

# France

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## An overview of French insolvency law

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Gide Loyrette Nouel  
Paris

A new insolvency Act, the *Loi de Sauvegarde des Entreprises*, came into force in France on January 1 2006. Its main purpose is to promote restructuring rather than bankruptcy proceedings. Company managers are encouraged through the Act to restructure their business before the company declares the inability to pay its current debts with its available assets (the state of suspension of payments).

The Act not only implemented an adapted version of the US Chapter 11 through the introduction of safeguard proceedings, but also codified the practice of *mandat ad hoc* procedures (whereby a company's legal representative confidentially requests assistance from a receiver appointed by the court) and improved corporate voluntary arrangements through conciliation proceedings.

### Strong incentives for conciliation

With the new conciliation and safeguard proceedings, French insolvency law now provides strong incentives for debtors to anticipate their difficulties, and for creditors to help businesses in difficulty and to participate in their financial recovery.

Conciliation proceedings are not only available to businesses experiencing a real or foreseeable difficulty, but also to those that have been in a state of suspension of payments for less than 45 days. Upon the manager's request, the court appoints a conciliator to help the company reach an agreement with its creditors.

Once an agreement has been reached, two types of judicial approvals might be envisaged. Firstly, the agreement can be simply

certified by the president of the court, keeping the proceedings and the content of the agreement entirely confidential.

The agreement might otherwise be approved by a court judgement which is published (thus breaching the confidentiality of the existence of the proceedings and the agreement) without, in principle, disclosing the content of the agreement between the company and its creditors. Such a court approval offers at least two advantages:

(i) Co-contracting partners that grant new financing, new goods or new services in the agreement to ensure the continuity of the business benefit from a preferential claim if safeguard, reorganisation, or liquidation proceedings are subsequently commenced.

(ii) If insolvency proceedings are subsequently commenced, the court initiating these proceedings cannot fix a date for the suspension of payments that is prior to the agreement's approval. Securities granted or payments made during conciliation proceedings cannot be subsequently nullified on the grounds that they occurred during the suspect period.

The commencement of the new safeguard proceedings can be requested by debtors who are not in a state of suspension of payments, but can nonetheless demonstrate that they are experiencing difficulties which might lead to such a state. Here, safeguard proceedings result in the approval of a safeguard plan by the court to restructure the debt and/or the business.

### Restructuring and liquidation

The reorganisation proceedings, available to debtors who are in a state of suspension of payments, follow most of the safeguard proceedings rules, including appointment of judicial agents, stay of lawsuits against the debtor for debts born before the opening of the proceedings, and statement of the claims to a creditors' representative.

The new Act has created creditors' committees in both safeguard and reorganisation pro-

ceedings in order to give creditors a more active role in the elaboration of a restructuring plan. Two committees are instituted: one for all credit institutions and the other for main suppliers. The creation of such committees is mandatory for large companies (i.e. companies with at least 150 employees or a turnover of at least €2 million), but is also available to smaller companies.

Liquidation proceedings remain the sole avenue for debtors where business restructuring is impossible.

The reform also insulates creditors who participate in a company's recovery – the risk of an action for damages for abusive extension of credit has almost vanished. The law now sets a presumption that creditors are not liable for credits given to businesses that later become insolvent. This presumption can only be rebutted (i) in the case of fraud, (ii) where there is an intermeddling with the business management, and (iii) where securities are granted in an amount disproportionate to the credit in question.

It is still too early to tell whether the Act will prevent the bulk of insolvency proceedings from ending up in liquidation proceedings, as was the case before 2006. Nevertheless, figures for 2006 already show the reform to be a great success. The number of conciliation proceedings initiated in 2006 has skyrocketed and 500 safeguard proceedings have already been initiated both for small and large companies.

The Eurotunnel proceedings, the safeguard plan of which was approved by the Commercial Court of Paris on January 15, is the most talked about to date due to the social and financial issues at stake. These proceedings, in view of the complexity of the group structure, have already resulted in lawsuits on several legal issues, notably the inclusion of hedge funds in the financial institutions committee (until now, the courts have ruled that hedge funds should be included in the committee) and the treatment of bondholders in the case of foreign bond issues.

## Capital markets - equity

Recommended firms	
<b>Tier 1</b>	Cleary Gottlieb Steen & Hamilton Shearman & Sterling
<b>Tier 2</b>	Debevoise & Plimpton Freshfields Bruckhaus Deringer Linklaters Sullivan & Cromwell
<b>Tier 3</b>	Bredin Prat Clifford Chance Darrois Villey Maillot Brochier Gide Loyrette Nouel Skadden Arps Slate Meagher & Flom Willkie Farr & Gallagher
<b>Tier 4</b>	Allen & Overy De Pardieu Brocas Maffei Latham & Watkins Orrick Rambaud Martel

## Capital markets - debt

Recommended firms	
<b>Tier 1</b>	Allen & Overy Clifford Chance Gide Loyrette Nouel Linklaters
<b>Tier 2</b>	Freshfields Bruckhaus Deringer
<b>Tier 3</b>	Cleary Gottlieb Steen & Hamilton Latham & Watkins Lovells Orrick Rambaud Martel Shearman & Sterling White & Case
<b>Tier 4</b>	De Pardieu Brocas Maffei Debevoise & Plimpton Jones Day Skadden Arps Slate Meagher & Flom Willkie Farr & Gallagher

## Capital markets - structured finance and securitisation

Recommended firms	
<b>Tier 1</b>	Freshfields Bruckhaus Deringer Gide Loyrette Nouel
<b>Tier 2</b>	Allen & Overy Clifford Chance Linklaters
<b>Tier 3</b>	De Pardieu Brocas Maffei Latham & Watkins Lovells Shearman & Sterling Skadden Arps Slate Meagher & Flom
<b>Tier 4</b>	Jones Day Orrick Rambaud Martel White & Case
<b>Tier 5</b>	Cleary Gottlieb Steen & Hamilton Debevoise & Plimpton Willkie Farr & Gallagher

The first months of 2008 were not a great time to be a capital markets lawyer in France. Very few IPOs were reaching conclusion, while activities in the debt capital markets were not showing any positive signs. Plain-vanilla deals were stagnant due to the high volatility of the market, and lawyers in a state of limbo - unaware of the decisions firms were going to take to duck the impact of the crisis.

