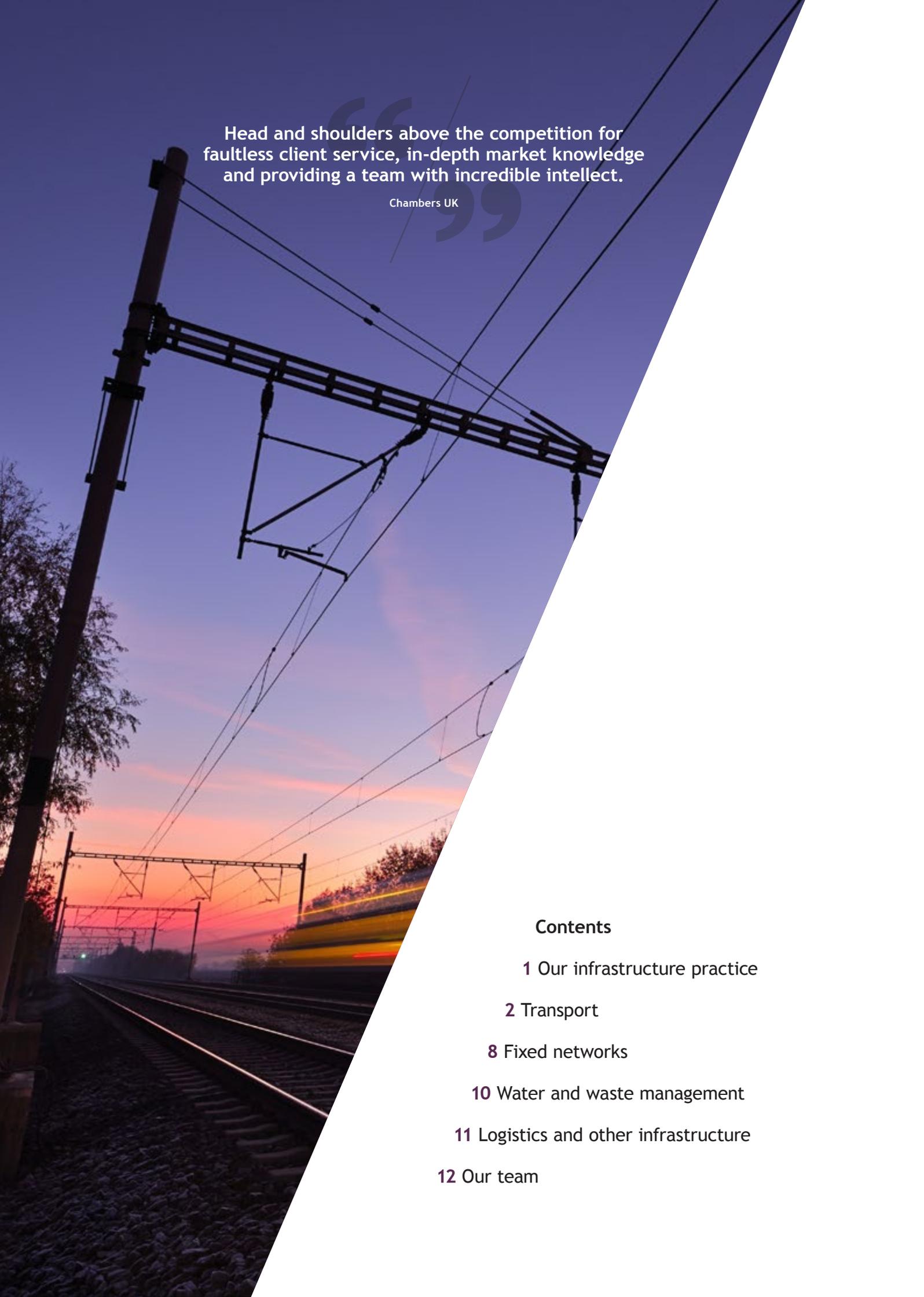




SLAUGHTER AND MAY
Infrastructure



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

Chambers UK

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Our firm /

- A true partnership, owned and managed by its partners
- Over 700 legal staff worldwide
- Extensive experience in infrastructure, energy and natural resources
- Key identifying features are:
 - personal commitment from relationship partners
 - client rather than transaction focused
 - international coverage through integrated teams of top lawyers
 - commercial approach
 - no hourly or similar targets for any lawyers

