya**: advised JPMorgan on a review of draft finance documentation relating to a US\$720 million term loan and revolving credit facility to finance the expansion of existing petro-chemical facilities in Al-Jubail
- **Qatargas**: advised on an US\$6 billion financing for the upstream phase of the Qatargas LNG project (including tranches supported by US Exim, ECGD, COFACE, Hermes and SACE) and the downstream financing (with guarantee support from Japan National Oil Corporation and MITI, and a JEXIM co-financing), the first major limited recourse financing in the Middle East region
- **Qatargas**: advised on additional US\$1 billion funding arrangements for a third LNG train
- **Ras Laffan**: advised Qatargas on its participation in the refinery project at Ras Laffan Industrial City
- **Qatargas OpCo**: advised Qatargas OpCo, the common operating company, on an ongoing basis for all of the LNG projects at this location

## Asia/Far East

- **Sakhalin Project**: advised Kynshu Electric Power Company Inc. as LNG offtaker from the Sakhalin LNG project
- **Yetagun Gas Field**: advised Premier Oil, as project sponsor, on a limited recourse financing based on securitisation of export receivables under gas offtake arrangements
- **Rayong Refinery**: advised Rayong Refinery Company, sponsored by Shell/PTT, on the project financing of the Rayong Refinery Project in Thailand. We also represented the project company in its refinancing of the initial project facilities
- **Tabangao Oil Refinery Project**: advised the project company Shell Pilipinas and principal sponsor on the US\$320 million Tabangao Oil Refinery project development and financing

“  
**They're on some spectacular projects  
 - it's always a quality product with them.**  
 ”

Chambers UK, 2015

## Case Study

### Government Party Supplying Gas to Midstream Facility

In this deal, where we acted for the lenders, the Government counterparty to a GSA supplying gas to a midstream facility agreed to subordinate its rights to receive payments under the GSA to the rights of the Finance Parties through the operation of a gas payments account. The subordination was confirmed directly in favour of the banks through a direct agreement, which also included confirmation that, upon enforcement of security, banks could not be held liable pre-existing environmental liabilities. But, at the same time, the Government was still liable for the upstream payments for purchase of the gas from the upstream. In this way the Government effectively provided credit support for both the upstream and the midstream, backed by political risk and multilateral commercial payment guarantees.

## Australasia

- **Electranet:** advised YTL Power International on the approximate AUD1 billion acquisition of a 33% stake in Electranet SA, the South Australian transmission entity. We advised during the privatisation bidding stage and also on the financing (with a bridge bank project financing which was taken out by a bond refinancing)

## Americas

- **Phoenix Park:** advised Conoco Inc, the national gas company of Trinidad and Tobago and pan west engineers as sponsors of a project to expand a natural gas processing plant at Phoenix Park, and to finance it by the issue of limited recourse bonds out of a special purpose vehicle
- **Cusiana Oil Field:** advised Société Générale, Credit Lyonnais, BNP and ABN Amro on the initial upstream financing for a Total subsidiary involved in oil exploration and production in the Cusiana oil field and then two subsequent restructurings. We also acted on the downstream part of the project, involving the financing of the pipeline running from the Cusiana and Cupiajua oil fields

“My personal experience with them has been in line with their strong reputation. It's very impressive to see them in action.”

Chambers UK, 2015

## Power

### Europe

- **Lincs Wind Farm:** advised Lincs Wind Farm Limited, a joint venture company formed by sponsors Centrica, DONG Energy and Siemens Project Ventures, on the raising of £425 million of non-recourse project finance facilities from a consortium of 10 commercial banks for its 270MW Lincs offshore wind farm. This is the first offshore wind farm to be project financed in the UK during construction
- **DONG Energy** on its proposed disposal of a 50% interest in the 210MW Westermost Rough offshore windfarm to a joint venture between Marubeni Corporation and UK Green Investment Bank; and on certain related financing, construction management, operations and maintenance and power purchase arrangements
- **Centrica** on the formation of a joint venture with DONG Energy called Celtic Array Limited to co-develop offshore wind farms in the Round 3 Irish Sea Zone, which has a potential capacity of 4.2GW
- **Centrica Renewable Holdings** in connection with its existing and pipeline offshore wind farms. This work included negotiating a turbine supply agreement, and service and warranty agreement with Siemens Wind Power for the design, supply, installation, commissioning and availability guarantee of 75 wind turbines, utilising latest upgraded technology
- **Centrica** on the sale of a 50% equity stake in its 270 megawatt (MW) Lincs offshore wind farm to DONG Energy and Siemens Project Ventures for a cash consideration of approximately £50 million, and on related joint venture, wind turbine supply, financing and power off-take arrangements
- **Centrica wind farms:** advised Centrica plc on project finance facilities for the refinancing of Centrica's wind farm portfolio, including the Lynn (97MW), Inner Dowsing (97MW) and Glens of Foudland (26MW) wind farms, and the project financing of Lincs offshore wind project
- **Apollo Investment Corporation** on the establishment of a joint venture with AMP Solar, Sustain Energy Solutions and MAP Environmental, and associated financing arrangements, to originate, develop and fund a pipeline of solar energy generation projects in the United Kingdom