The following months were not much help; banks did not want to lend the money, and market uncertainty forced firms and finance institutions to be more cautious with their transactions.

But capital markets lawyers still managed to remain busy - some shifted their focus to mid-cap transactions, while lawyers working for international firms were kept active with work sent across from other jurisdictions.

And while there may be problems, there are always innovative solutions. Firms are working hard to come up with alternative financing structures to get around the current market woes, which may in time open new windows for firms with the capabilities to take up the challenge.

### Allen & Overy

While Allen & Overy is trying to grow its equity capital markets presence, peers note that the firm is heavily focused on debt work, where it is undoubtedly a leader. Dianne

Billik's election to partner last year has strengthened the firm's cross-border capabilities, advising on the €1.3 billion offering of Tier I notes under Rule 144A for Société Générale and acting for the underwriters on a Rule 144A *sukuk* (Islamic bond) offering for a Middle Eastern issuer.

Allen & Overy was also involved in a number of French and English law-governed EMTN programmes. The firm is advising the dealers on the establishment of an EMTN programme for the issue of *obligations foncières* (mortgage bonds) for a major French bank, and also updated the debt programmes of 14 issuers including Axa, Calyon, France Télécom and Société Générale.

The team also advised Merrill Lynch and Barclays as joint lead managers of Société Générale's £350 million issue of floating-rate notes, and advised Barclays Capital and HSBC Bank as lead managers on Caisse des Dépôts' £250 million notes issue.

The firm also advised ABN Amro, BNP Paribas, Calyon and Deutsche Bank as joint lead managers of two series of €2.5 billion fixed-rate notes due 2012 and 2017 respectively, offered by France Télécom.

On the structured-finance side, the firm was mandated by JP Morgan Structured Products to establish a structured programme for the issue of notes, warrants and certificates. The team also advised in the establishment of a warrant programme for Calyon Financial Products.

Allen & Overy's securitisation practice was also busy this year, advising Morgan Stanley on the first securitised A/B notes structure for mortgage loans in France, and acting for Citigroup and Société Générale on the first dealer floorplan securitisation in Europe completed through a public offering.

### Leading lawyers

Dan Lauder  
François Poudelet

### Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb has a strong reputation among clients and competitors in the equity capital markets, and its participation on various high-profile and large equity offerings in 2007 demonstrates the firm's muscle in this area. In one of the largest equity offerings of the last 12 months, the firm's corporate team acted as issuer's counsel to Veolia Environment in its €2.6 billion offering of over 51 million new shares.

The firm worked closely with underwriters during 2008, with one highlight acting in the complex €1.02 billion IPO of Rexel, where the shares were listed on Eurolist by

Euronext and also sold under a Rule 144A placement in the US. The deal also used an innovative structure which involved a backstop payment-in-kind financing.

Andrew Bernstein also acted for Citigroup Global Markets in a €172 million offering of new shares by Orco Property Group on the Warsaw, Prague and Budapest Stock Exchanges; the shares were also listed on the Eurolist by Euronext Paris.

On the debt capital markets side, the firm has acted on a number of US bond offerings, hybrid capital and straight debt offerings for banks, as well as a number of straight debt offerings for notable corporate clients. One of the firm's most notable mandates was advising UBS in a €450 million convertible bond offering by Business Objects.

The firm has also handled some important transactions which were not completed given the market conditions, such as the proposed multi-billion-euro IPOs of Resico and Carrefour Property.

#### Leading lawyers

Andrew Bernstein  
John Brinitzer  
Pierre-Yves Chabert

#### Clifford Chance

Clifford Chance strengthened its French capital markets practice this year with the promotion of Mustapha Mourahib to partnership in the finance group.

The firm had a solid year in the equity capital markets, advising a number of French companies on their capital increases. Clifford Chance advised Boca as main shareholder in Docks Lyonnais in the company's €220 million capital increase, and acted for Sciens International Investments & Holdings in its €128 million capital increase.

The firm was also active in the IPO market, representing football club Olympique Lyonnais, in its listing on Euronext Paris.

Clifford Chance also regularly represented the joint lead managers in debt capital markets mandates this year. Highlights included advising on Electricité de France's €1.5 billion notes issue, Eurofins Scientific's €100 million hybrid capital bond issue and Banco Santander's issuance of €1.5 billion of lower Tier II notes.

The firm also advised Deutsche Bank on the establishment of Metlife Insurance Company's \$3 billion EMTN programme.

In the structured-finance market, the firm is advising Natixis on the refinancing of 15 securitisations using Natixis's synthetic securitisation asset-backed commercial paper (ACBP) conduit, Direct Funding.

The firm was mandated by Calyon on various securitisation matters. One notable role was advising on the implementation of a US commercial-paper programme for the ABCP conduit. The firm also acted for Calyon on the launching of a multi-originator equity platform for ABCP transactions, and on several ABCP trade and finance receivable securitisation programmes across Europe.

#### Leading lawyers

Jonathan Lewis  
Richard Parolai

#### Freshfields Bruckhaus Deringer

Freshfields implemented a strategy in 2008 to refocus its energies on capital markets and corporate transactions. The change in strategy, and the ensuing departures, stole headlines in the legal press for some time, with some rivals quick to claim the departures were a significant blow to the firm's French practice.

But despite the negative press, clients are still very impressed with the quality of work the firm provides in the equity markets: "Patrick Bonvarlet has a great combination of M&A and capital markets skills," says one client. "He is impressive for his strength and negotiation abilities." Clients also praise Alan Mason and Antonin Besse for their good work.