Transport /

Airports

Highlights include advising:

- **British Airways** on the review of economic regulation of Heathrow and Gatwick airports for 2008-2013 by the Competition Commission and Civil Aviation Authority
- **Dufry**, on the competition aspects of its acquisition of a 50.1% stake in global travel retailer World Duty Free S.p.A for EUR1.307 billion
- **Global Infrastructure Partners**, on matters including:
 - on the sale of London City Airport to a consortium comprising AIMCo, OMERS, Ontario Teachers' Pension Plan and Wren House Infrastructure Management Limited
 - the acquisitions of London Gatwick and Edinburgh Airports
- **Malaysia Airports Holdings** on:
 - the acquisition of two significant minority interests in each of İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş. and LGM Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. (airports in İstanbul), for EUR500 million
 - the sale of its 10% equity stake in Delhi International Airport Private Limited (the Company) to the GMR Group. The Company operates New Delhi Indira Gandhi International Airport
- **Manchester Airport Group** on its acquisition of Stansted Airport for £1.5 billion
- **Mizuho Bank, Ltd** as Coordinator of 21 local and international banks in relation to a HK\$5 billion 5-year revolving credit facility for the Airport Authority Hong Kong (AA), a statutory body wholly owned by the Hong Kong SAR Government.
- **various clients** on air transport licences, economic & airspace regulation and allocation of take-off and landing slots.

Over the years we have acted on most major airport deals around the world, including Madinah Airport, Abu Dhabi International Airport, Delhi and Mumbai Airports, Almaty airport (Kazakhstan), Queen Alia International Airport (Jordan), Hong Kong Airport, Budapest airport, Pisa airport and Aeroporti di Roma.

Case study

Slaughter and May advised Global Infrastructure Partners (GIP) on the disposal of London City Airport for approximately £2 billion.

It was an extremely competitive auction sale, and the successful bidder was a funds consortium comprising AIMCo, OMERS, Ontario Teachers' Pension Plan and Wren House Infrastructure Management Limited, the infrastructure investing arm of the Kuwait Investment Authority.

Interesting features/key issues

- **Airport expansion planning approval:** LCY had applied for planning permission to build extra piers, an extra taxiway, an hotel and car park and expand its terminal. These were approved by all relevant planning authorities, but the Mayor of London did not give his approval. In preparing for the auction sale, it was necessary to show in thorough detail why LCY believed the planning appeal would succeed (as it has now done). This was crucial so bidders would price in the airport expansion.
- **Out of the money swaps:** LCY had substantial "out of the money" interest rate hedging agreements on its debt financing. There were complicated arrangements imposed on each bidder to ensure that all these swaps were either rolled over or novated without cost to the borrower.
- **No EUMR approval:** due to the size of LCY and make-up of the winning consortium, no EUMR approval was required which meant completion could take place only 10 business days after signing.
- **Bidders:** All bidders were international consortia made up of entities with experience of investing in airports. One of the bidders required regulatory conditions, and proposed a substantial non-refundable deposit in the event those conditions were not satisfied.

This practice provides very high-quality advice, is 'very impressive technically' and is always 'responsive and proactive.' In the words of one satisfied client, this firm is 'one of the very best I have been involved with'.