“To describe them as first rate is to undervalue them - they are really that good’ says one interviewee.

Chambers UK, 2012

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- **First Reserve**, the global energy-focused private equity and infrastructure investment firm, in relation to its investment in the construction of a waste-to-energy facility in Dublin, which will be built and operated by Covanta Energy, an international operator of waste-to-energy and power generation projects
- **The Department of Energy & Climate Change** on the Investment Contracts awarded for eight new renewables projects under the Final Investment Decision Enabling for Renewables programme; the first step in the Government's Electricity Market Reform Contracts for Difference regime. Once completed, it is anticipated that the eight projects will deliver around 5% of the UK's total electricity generation
- **DONG Energy** on its proposed disposal of a 50% interest in the 210MW Westermost Rough offshore windfarm to a joint venture between Marubeni Corporation and UK Green Investment Bank; and on certain related financing, construction management, operations and maintenance and power purchase arrangements
- **Rijnmond II Power Project**: advised Centrica plc (via a Netherlands affiliate) on a gas tolling agreement with InterGen relating to Phase II of the Rijnmond power station, including the preparation of a tolling agreement and commissioning agreement, including involved emission allowance trading terms
- **Q7 Wind farm Project**: advised Fortis Bank Nederland N.V. on a senior project loan for the development of the Q7 Wind farm Project offshore in the Netherlands by E-Connection
- **Roosecote power station**: advised TXU Europe on the renegotiation of the power sales and gas supply arrangements for Roosecote power station
- **Centrica/British Gas Trading Limited**: advised on its power purchase agreement with Drax Power Limited, relating to 600MW of power, equivalent to 8% of forecast residential demand in England and Wales
- **Drax Power Station**: advised The AES Corporation on the proposed Drax Power Station project debt restructuring, the UK's largest coal-fired power station
- **Drax Restructuring**: advised InPower Limited, InPower 2 Limited and BondPower Limited on the restructuring of its debt owed to a syndicate of banks

- **Drax Refinancing:** advised The AES Corporation on refinancing for the 4000MW Drax coal fired plant
- **CGE Power:** advised The Royal Bank of Scotland and others including BoS, Lloyds TSB, Bayerischelandes - bank and Hypovereinsbank on the proposed project financing of CGE Power's proposed portfolio of electricity generating plants in the UK, constituting up to 15% of total UK generating capacity
- **British Nuclear Fuels Limited:** advised the Department of Trade and Industry as shareholder in British Nuclear Fuels
- **Licensing:** advised Commission for Electricity Regulation on the consolidation of the gas and electricity sector regulatory regimes
- **Keadby:** advised on the £375 million joint venture arrangements for Keadby; on the project loan to Keadby; and on the NETA related renegotiation of the power sales contract
- **Waste to Energy:** advised Local Waste Solutions on a waste to energy project with Cory Environmental for the gasification of waste into electricity
- **Gas Auction:** advised Commission for Electricity Regulation on its allocation of scarce gas capacity to electricity generation companies
- **Eesti and Balti Power Projects:** advised Eesti Energia on the US\$250 million proposed privatisation, upgrade and operation of Eesti (1610MW) and Balti (1390MW) power stations. We acted for Eesti Energia and the Republic of Estonia on raising finance for AS Narva Elektriijaamad, the principal electricity generating company in Estonia, and the associated fuel (oil shale) supply arrangements, the upgrade of the mines and the generating facilities
- **Bilbao Project:** advised Bahia de Bizkaia Electricidad/Gas on the US\$500 million financing of a combined regasification terminal and power station

“They can identify an issue and propose a solution before it becomes a problem. I am yet to see anything they can't find a commercial solution to.”