The firm has managed to participate in many of the year's more important and complex deals. The firm advised Groupe Eurotunnel on its issue of subordinated deferred-equity securities, and advised the underwriters in Steria's €200 million global rights offering and €150 million convertible bonds issue.

The firm has also been involved in offerings of French securities in combination with US offerings and Rule 144A placements. The firm provided advice to Amadeus, Euronext, Orange and Eurodisney on public retail offerings in various jurisdictions along with international placements.

Freshfields' debt capital markets practice, headed by Hervé Touraine, was also active this year, advising French investment bank Natixis on a €25 billion covered-bond programme for Banques Populaires group - one of the first covered bonds in the French market.

The firm was also active in securitisation this year. One notable mandate saw Freshfields advise ABN Amro on a synthetic securitisation of a €10 billion corporate loan. The firm also represented Morgan Stanley on the refinancing of the investment bank's Eurozone Office Fund, which consisted of seven CMBS-compliant, pan-European real-estate financings.

#### Leading lawyers

Patrick Bonvarlet  
Hervé Touraine

#### Gide Loyrette Nouel

Gide's capital markets team is one of the biggest in the French market and has broad experience, providing a full capital markets service. It is particularly renowned for its work in public offerings and private placements.

The firm has a strong reputation in structured products, in particular high-yield bonds and hybrid capital securities. Before the credit crisis, Gide's capital markets department was divided into different working groups but the firm's lawyers now work under a single capital markets department.

Gide is renowned by the market as one of the only large firms with a primary focus on supporting French clients. "They are certainly one of the most important players in France; international firms getting into the market usually get their advice," says one competitor. "Gide has constructed a solid practice, and is the only French firm that has entirely survived over the years."

The firm had a strong year in the equity capital markets, acting as counsel to the French government on two notable privatisations via IPO. The firm advised on the government's €6.4 billion listing of Electricité de France, and the government's €4 billion offering of shares in Gaz de France.

Away from the state sector, the firm is working as counsel to the lead manager on four IPOs for energy and internet companies.

On the debt side, the firm has advised on a range of EMTN programmes, and acted for the likes of European Gas and ST Dupont on convertible bond issues. The firm was also heavily involved in note issuances, acting for Agence Française de Développement on a €500 million issue and Crédit Logement on a €1 billion issue.

Gide was also strong in structured finance and securitisation work. The firm has a good relationship with Calyon, being mandated on several highly-structured equity financings of non-publicly traded shares. The firm also advised Merrill Lynch Pierce Fenner & Smith on a number of equity swaps with French private clients regarding stocks in French CAC-40 listed companies.

#### Leading lawyers

Xavier de Kergommeaux  
Jean-Marc Desaché  
Patrice Doat  
Gilles Saint-Marc

## Linklaters

Linklaters has one of the largest and busiest capital market teams in France. The firm does not always play primary roles in the deals, but it tends to have a role in a large number of quality transactions in the French market.

"I am each time very satisfied with the quality of the work they provided," says one client. "They are efficient and practical. It is a pleasure to work with them." Clients also single out Nathalie Hobbs for her impressive work.

The firm is an active player in most of the plain-vanilla deals in the market, usually advising the underwriters and issuers. The firm's equity capital markets practice has been mandated in a number of complex and interesting deals, such as the IPO of Olympique Lyonnais - the first IPO of a football club in France.

The firm also represented the banks in the Veritas deal, one of the largest IPOs in France in 2007. This deal was valued at over €1.4 billion, and the institutional placement was 10 times oversubscribed.

In another standout deal, the firm advised on the takeover of Texas-based Veritas by Compagnie Générale de Géophysique. The firm also advised on a rights issue by NiCox, which was the first issue using a pricing flexibility mechanism, and one of the largest biotech offerings in Europe.

In the debt capital markets, the team worked on over 40 French and English law EMTN programmes.

Linklaters is also emerging as one of the key players in French securitisation deals, having worked on the first and second French synthetic CMBS securitisations for investment bank Ixis, and the first pan-European securitisation of motor quota-share reinsurance treaties for Axa.

Linklaters also acted for BNP Paribas in Cetelem's €3.4 billion securitisation of personal loans, equipment finance loans and automobile loans. This was the largest stand-alone issue of asset-backed notes by a French securitisation vehicle, and the largest true-sale securitisation of personal loans and automobile loans in France.

### Leading lawyers

Gilles Endréo  
Philippe Herbelin

## Shearman & Sterling

Shearman & Sterling had yet another dominant year, earning another tier-one position in the equity capital markets rankings. "It is *the* equity capital market firm in France," says one rival. Competitors also singled out Robert Treuhold for his professionalism and for the quality of his work.

One of the firm's most notable mandates was advising Société Générale on its €5.5 billion capital increase in February 2008. The capital increase strengthened the company's base following the fraud uncovered in January 2008. In June 2007, the firm also represented the placement banks in Groupe Eurotunnel's issue of subordinated deferred equity securities.

In another important deal, the team represented ABN Amro, Rothschild and Lazard-Natixis in EuropaCorps's IPO on the Eurolist by Euronext, which combined an offering to retail investors in France and an international offering to institutional investors outside the US.

### Leading lawyers

Hervé Letréguilly  
Sami Toutounji  
Robert Treuhold

## Sullivan & Cromwell

Richard Vilanova, Dominique Bompont and Olivier de Vilmorin lead the capital markets team at Sullivan & Cromwell.

The firm's Paris office is consistently involved in the highest-profile transactions involving French issuers, and regularly acts in highly structured offerings. However, its participation in debt capital markets and structured finance and securitisations is relatively rare, as the firm is more renowned for its capability in equity capital markets work.

One of the firm's highlights was winning a role advising Suez Environment on the Euronext dual-listing (in Paris and Brussels) of Suez Environnement, following its spin-off from Suez as part of its merger with Gaz de France. The firm is also working for the underwriters on the €335 million capital increase by ANE, a listed subsidiary of Eurazeo. The firm is also advising Paris Re on its €225 million IPO on Euronext.