Chambers UK

Aviation industry

- **BBA Aviation on:**
 - its US\$2.065 billion acquisition of Landmark Aviation from The Carlyle Group and on the associated rights issue and debt facilities. The acquisition was funded through a fully underwritten rights issue to raise approximately £748 million and through new debt facilities
 - the pensions aspects of its disposal of the APPH entities and a “section 75 debt” apportionment arrangement with the trustees of its defined benefit pension scheme, the BBA Income and Protection Plan (the IPP), and thereafter on the structuring and implementation of an asset backed funding arrangement with the trustees of the IPP
- **Hong Kong Aircraft Engineering Company**, a leading provider of overhaul and maintenance services for commercial aircraft, on establishing a joint venture between HAECO and Cathay Pacific Airways to provide inventory technical management services for the maintenance and management of aircraft components
- **International Airlines Group (IAG)** on the launch of its offer of two tranches of senior unsecured bonds convertible into ordinary shares of IAG. The aggregate offer size was fixed at EUR1,000 million and the first tranche due 2020 has a principal amount of EUR500 million. The second tranche, due 2022, also has a principal amount of EUR500 million
- **International Consolidated Airlines Group, S.A. (IAG)**, the holding company of British Airways, Iberia and Vueling, on the competition and financing aspects of its approximately EUR1.4 billion recommended cash offer for Aer Lingus
- **Thomas Cook Group plc** on the sale of the Thomas Cook Egypt and Thomas Cook Lebanon businesses to Yusuf Bin Ahmed Kanoo (Holdings) Co WLL of Bahrain for £6.5 million in cash
- **Zodiac Aerospace** on its acquisition of a business comprising the engineering department of Threesixty Aerospace Limited. Threesixty Aerospace Limited is a wholly-owned subsidiary of Virgin Atlantic Airways Limited engaged in the conception, design and manufacture of seats installed in Virgin Atlantic aircraft.

Ports

- **COSCO Pacific** on:
 - its acquisition of China Shipping Ports Development Co., which has interests in a portfolio of container terminals in the PRC and other parts of the world, for RMB7.63 billion
 - the formation of its joint venture with China Merchants Holdings and China Investment Corporation for the acquisition of a controlling interest in Kumport Terminal
- **Orient Overseas (International) Limited**, one of the world's largest integrated international container transportation and logistics companies, on the financing of its new 8,888 TEU container ship, OOCL Utah
- **Singbridge International Singapore Pte Ltd.**, through its subsidiary Maxwell Investment and Development Pte Ltd. (Maxwell Investment), on its formation of a joint venture with Cosmos Harvest Development Limited (Cosmos Harvest), an indirectly wholly-owned subsidiary of China Merchants Land Limited.