Chambers UK, 2012

## Middle East/Africa

- **Attarat Power Company (APCO)** and the project sponsors, Eesti Energia AS and YTL Power International Berhad, on the signing of financing agreements by APCO with Industrial and Commercial Bank of China and Bank of China for up to US\$1.6 billion of senior debt for the 470 megawatt (net) oil shale fired power station to be constructed at Attarat um Ghudran, Jordan
- **Attarat Power Company** and the project sponsors on a fixed price engineering, procurement and construction contract ('EPC Contract') with Guangdong Power Engineering Corp. of China Energy Engineering. The EPC Contract is for the design, engineering, procurement, supply, construction and commissioning of a 470 megawatt (net) oil shale-fired power station in Jordan
- **Hwange Power Station:** advised YTL Power International Berhad (YTL) and African Power Ltd on the proposed US\$500 million privatisation of the current 900MW coal fired power station in Zimbabwe and also the proposed development of a further 600MW of capacity

## Asia/Far East

- **Powerseraya:** advised YTL on the project financing for Powerseraya, the second largest power generation company in Singapore in terms of installed capacity
- **AES Kelanitissa Private Limited:** advised on project financing for the Kelanitissa 165MW power project near Columbo, Sri Lanka
- **PT Jawa Power:** advised YTL on the acquisition of a 35% shareholding in PT Jawa Power and 100% of PT Jawa Timur for US\$139.4 million and US\$3.6 million respectively. PT Jawa Power owns the 1220MW Paiton 2 power plant in Java Indonesia and PT Jawa Timur operates the plant
- **Meghnaghat:** advised AES Meghnaghat Limited (acted for the project company and the sponsor) on the US\$300 million project financing facilities for a 450MW power station, the first large-scale independent power project in Bangladesh
- **Paka and Pasir Gudang CCGTs:** advised YTL on the US\$1.4 billion project financing of the first two build-own-operate power generation projects in Malaysia
- **Kapur:** advised YTL in connection with its US\$1.75 billion bid for a 2400MW coal-fired power station at Kapur

## Americas

- **Trinidad and Tobago Electricity Commission:** advised on new power purchase arrangements from new 208MW power station at Point Lisas, including power purchase, equity funding and associated joint venture arrangements



## Telecoms

### Europe

- **UMTS Project:** advised Eurelec B.V. (a subsidiary of Alcatel) on a loan of EUR480 million to Orange France S.A. to finance its Universal Mobile Telecommunications System telecommunications network in France
  - **Xfera:** advised Xfera Moviles SA on a EUR2 billion vendor financing for the development of a third generation mobile phone network in Spain. This was the first financing for the development of such a network in Spain
  - **Poitiers:** advised the International Chambers of Commerce on a concession agreement with the city of Poitiers for a cable network
  - **Europe\*Star Satellite Project:** advised Alcatel on the US\$350 million initial project development and equity capital raising for a joint venture between Alcatel and Loral Space & Communications
  - **Racal Telecom:** advised Global Crossing on a US\$1.9 billion acquisition and expansion
  - **Tel-Energo Expansion Project:** advised Tel-Energo S.A. on a PLN435 million financing for the expansion and upgrade of its network in Poland
- The financing package consists of an European Bank for Reconstruction and Development senior convertible loan and a senior parallel loan from Raiffeisen Bank Polska S.A., Kredyt Bank Polska S.A. and Nordea Bank Polska S.A.
- **Formus Broadband (radio access project):** advised Electro Banque SA (Alcatel) on the EUR120 million design, construction and operation of a broadband wireless access network. We also acted on the restructuring of the project
  - **GSM Mobile Telephone System:** advised Polkomtel SA on the US\$500 million financing for Polkomtel - GSM telecoms venture company in Poland
  - **Telecom Silesia:** advised Alcatel Cable Finance SA in relation to a Polish project financing
  - **Firstmark:** advised Deutsche Bank Luxembourg and Deutsche Bank AG on the start up financing for broadband services provider, FirstMark Communications Deutschland GmbH, on the construction of a wireless local loop network based on point to multipoint technology

“Slaughter and May is more of a free radical in terms of quality guys no doubt...”

IFLR 1000, 2012

- **Cableuropa:** advised Electro Banque SA (Alcatel's in-house bank) on a cable TV project. We advised in relation to the vendor financing arrangements and also to provide telecom equipment and financing (EUR180 million)
- **Turkcell:** advised DMG, Bankers Trust and JP Morgan on a US\$875 million export credit support for the financing of this cellular telephone project in Turkey
- **Hungarian Regional Telephone Network:** advised United Telecom Investment BV and four regional operating companies in relation to the project financing, construction and operation and management of four fixed line telephone networks located in separate Hungarian regions
- **Dutchtone:** advised Alcatel on the credit facility for this Dutch GSM project.