### Leading lawyers

Dominique Bompont  
Richard Vilanova

## Other notable firms

While **Bredin Prat**'s equity capital markets team doesn't have the same level of volume as its rivals, the firm prefers to focus on sophisticated and complicated deals in the French market. Bredin Prat boosted its presence in the market this year with the hire of banking and capital markets Raphaële Courtier from Orrick.

One of the firm's standout mandates was advising Banque Populaire in the €5 billion share offering of Natixis. The team also advised Crédit Agricole in its €4 billion share offering to refinance its acquisition of Italian banking assets, and advised Rexel on its IPO.

## Banking

### Recommended firms

#### Tier 1

Clifford Chance  
Gide Loyrette Nouel  
Latham & Watkins  
White & Case

#### Tier 2

Allen & Overy  
Linklaters

#### Tier 3

Ashurst  
De Pardieu Brocas Maffei  
Norton Rose  
Shearman & Sterling

#### Tier 4

Freshfields Bruckhaus Deringer  
Herbert Smith  
Lovells  
Orrick Rambaud Martel

#### Tier 5

Cleary Gottlieb Steen & Hamilton  
JeantetAssociés  
Mayer Brown  
Simmons & Simmons

The French banking sector has not been immune from the reach of the credit crisis. When the crisis began to unfold in August 2007, banks appeared to be thrown off balance - few new deals were entering the market and big-ticket mandates were almost non-existent. Even one year on, partners report that the large acquisition finance transactions which were so prevalent last year have been put on hold or shelved altogether.

While the mid-market remained steady until January 2008, in March even this section of the market fell victim to the slowdown. Firms kept themselves active by working on deals already in the on the pipelines, but as time as dragged on, they are starting to battle for the dwindling numbers of mid-market deals.

French lawyers believe the remainder of 2008 will be flat until banks feel confident enough to lend money again. They also believe that leveraged transactions will be driven by funds with aggressive structures, in particular through the use of syndication. Many in the market are putting their faith in credit default swaps as an alternative to loan transfers down the line.

## Clifford Chance

Described as "the most versatile team in the market" by peers, Clifford Chance has been

busy developing alternative funding methods such as equity swaps in the context of acquisition finance.

The team has acted in several major LBO financings, including the acquisitions of Lafarge roofing, restaurant chain Quick and animal nutrition provider Provimi.

But as LBO activity has slowed in France, Clifford Chance's team now looks towards acting on acquisition facilities for corporate buyers, such as the €12 billion financing to Pernod Ricard for the acquisition of Swedish alcohol producer Vin & Spirit.

The banking team has acted on the majority of private investment in public equity (Pipe) transactions that have entered the market. One highlight was advising Apax Partners on the financing of its acquisition of a participation in GFI informatique.

Thierry Arachtingi has also been active in the plain-vanilla loans market, with one notable mandate seeing him win a mandate advising Activia Capital on a €65 million financing facility to Sport 2000.

Diane de Moty is also advising Endesa on a €350 million financing from a consortium consisting of Banco Bilbao Vizcaya Argentaria, Caisse Regionale de Crédit Agricole Mutuel de Paris and Fortis Bank.

#### Leading lawyers

Thierry Arachtingi

#### Gide Loyrette Nouel

Gide Loyrette Nouel has set the bar for French firms in the banking market, boasting an extremely strong domestic presence and an increasingly expanding international network. "The firm is one of the most important players in France," says one rival, adding: "International firms getting into the market usually seek their advice."

The firm appointed Toufic Abi Fadel as partner in January 2008, and he is already gaining a good reputation in the market. "He is young but very good - one lawyer to watch in the future," says a competitor.

While the firm has suffered marginally from the slowdown in LBOs, it has still been very active in the financing market. On one notable deal, the firm acted for BNP Paribas as mandated lead arranger in the €2 billion financing for Eurazeo's acquisition of the Ellis Group.

Also acting for the lead arrangers, the firm advised BNP Paribas, RBS and Ixis Corporate & Investment Bank in a €1.9 billion acquisition financing facility to Axa IM, CDC and Séché Environnement for its purchase of Novasaur and Investisaur and their subsidiaries.

In another private LBO transaction, the firm acted for Société Générale as senior mandated lead arranger in the €371 million LBO financing of the acquisition of the Via Location group by Weinberg Capital Partners. In a public-to-private LBO, the firm also advised Société Générale in the €60 million financing of Imarko's acquisition of Arkopharma.

"The firm does a lot of everything", says one rival, "but it is mainly involved from the banks' side on corporate and real-estate transactions, where Eric Cartier-Millon is very good."

The firm showed it could also act for the borrower, acting as French counsel to Geodis on its provision of a €610 million facility (arranged by BNP Paribas) for one of Geodis's subsidiaries to finance its acquisition of TNT Freight Management.

#### Leading lawyers

Kamel Ben Salah  
Eric Cartier-Millon

#### White & Case

White & Case is recognised by commentators as one of the leaders in the French acquisition finance market. Gilles Peigney is the head of the practice, and has traditionally been its most prominent banking figure, but since he is reaching retirement age the firm faces a transitional period. The banking team has been strengthened with the promotion of Clare Calver to partner. Calver has more than a decade of banking finance experience and is seen as a lawyer with a bright future.

However, Peigney still has the skills to land strong mandates, such as his advice to B&B Hotels in the financing of its acquisition of the parent company of the Villages Hotel Group. Besides the facilities relating to the acquisition itself, Peigney's team also provided counsel in connection with the debt refinancing of the Villages Hotel Group, and related working-capital facilities. This funding was arranged and underwritten by Natixis.

The firm also represented ABN Amro as mandated lead arranger in the financing for Tiama's acquisition of the SGCC Group from Atria. White & Case also advised on the refinancing of the Tiama and SGCC Group's existing debt.