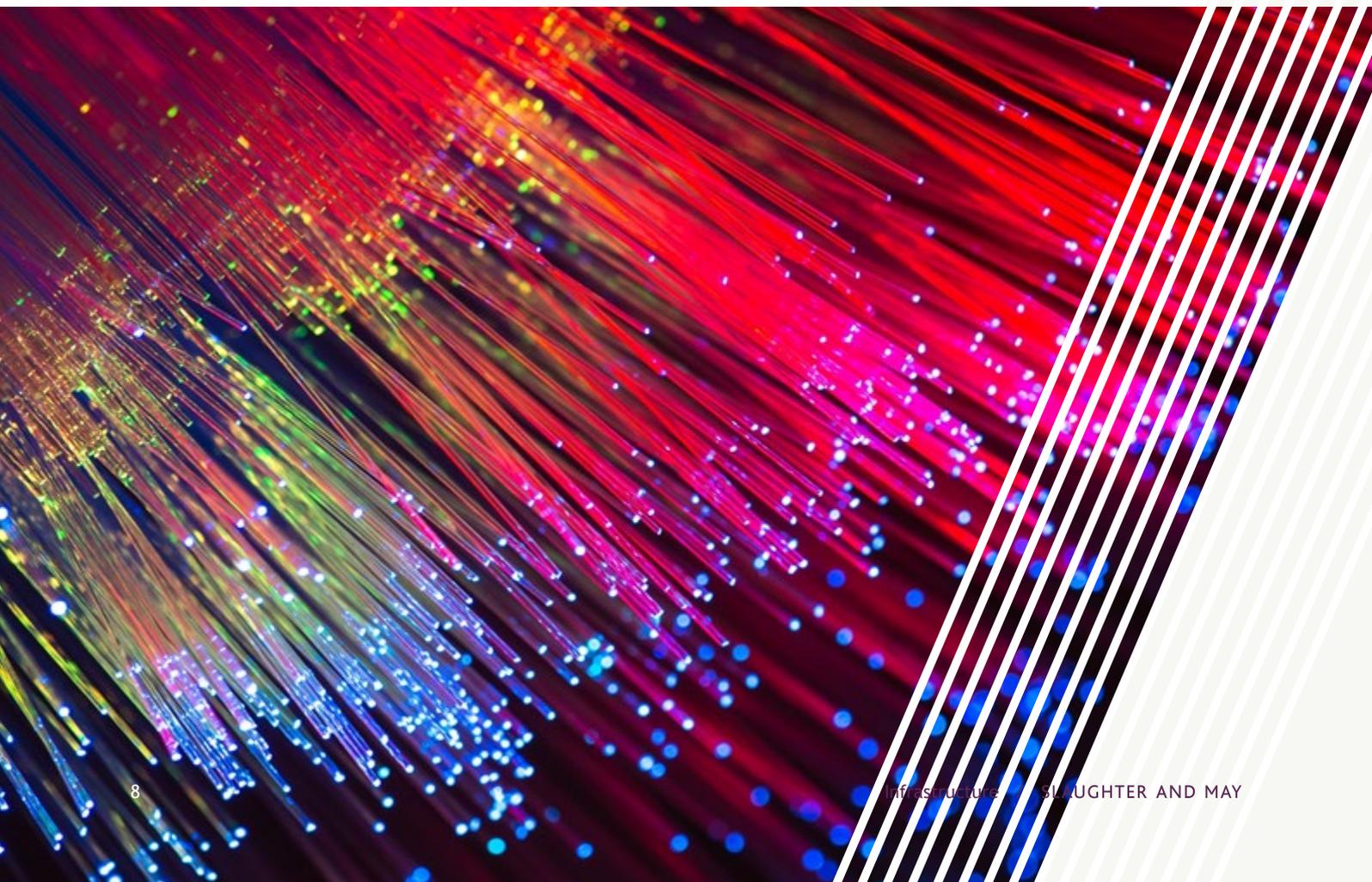
Rail and road

- **3i Infrastructure** on aspects of the sale of its entire stake in Eversholt Rail, one of the three leading rail rolling stock companies in the UK, to CK Investments S.A.R.L
- **Citibank, N.A.** in its capacity as Bond Trustee and Security Trustee in relation to the development, construction and ongoing operation and maintenance of the Scut Motorway toll road project in the Algarve, Portugal
- **Dongfeng Asset Management Co. Ltd.**, a wholly owned subsidiary of Dongfeng Motor Corporation, on its cornerstone investment in the proposed initial public offering of China CNR Corporation Limited (CNR) for US\$40 million. CNR is China's second-biggest train maker by sales
- **Ricardo plc** on its acquisition of the whole issued share capital of Lloyd's Register Rail Limited and Lloyd's Register Rail Europe B.V., together with various other assets and employees relating to the rail consultancy and assurance business of the Lloyd's Register Group for a total cash consideration of £42.5 million
- **MTR Corporation Limited** (Hong Kong's rail operator) on various matters including:
 - its negotiations with the Hong Kong Government on the agreement for the further funding of the proposed high-speed rail project linking Hong Kong and Mainland China
 - in relation to an Entrustment Agreement with the Hong Kong Government for the construction and commissioning of the Shatin to Central Link
 - the construction of several railways
- **Legal & General Pensions Limited** on the acquisition of Barking Rail Freight Terminal from Friends Life Limited for approximately £53.7 million.



Fixed networks /

- **Cable & Wireless Communications Plc (CWC)** in connection with its strategic alliance with Columbus Networks Ltd ('Columbus') to develop their international wholesale capacity businesses. Under the alliance, which was announced in May 2013, CWC and Columbus formed a joint venture in the pan-America region. The joint venture provides international wholesale capacity on the parties' substantial and largely complementary in-region sub-sea cable networks to third party carriers and the parties themselves
- **Dongfeng Asset Management Co. Ltd.**, a wholly owned subsidiary of Dongfeng Motor Corporation, on its cornerstone investment in the proposed initial public offering of Yangtze Optical Fibre and Cable Joint Stock Limited Company for a total consideration of US\$15 million
- **Vodafone** on the merger of its Dutch operations with those of Liberty Global. As part of the transaction, Vodafone and Liberty Global created a 50-50 joint venture. The transaction created an integrated communications provider with over 15 million revenue generating units, of which 4.2 million are video, 3.2 million are high-speed broadband, 2.6 million are fixed-line telephony and 5.3 million are mobile.