## Case Study

### Africa

We recently advised a consortium of lenders on an African oil and gas project financing. The transaction involved a GSA with sovereign entity, and a transaction structure involving security over trust accounts into which payments were made and a MIGA guarantee.

#### Project Account Security:

- Revenues from joint operations paid into an offshore Trustee account
- Cash flows from the account were regulated and paid in accordance with agreed mechanics and allocation procedure
- Amounts distributed to the Borrower went directly from the Trust Account into a secured offshore account

#### Guarantee by MIGA:

- MIGA provided a guarantee against a default by the government of both the Production Sharing Agreement and GSA
- The guarantee also provided protection for expropriation, transfer restriction and civil disturbance
- The MIGA Guarantee was structured as an insurance contract with the premium payable by the Borrower on the Lenders' behalf

## Middle East/Africa

- **Wataniya Telecom 3:** advised Wataniya Telecom on a US\$490 million project financing for the establishment of a third mobile phone operator in Algeria. The financing was a combination of export credit and multilateral financing
- **Algeria GSM:** advised Alcatel on a US\$835 million second phase of the investment programme for the operation of a GSM cellular telephone network in Algeria
- **Afghan Telecom:** advised Alcatel on a US\$50 million joint venture to set up and run a GSM network in Afghanistan and the supply of GSM equipment and financing of the joint venture
- **Orascom Tunisia:** advised Electro Banque SA (Alcatel), as lender, under a loan of US\$25 million to finance a mobile phone network in Tunisia
- **Orascom:** advised on a US\$125 million loan to Orascom Telecom Holding S.A.E.
- **Medi Telecom Project:** advised The Medi Telecom syndicate, the lead sponsor, on a US\$850 million joint venture formed to build, operate and maintain a second public mobile phone network in Morocco on the financing (and security) arrangements required to fund the acquisition of the licence and implementation of the project
- **RASCOM:** advised Alcatel on a US\$1.6 billion joint venture with RASCOM (Regional African Satellite Communications Organisation) to develop a regional African telecoms satellite system

## Asia/Far East

- **TA Orange Refinancing:** advised TA Orange on a US\$850 million refinancing of a bridge facility and a US\$100m telecoms supply arrangement
- **Smart Communications:** advised Alcatel in relation to a US\$6 million vendor financing to Smart Communications Inc.
- **Sabah:** advised Shearn Delamore & Co., a member of the sponsor consortium on the proposed multi-ducting system in Sabah
- **Paksat:** advised Alcatel on the supply of satellite system to Eurasia Spacecom Ltd (US\$350 million)

## Americas

- **Flag 2 (Atlantic submarine cable project):** advised Alcatel, supplier to Flag Atlantic telecoms project, on the US\$550 million design, construction and installation of the submarine fibre optic cable system. This was the world's first transoceanic dual cable system connecting London and New York
- **Gemini Cable:** advised Cable & Wireless on the US\$520 million joint venture established to construct and operate a transatlantic fibreoptic submarine cable system between the US and the UK. We then acted on the financing which encompassed a unique limited recourse structure for a telecoms financing involving guaranteed off-take through the forward purchase of capacity in the form of indefeasible contractual rights

## Australasia

- **Southern Cross Cable:** advised Alcatel on the Submarine Fibre Optic Cable Project between Australia, New Zealand, Fiji and USA