Natixis also turned to White & Case for advice as lead arranger in the financing of the equity restructuring of the Louis Dreyfus Group.

#### Leading lawyers

Gilles Peigney  
Raphaël Richard

#### Allen & Overy

Allen & Overy is regarded by peers as a strong international firm, boasting close links with the lenders on all types of financing facilities. "They are very good domestically with leverage work, syndicated loans and corporate work," says one peer.

One of Allen & Overy's highlights was acting for Calyon and Barclays Capital in an €11.6 billion term and revolving loan facility to Electrabel for the acquisition of Suez-Tractebel.

The firm's plain-vanilla loans practice was also active this year. On one notable deal, a four-partner team advised the lead arrangers of a €1.2 billion credit facility for Alcatel-Lucent. The firm also advised the lead arrangers of a €1.3 billion credit facility for Eutelsat.

Allen's & Overy property finance team works closely with the corporate and tax teams, and was boosted this year with the addition of Jean-Dominique Casalta, who rejoined Allen & Overy from Freshfields.

The team advised on a number of facilities for the refinancing of property portfolios. Allen & Overy advised GE Real Estate on a €200 million refinancing of IPBM's property portfolio, and acted for RBS as arranger of €32 million, €41 million and €9 million credit facilities for the refinancing of properties in La Défense, Paris's business district.

The asset finance team, led by Carine Chassol and Adrian Mellor, also provided advice to Société Générale on the financing of the construction of two ships by Bourbon an international marine-services company.

#### Leading lawyers

Rod Cork

#### Latham & Watkins

Described by a rival as "aggressive, good in acquisition, leverage and asset finance, and very present in the market", Latham & Watkins has broken into the top tier after a very strong year in the French market.

"They are an up-and-coming firm doing really well," says a peer. "They have been around for just six years, and in this short period of time they have managed to get some good clients."

While the onset of the liquidity crisis has slightly affected the firm's volume in the acquisition finance market, the firm already had many deals in the pipeline and its lawyers remain active in leverage finance and mid-cap real-estate deals.

Latham & Watkins's practice focuses mainly on leveraged and acquisition finance, and frequently represents financial institutions, mezzanine lenders, and private-equity houses.

In June 2007, the firm advised BNP Paribas and the Intermediate Capital Group in the €300 million senior and mezzanine financing of Barclays Private Equity's acquisition of Parkeon. The firm also represented Bridgepoint in the financing and acquisition of Alain Afflelou, a listed French optometry company.

In asset finance, the firm acted for Aircraft International Renting in its provision of a €100 million facility for the purchase of seven new aircraft, to be leased to India's Jet Airways. Xavier Farde also advised a consortium of banks in a €327 million financing facility to Foncière Développement Logements for its acquisition of a residential building portfolio.

Latham & Watkins was also active in restructuring, advising Goldman Sachs in the €1.4 billion refinancing of the Cognis Group.

#### Leading lawyers

Dominique Basdevant  
Xavier Farde  
Etienne Gentil

#### Linklaters

Linklaters has had a busy year on a wide range of banking transactions. Nathalie Hobbs was singled out by the market for her work on acquisition financing facilities, with one rival describing her as "a versatile and very good practitioner".

Hobbs's most headline-grabbing role was advising BNP Paribas and RBS in the €12.3 billion financing of the public takeover of Royal Numico by Danone - one of the largest transactions in 2007.

Olivier Jauffret led a team which acted for the RBS and Société Générale Corporate and Investment Bank in the €5 billion financing of the public takeover offer made by Sapardis to acquire all the shares in Puma. The team has acted also in three LBOs which have entered the market in 2008: Etanco, Frial and Bois & Chiffons.

Jauffret was also active in real-estate finance, advising Beacon Capital Partners in the financing for the purchase and refurbishment of two office buildings in Paris.

#### Leading lawyers

Bertrand Andriani  
Nathalie Hobbs  
Olivier Jauffret

#### Ashurst

Ashurst's focus on acquisition finance and LBOs has served it well in the busy period preceding the summer of 2007, but could cause problems going forward.

"The firm is not as diverse as it should be, and the banking team is not taking mid-cap deals, so they are missing big opportunities," says one competitor. But while market conditions don't particularly suit Ashurst, the expertise is still there to work on the top deals - whenever they come back. "They're the firm to go to for important structures," says one rival partner.

The firm was very active in acquisition financing in 2007. In one notable deal, James Collis advised RBS and Intermediate Capital Group on the financing of Pragma Capital's acquisition of UK shopfitter Retif in September 2007.

In July 2007, Diane Sénéchal advised RBS and BNP Paribas on the €710 million financing of Axa Investment Managers Private Equity's acquisition of Diana Ingredients from Cognetas. The firm also advised Landsbanki Luxembourg on the financing of Proark Konzern's acquisition of the Radisson Eurodisney hotel from Orion Capital Managers.

The firm's Parisian team has gained a respectable workflow from refinancing transactions, such as advising Mediobanca and Calyon on the refinancing of Santé's €1.8 billion facilities, which were borrowed for its takeover of Générale de Santé.

#### Leading lawyers

James Collis  
Laurent Mabilat  
Diane Sénéchal

#### De Pardieu Brocas Maffei

De Pardieu Brocas Maffei had a slow start to the year participating in few transactions in the market. But the firm is now in full gear, promoting young banking partners and constructing a team which will take the firm into the future.

One member of the new banking generation, Christophe Gaillard, advised Crédit Lyonnais on a €30 million loan to Rothschild Capital Partners for the acquisition of Sotraru.

The firm acted for Société Générale as lender and facility agent in the €110 million loan to a consortium of Paris-Orléans 21 Centrale Partners for the acquisition and refinancing of Nord Est.