Case study

Slaughter and May advised the Ministry of Defence (MoD) on its sale of the Government Pipeline and Storage System (GPSS) to Compañía Logística de Hidrocarburos (CLH) for £82 million, which was announced on 20 March 2015. The transaction completed and CLH commenced the operation of the GPSS on 30 April 2015.

The GPSS network is a fuel storage and distribution network supplying predominantly aviation fuel to UK military bases and the UK civil aviation sector. The network's circa 2,000km pipeline transports approximately 35% of all UK aviation fuel from refineries and ports to the four largest commercial airports, Heathrow, Gatwick, Stansted and Manchester, in addition to military airfields. To protect the provision of GPSS-supplied aviation fuel to the military, an enduring contract has been agreed between the Secretary of State for Defence and CLH. This contract will also bring protection to the UK's national civil resilience interests.

Slaughter and May advised the MoD on a wide range of issues arising from the sale, including transaction structuring; vesting and disposal documentation in particular for issues relating to the new Energy Act regulatory regime, environment, property, tax and transitional services; and crucially the post-disposal contractual relationship between the MoD and CLH.

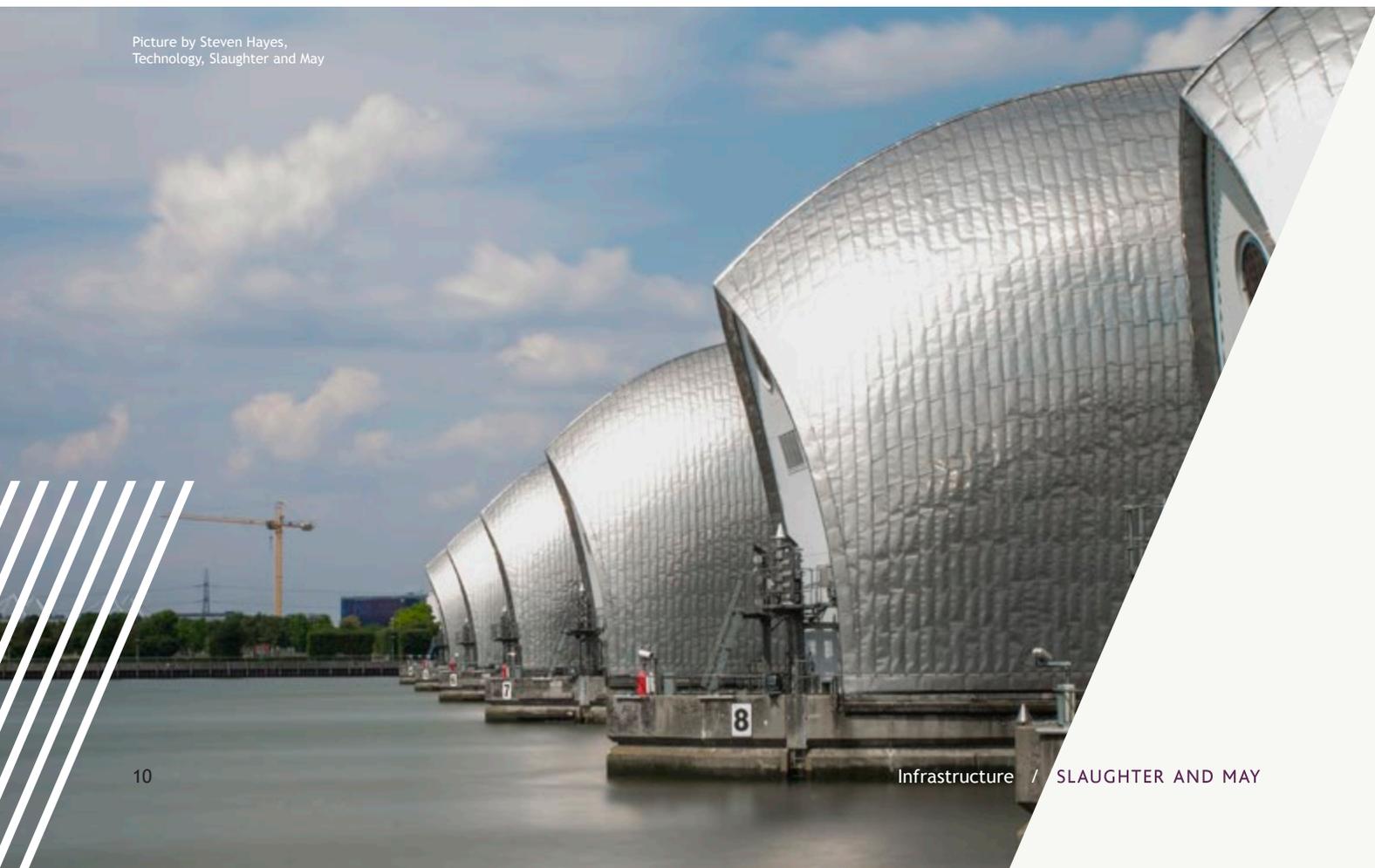
Interesting features/key issues:

- **Vesting:** The GPSS business was vested into a NewCo immediately prior to the completion of the transaction. The firm was involved in an extensive exercise over several years to assist the MoD with the framing of the "sale perimeter" of the GPSS and drafted property and business transfer agreements and the share purchase agreement for the sale of the shares in NewCo.
- **Military contract:** The MoD, NewCo and CLH entered into an enduring contract for the continued provision of fuel to military installations throughout the UK. NewCo's constitutional documentation afforded protection to the MoD upon the occurrence of certain "national interest" events.
- **Environment:** Extensive package of environmental protections were negotiated with CLH pursuant to which responsibilities for historical environmental liabilities and the obligation to carry out certain remedial works were allocated.
- **Brussels:** The MoD retained a special share in the GPSS in order to safeguard national security interests. The European Commission was informed about the special share. Slaughter and May were also involved in the provision of advice in relation to potential state aid issues.

Water and waste management /

- **Beijing Enterprises Water** on the Hong Kong Listing Rules implications of its proposed acquisition of **Compagnie Générale des Eaux (Portugal) Consultadoria e Engenharia**, a Portuguese company that manages and operates the supply of drinking water and collection, treatment and disposal of waste water in four Portuguese municipalities, from **Veolia Eau Compagnie Générale des Eaux**, the French water services company
- **First Reserve**, the global energy-focused private equity and infrastructure investment firm, on its investment in the construction of a waste-to-energy facility in Dublin
- **Glas Cymru group**, which owns **Dwr Cymru Welsh Water**, in connection with the establishment of a new corporate structure to allow the group to respond to regulatory changes in the water sector in the UK by allowing it to invest in new commercial activities outside of its regulated water and waste water business
- **Terra Firma** on the leveraged buyout of **Waste Recycling Group ('WRG')**, the subsequent refinancing of WRG, and the demerger of its waste-to-energy business to **Infinis**

Picture by Steven Hayes,
Technology, Slaughter and May



Logistics and other infrastructure /

- **Arsenal Football Club** on the Club's development of and relocation to the Emirates Stadium and associated infrastructure work, including a state of the art Waste and Recycling Facility. The project was nominated as Infrastructure Journal's "Deal of the Decade"
- **Lend Lease** on its role as delivery partner to the Olympic Development Authority, including the delivery of the site wide infrastructure and the Athletes Village for the 2012 London Olympic Games
- **Ocado** on:
 - a 25 year agreement with WM Morrison Supermarket plc (Morrisons) to license certain technology, logistics and distribution services to enable Morrisons to launch and develop its online grocery business
 - its customer fulfilment centre at Erith in South East London. Ocado agreed to take a 30-year lease of the site following completion of a state-of-the-art 560,000 sq. ft. distribution facility.
- **Royal Mail** on its initial public offering on the London Stock Exchange
- **SEGRO** on the financing of an acquisition of logistics assets by its joint venture with Public Sector Pension Investment Board.

Problem solving abilities. Ability to provide tailored commercial legal advice in almost any situation the corporation could find itself in.

Sharplegal Survey UK

Our team /



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