## Transport - road, rail, airports and ports

### Europe

- **M25/M80:** advised EIB on the financing of the M25 expansion and the M80 road project in Scotland
- **Gatwick Airport Limited (GAL):** advised GAL on the second single-airport securitisation in the UK. This deal was one of the first corporate securitisations that combines sizeable bank and bond debt. Gatwick Funding Limited the issuing vehicle and a wholly owned subsidiary of GAL, established its multicurrency secured bond programme for the issue of up to GBP5 billion bonds for the financing of GAL, the owner and operator of Gatwick Airport
- **Metronet - London Underground PPP:** advised Railtrack, the Metronet consortium, comprising Balfour Beatty, Bombardier, Seeboard, Thames Water and WS Atkins on the public private partnership (PPP) financing arrangements relating to the 30-year contracts for the provision of infrastructure services for Infraco BCV (Bakerloo, Central and Victoria lines) and Infraco SSL (Metropolitan, District, Circle, Hammersmith & City and East London lines)
- **Railtrack / Network Rail Upgrades:** advised Network Rail on various projects including the structuring and implementation of the project documentation for the enhancement works on the Chiltern line; the East Coast Mainline upgrade; a power upgrade for Southern Region; a fixed telecoms project serving Network Rail's network; the redevelopment of the Felixstowe to Nuneaton Line; the redevelopment of a goods yard in Birmingham; advising in connection with the proposed redevelopment of the Thameslink line
- We are advising **European Development Bank** on a £1.4 billion project to finance new rolling stock for Thameslink
- **NATS Restructuring:** advised Department for Transport on the restructuring of the National Air Traffic Services (Holdings) Limited group (NATS). It implemented a composite solution of measures in air traffic revenues following the terrorist attacks on the United States on 11 September 2001
- **NATS PPP Project:** advised the Department for Transport on the major public/private partnership for National Air Traffic Services
- **Express Rail:** advised YTL Corporation Berhad on the express and commuter rail link in Kuala Lumpur, involving the procurement of trains and equipment, construction and operation. We negotiated and structured the offshore financing debt for YTL

“The firm is thoughtful, responsive and works hard to turn matters around quickly.”

Chambers UK, 2012

- **Virgin/West Coast Mainline Trains:** advised The Royal Bank of Scotland and Bankers Trustee Company Ltd on the issue by West Coast Train Finance Plc of GBP480 million (US\$784 million) 6% Asset Backed Notes due 2015
- **Cardiff Bay (Bute Avenue PFI project):** advised Sumitomo Bank on the GBP60 million road and infrastructure development project
- **Docklands Light Rail:** advised City Greenwich Lewisham Rail Link plc (CGL) on a GBP270 million joint venture concessionaire on this Private Finance Initiative (PFI) project to extend the Docklands Light Railway (Lewisham Extension). This was financed by a combination of traditional bank debt and the first ever project bond issued for a PFI project not supported by monoline insurance
- **British Aerospace:** advised British Aerospace regarding Airbus launch aid
- **Weald & Downland:** advised ExpressRoute in relation to this PFI project (which was cancelled following Government review)
- **Channel Tunnel Rail Link:** advised NatWest, HSBC and Credit Lyonnais as potential lead arrangers of the financing of Eurorail's bid to construct the Channel Tunnel Rail Link
- **DBFO M40 Road Project:** advised ExpressRoute on this project
- **Manchester Airport:** advised Manchester City Corporation in connection with proposals to finance the construction of a second terminal
- **N6 Galway - East Ballinasloe PPP Road Project:** advised EIB on a EUR70 million credit facility provided to N6 (Concession) Limited as part of a EUR332 million financing for the construction of the N6 Road
- **M7/M8 - Portlaoise PPP Structured Finance:** advised EIB on a EUR125 million credit facility provided to Celtic Roads Group (Portlaoise) Limited as part of a EUR360 million structured financing for the construction of the M7/M8 Portlaoise Road
- **N8 Rathcormac/Fermoy PPP Road Project:** advised EIB on a EUR64.5 million credit facility provided to the Direct Route consortium as part of a EUR136 million financing for the construction of the N8 Rathcormac / Fermoy PPP road project in Ireland

“Clients do not hesitate to praise this high-end, full-service firm as being ‘a cut above everyone else’ and ‘the best in town’.”

Chambers UK, 2013

- **N4 Kinnegad-Kilcock PPP Road Project:** advised EIB on a EUR80 million long term credit facility with Eurolink Motorway Operation Limited signed as part of a EUR317 million financing of the construction of the N4 Kinnegad-Kilcock PPP road project in Ireland
- **Thessaloniki Metro System:** advised EIB on the proposed EUR300 million debt financing for the construction, maintenance and operation of the Thessaloniki Metro System in Greece
- **Rion-Antirion Bridge:** advised EIB regarding the financing for the construction of the Rion-Antirion Bridge which links the North Western Peloponnese with South Western Continental Greece
- **Zuid HSL:** advised Infrasppeed Consortium (Siemens, Fluor Daniel, NBM Amstelland) on the EUR1.1 billion Dutch High Speed Rail Link (HSL) project running from Schipol to the Belgian border, including the construction of the superstructure (track, signalling and power systems) and maintenance for the remainder of the 30 year term. This was the first major “PPP” transport project in The Netherlands
- **Euroscut:** advised Banco Santander Central Hispano, Hypovereinsbank and Citibank on the US\$257.2 million loan and bond refinancing for the SCUT do Algarve shadow toll road in Portugal guaranteed by XL Capital Assurance
- **Bot Road Project:** advised Hyder Investments Ltd on concession agreement to expand and operate a section of the Finnish Highway system.