Other notable deals include advising HSBC on a \$158 million facility to PT Indosat for its purchase of a telecoms satellite, and acting for Citibank on a \$20 million loan facility made by South Africa's Export Credit Insurance Corporation to the republic of Gabon.

#### Leading lawyers

Thierry Brocas

#### Other notable firms

**Norton Rose** is recognised for its strength in asset finance. The firm has been in the French market for more than 15 years, and boasts great experience advising in the aviation and leasing sector. The firm also enjoys a good reputation in shipping and rail finance.

**Freshfields Bruckhaus Deringer** suffered a blow this year with the departures of Michel Quéré to Dewey & LeBoeuf and Jean L'Homme to Proskauer Rose. "The departure of Michel Quéré will affect the banking team significantly," says one rival, adding: "He was a key figure at the firm, and now that he has left, I do not know where the banking practice is going."

But the remaining seven partners, led by the experienced Hervé Touraine, still provide high-quality advice to a broad range of clients. Highlights in the last year include advising Rreef, a fund owned by Deutsche Bank, on its acquisition (along with private-equity firm LBO France) of a portfolio of 10,200 residential units leased to Electricité de France.

The firm also advised BNP Paribas, Calyon and Morgan Stanley in a €7.2 billion financing facility for Lafarge's acquisition of Orascom Construction Industries' cement group.

Morgan Stanley again mandated Freshfields on the refinancing of its Morgan Stanley Eurozone Office Fund, which consisted of several pan-European real-estate financings.

**Lovells** is another firm that has had a relatively quiet year in acquisition finance, with many commentators noting that the firm's participation in the market has decreased considerably.

The firm's recent highlights include acting for Natixis in the refinancing of Newrest's acquisition of Compass Group subsidiaries. Lovells also acted for BNP Paribas and Group CIC in the financing of Liévineoise de Participations' acquisition of shares in Profalux.

## Mergers and acquisitions

Recommended firms
<b>Tier 1</b>
Bredin Prat Darrois Villey Maillot Brochier
<b>Tier 2</b>
Linklaters Sullivan & Cromwell
<b>Tier 3</b>
Cleary Gottlieb Steen & Hamilton Clifford Chance Orrick Rambaud Martel Shearman & Sterling Weil Gotshal & Manges Willkie Farr & Gallagher
<b>Tier 4</b>
Allen & Overy Ashurst Brandford-Griffith Baverez Pasturel Davis Polk & Wardwell De Pardieu Brocas Maffei Debevoise & Plimpton Freshfields Bruckhaus Deringer Gide Loyrette Nouel JeantetAssociés Jones Day Latham & Watkins Skadden Arps Slate Meagher & Flom White & Case
<b>Tier 5</b>
Fried Frank Lovells Mayer Brown Salans Veil Jourde
<b>Tier 6</b>
August & Debouzy Baker & McKenzie CMS Bureau Francis Lefebvre Franklin Herbert Smith Norton Rose Paul Hastings Janofsky & Walker Proskauer Rose Simmons & Simmons SJ Berwin

## Private equity

Recommended firms
<b>Tier 1</b>
Latham & Watkins Weil Gotshal & Manges
<b>Tier 2</b>
Cleary Gottlieb Steen & Hamilton Linklaters Willkie Farr & Gallagher
<b>Tier 3</b>
Ashurst Bredin Prat Mayer Brown SJ Berwin
<b>Tier 4</b>
Allen & Overy Clifford Chance Freshfields Bruckhaus Deringer Gide Loyrette Nouel Lovells Salans
<b>Tier 5</b>
Debevoise & Plimpton Jones Day Shearman & Sterling White & Case

The disappearance of the highly-leveraged loan market has killed off the domination of the market by private-equity houses, with many deals either on hold or ditched in favour of emerging markets.

Industrial players have stepped back into the breach at the big-ticket level, more confident that they won't be outbid at the final stage. Sellers are meanwhile seeking to attract fully-funded offers to avoid the shaky finance markets.

But mid-cap industrial transactions have not been affected too much, and are still keeping corporate lawyers busy. "The crunch is a great opportunity for firms concentrating in mid-cap deals to increase their number of operations," comments one market specialist, adding: "They are taking advantage of the reputation they had with clients, and are the ones making big money in the market."

### Bredin Prat

Bredin Prat's main focus is on public M&A transactions. The firm has a reputation in the market for having a very efficient working model, where several partners work close with clients to providing one of the best-quality services in the M&A market.

"They are the best firm in M&A and they are getting better," says one competitor. The firm's absorption of the Slaughter and May Paris office is beginning to bear fruit, with the office now boasting a healthy headcount and a close referral relationship with the London corporate specialist.

But the liquidity crisis has forced the firm's M&A practice to look towards mid-cap M&A transactions, which competitors note is not common ground for Bredin Prat. "It's something unusual for a firm that is regularly involved in the biggest deals in the market," says a competitor.

Benjamin Kanovitch is described by peers as a rising star, while Patrick Dziejowski is "one of the most successful lawyers in France last year" according to one competitor. Didier Martin, Sébastien Prat, and Philippe Beurier are also recommended for their experience and quality.

### Leading lawyers

Patrick Dziejowski  
Didier Martin  
Jean-François Prat

### Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton is among the leading players in both public M&A and private-equity work. The firm had a limited number of deals compared with 2007, which competitors believe is a result of the firm's focus on big-ticket transactions, which have been few and far between this year.

But it remains very active, with mandates such as representing the Louis Dreyfus Group in its €2 billion sale of its stake in telecoms company Neuf Cegetel to SFR in December 2007. Following this, SFR launched a bid for the remaining shares Neuf Cegetel, and Cleary Gottlieb is counsel to the target.

The firm also acted as a counsel for electrical parts manufacturer Rexel in its €3.1 billion acquisition of Hagemeyer, and advised Lafarge in its \$15 billion acquisition of Orascom Cement. Cleary Gottlieb also advised Natixis in its sale of CFGI.

On the private-equity side, Cleary Gottlieb advised Texas Pacific Group in TDF's €850 million acquisition of T-Systems Media&Broadcast from Deutsche Telekom. The acquisition follows last year's acquisition of TDF by the Texas Pacific Group, which Cleary represented as purchaser.

The firm also represented French investment fund Sagard in its €500 million leveraged acquisition of industrial air company Fläkt Woods in September 2007.

**Leading lawyers**

Jean-Marie Ambrosi  
Pierre-Yves Chabert

**Darrois Villey Maillot Brochier**

Darrois Villey Maillot Brochier is another boutique practice that is highly active in M&A matters. The firm works under a similar model to Bredin Prat, with the only difference being that Darrois has decided to grow at a slower pace. "Slowly but surely," as one of the firm's partners puts it.

Benjamin Burman and Igor Simic were appointed partners in January 2008, and six other associates were recruited to further strengthen the firm's M&A practice.

Jean-Michel Darrois, Alain Maillot, Olivier Diaz and Hervé Pisani are especially well received by the market. "The team has a very well-deserved reputation in the market; all are excellent lawyers, and they completely deserve their tier one in the M&A rankings," says a competitor.

Highlight deals for the firm this year includes advising PPR in the €1.1 billion sale of its shares of YSL Beauté Group to L'Oréal, and advising construction company Sacyr in the €2 billion sale of 33.3% of its shares in Eiffage.

**Gide Loyrette Nouel**

Gide Loyrette Nouel has advised on some of the key transactions in the M&A market. "The firm has significant participation in the France market, and is becoming more international, with more than 50% of the firm's revenue being raised internationally," says one competitor.

The firm continued its growth this year, appointing Antoine de la Gatinais and Nicolas Jüllich as partners in January 2008.

Gide is advising Groupama in the purchase of OTP Bank, one of the largest composite insurance companies in Hungary; and is also working with SNCF Participations in relation to its €462 million cash tender offer for the share capital of Geodis.

Didier Martin is counselling Grupo Planeta in the negotiations with investment firm Wendel with a view to acquiring its subsidiary Editis. The firm also advised the French government on the €70 billion merger of energy companies Suez and Gaz de France.

**Leading lawyers**

Antoine Bonnasse  
Didier Martin  
Jean-Emmanuel Skovron

**Latham & Watkins**

Latham & Watkins is particularly active in private equity. Although the firm might be considered as expensive, "they are totally worth it," says one client, who adds: "They are one of the best in terms of quality, and they have an exceptional, very dedicated, helpful team. I believe they completely tick all the boxes."

Thomas Forschbach is the leading lawyer at the firm and he continues to receive praise from the market for his high-quality work in private equity.

The team advised the Carlyle Group in the €5.6 billion acquisition of Allison Transmissions from General Motors. Also for the Carlyle Group, the firm advised on the €1.4 billion acquisition of the Goodyear Tyre & Rubber Company's engineered-products division.

Among the year's other transactional highlights, the firm advised BC Partners on French aspects of the \$16.6 billion acquisition of Intelsat, a satellite services provider.

**Leading lawyers**

Thomas Forschbach

**Linklaters**

Linklaters' corporate team is strong in both public and private transactions.

While some competitors noted that Thierry Vassogne, one of the firm's biggest rainmakers, wasn't as visible on deals of late, he has appeared on a number of key deals, such as his role advising Caisse des Dépôts et Consignations in its purchase of a further stake in Eiffage after its acquisition from Sacyr Vallehermoso.

The firm is also advising HSBC in the €2.1 billion sale of seven of its French regional banks to Banque Fédérale des Banques Populaires.

On the private-equity side, the team has advised in several large transactions, including assisting Calyon in the creation of a new joint venture between Calyon and Société Générale's subsidiary, Fimat. In another important deal, the firm advised Carlyle in its €1 billion acquisition of 35% of French telecoms companies Numericable and Completel - the largest LBO in France in 2007.

The firm's private-equity team also acted for Axa Private Equity in its €300 million sale of the Larivière group to SIG, and the €290 million acquisition of the Genoyer Group by CDC Capital Investissement.

**Leading lawyers**

Thierry Vassogne

**Skadden Arps Slate Meagher & Flom**

Skadden has a reputation in the market for its numerous publications and books; and when it comes to putting into practice its knowledge of M&A law, the firm is also very good.

The firm hired former Linklaters partner Philippe Derouin this year, although Pierre Servan-Schreiber still stands out most for both competitors and clients. "He is very well connected with many contacts - a very good lawyer," says one peer.

In August 2007, the firm advised French reinsurance company Scor in its \$2.8 billion takeover offer from Converium Holding. Two months later, the firm advised Air France in its \$1.5 billion joint agreement with Delta Airline to share revenue and profits on transatlantic routes.

In another key deal, the firm advised Sistema-Hals and Apsys in the formation of a strategic partnership to develop and manage retail real-estate projects in Russia.

**Leading lawyers**

Pierre Servan-Schreiber

**Sullivan & Cromwell**

Sullivan & Cromwell "has managed to get involved in big transactions," says one competitor. "They are good technically, with very good lawyers, mainly advising big investment banks."

Dominique Bompont acted as counsel to Business Objects on its \$300 million purchase of Cartesis from a private-equity consortium in June 2007, followed in January 2008 by Business Objects' €4.9 billion acquisition by SAP. Bompont also advised the independent expert to Gecina in the company's €1.5 billion buyback of its remaining public shares, as well as Penauille Polyservices in the purchase of its remaining €1 billion interest in CCF Recycling.

Other highlights include acting as counsel to UBS in its €435 million buyout of Caisse Centrale de Récompte, and to Automatic Data Processing in its sale, for \$123 million, to Chequers Capital.

The firm also played a supporting role as counsel to Goldman Sachs, which acted as the financial adviser to food company Kraft in its acquisition of the biscuits division of Groupe Danone. The deal was valued at \$7.2 billion.