## Middle East

- **Queen Alia International Airport:** advised Aéroports de Paris (AdP) as a consortium participant and equity investor in the rehabilitation, expansion and operation of Queen Alia International Airport Project at Amman in Jordan
- **Abu Dhabi International Airport:** advised AdP as bidder in the PPP project for the development and rehabilitation project of Abu Dhabi International Airport.

## Asia/Far East

- **Dehli and Mumbai Airports:** advised AdP as part of the consortium bidding for the privatisation of Delhi and Mumbai Airports
- **South Island Line (East):** advised MTR Corporation Limited (MTR) on its project agreement with the Government of Hong Kong for the construction of the South Island Line
- **Kwun Tong Line (extension):** advised MTR on its project agreement with the Government of Hong Kong for the construction of the Kwun Tong Line extension
- **West Island Line:** advised MTR on its project agreement with the Government of Hong Kong for the construction of the West Island Line
- **Guangzhon-Schenzhen-Hong Kong Express Rail Link:** advised MTR on its entrustment agreement with the Government of Hong Kong for the construction and commissioning of the Guangzhon-Schenzhen-Hong Kong Express Rail Link

- **Tung Chung Cable Car Project:** advised MTR in relation to a Project Agreement between MTR and the Government of Hong Kong for the construction and operation of the Tung Chung Cable Car on Lantau Island
- **Penny's Bay Rail Link:** advised MTR in connection with the HKD2 billion project agreement with Government for the construction of a rail link to the new Hong Kong Disneyland
- **Almaty Airport:** advised AdP in relation to its interest in Almaty Airport, in Kazakhstan
- **Western Harbour Crossing:** advised Hang Seng Bank Limited as the agent bank on the HKD3.5 billion refinancing of the Western Harbour road crossing
- **Western Harbour Crossing:** advised Wardley Limited on negotiating and drafting limited recourse bank financing (HKD7 billion)
- **River Trade Port Project:** advised HSBC, Investment Bank Asia, and China Development Finance Co. on the US\$780 million construction of a terminal in Hong Kong for container and bulk cargo traffic on the Pearl River
- **Route 3 Road Tunnel:** advised Sun Hung Kai Properties, China Resources, Bank of China group and China Travel Service as project company on this HKD4.7 billion franchised toll road project which includes the longest tunnel in Hong Kong. A feature of the financing was the inclusion of committed and uncommitted swap facilities, to enable the project company to comply with its franchise obligations to fix 50% of its interest costs for periods of between two and five years
- **Hong Kong Airport:** advised MTR on the US\$4.5 billion construction and financing of the railway extension to the new airport in Hong Kong. We advised on the design, construction and operation agreement and on the debt financing
- **Che Kung Temple Station Development Project:** advised MTR on the listing rules implications of this project
- **Shatin to Central line:** advised MTR on the construction of Shatin to Central line
- **Gujarat Road Project:** advised Infrastructure Leasing & Financial Services Ltd on the US\$50 million concession arrangements and project structure
- **Don Muang Tollway:** advised Don Muang Tollway on the US\$540 million financing and subsequent restructuring of the Don Muang Tollway linking the airport and central Bangkok. The financing comprised Thai Baht and US dollar portions and we drafted the documentation for both, as well as the necessary linking documentation.

**A fantastic, formidable firm. Their client service is second to none - it's exactly what you pay for.**

Chambers UK, 2014

## Australasia

- **Sydney Airport:** advised a consortium (including Abbey National Treasury Services Overseas Holdings) on aspects of the acquisition of Sydney Airport for AUD5.6 billion from the Commonwealth of Australia.

## General infrastructure

### Europe

- **Olympic Village:** acting for Lend Lease in relation to the Olympic Village and delivery of the infrastructure for the entire Olympic Park in connection with the 2012 Games and conversion to legacy, in particular letting all of the construction contracts for the residential apartments and associated infrastructure within the Olympic Village
- **Arsenal:** advised Arsenal Football Club on the sale of Queensland Road North East to the south of the Emirates Stadium. We also advised on virtually every aspect of Arsenal's move from Highbury to the Emirates Stadium.

“That team have a lot of experience on complex financing structures - full stop. They're extremely responsive and incredibly client-focused. They agree on deadlines and make sure they deliver to those deadlines.”

Chambers UK, 2016



# Key Contacts /



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