**Leading lawyers**

Gauthier Blanluet  
Dominique Bompont

## Weil Gotshal & Manges

Weil Gotshal & Manges' private-equity team retains its position in the top tier after a prolific year, advising on a huge number of buy-outs, carve-outs and exits in the French market.

David Aknin is singled out for his work representing private-equity sponsors. Among the year's transactional highlights, the firm advised Axa Private Equity in its €1.5 billion sale of Modamax. The team also advised Axa on its acquisition of Diana Ingredients from Cognetas.

The firm's M&A team is also well renowned by clients and competitors, particularly Claude Serra, who is praised by peers and clients for his rainmaking capabilities.

Serra advised Accor in the pending negotiations with private-equity sponsors, Colony and Eurazeo, who announced their intentions to acquire 30% of Accor's share capital. The firm also advised the construction group Vinci in €325 million acquisition of 35% of Entrepose.

### Leading lawyers

David Aknin

## Project finance

Recommended firms	
<b>Tier 1</b>	Clifford Chance Freshfields Bruckhaus Deringer Gide Loyrette Nouel Linklaters
<b>Tier 2</b>	Allen & Overy De Pardieu Brocas Maffei White & Case
<b>Tier 3</b>	Ashurst Lovells
<b>Tier 4</b>	Herbert Smith JeantetAssociés Norton Rose Simmons & Simmons
<b>Tier 5</b>	Baker & McKenzie Cleary Gottlieb Steen & Hamilton Orrick Rambaud Martel

Although lawyers have traditionally considered project finance as a low-risk, low-margin, low-profit market, the sector has experienced a substantial increase in activity, mainly thanks to the introduction of the PPP funding structure in France, as well as the obvious need to cut risk in today's volatile market. This has been a vigorous year for PPP, with President Sarkozy stressing the importance of PPPs in his letter drafted to Prime Minister François Fillon requesting the implementation of a programme to favour the development of this sector.

In the letter, Sarkozy declared huge enthusiasm for the PPP initiative, and outlined suggestions for its use as a tool to increase the pace of infrastructure investment, and equally divide the associated risk.

Following the legal developments that established a new framework for PPP in France, the market has also recognised the importance of the initiative for public infrastructure projects, and is rapidly accommodating itself to the proposals, with sectors such as defence gradually warming to the structure.

France's current PPP projects include a number of developments in the transport and healthcare sectors. The country's Ministry of Justice has also incorporated PPPs into its prisons programme, and is undergoing the largest new prison building programme in Europe.

### Clifford Chance

Clifford Chance occupies its leading position in project finance partly due to the volume and breadth of deals over the last year, and partly due to consistently good feedback from clients and competitors. Thanks to the firm's strong international scope, it has advised on a number of key deals in the market.

The international infrastructure sector provided many mandates for the practice this year. The firm is advising the concessionaire, for example, in the buy-operate-transfer project for the Monastir and Enfidha airports in Tunisia. The firm is also advising Eiffage, Sodexho and Barclays Capital in connection with a €300 million project to build, maintain and finance French prisons.

Other domestic work includes acting for French government entities in relation to numerous motorway concessions, as well as the construction of an express rail link between Paris and Roissy Charles de Gaulle Airport.

In the natural-resources sector, the firm advised Opic in the financing and development of copper and cobalt mines in the Democratic Republic of Congo. Also in Africa, and as proof of the firm's strength

internationally, the project finance team is now advising in the largest-ever energy project in the sub-Saharan region - acting for the borrowers and project sponsors on a \$5.5 billion power station and coal mine project.

### Leading lawyers

Anthony Giustini

### Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer's project finance group is led by Amir Jahanguiri, and is closely linked to the public and finance group, led by partner Thierry Laloum. The team is actively involved in various PPP and project financings in energy and infrastructure across France, North Africa and the Middle East.

In France, the team is particularly renowned for its involvement in the area of transport and social infrastructure, while in North Africa, the firm mainly advises the Tanger Mediterranean Special Agency and a number of Moroccan state entities.

One notable mandate was advising Dexia Credit Local and RBS in the €285 million financing of the third prison PPP project for the French State. This is the third project to be procured under the PPP programme and the first to be procured under the new legal regime for PPP finance.

Capitalising on its involvement with Moroccan entities, the firm advised the Kingdom of Morocco and other Moroccan state agencies in the €600 million project for the construction and operation of a car manufacturing plant by the Renault Nissan Alliance.

In March 2008, the firm advised Arcour and the Vinci group in the refinancing of the A19 motorway.

### Leading lawyers

Thierry Laloum

### Gide Loyrette Nouel

Gide Loyrette Nouel is well-known as one of the top project finance teams in France. "They offer a wide range of first class advisory services which are all required to structure complex PPP transactions," says one client. "Moreover, they have extensive resources which make them fully available."

The projects team works closely with Thomas Courtel, one of the rising stars of French PPPs and a member of the public-law team. "He has successfully developed PPP expertise and he is now involved in almost all French transactions," says one competitor of Courtel.

The firm's finance and project finance department boasts the largest team in France exclusively devoted to PPP and private finance initiatives. Emmanuel Fontaine heads the project finance team, and showed his skills by acting as legal counsel to Spie Batignolles, Egis Projects, Axa IM and CDC Capital Partners in the public service concession for the construction of the A88 motorway.

Another strong mandate saw Courtel advise Eiffage as sponsor in the €300 million PPP project for the building, financing and operation of a soccer stadium in Lille. This is the first PPP financing of a soccer stadium in Europe.

The firm is also present in various international PPPs. One highlight was acting as lead transaction adviser and legal counsel for the Government of Mauritius in the PPP for the construction, financing and operation of a deep-water pumping station and oceanic park. The firm also acted for the Government of Haiti in the PPP project for the reconstruction, financing and operation of its international airport.

#### Leading lawyers

Thomas Courtel  
Emmanuel Fontaine

#### Linklaters

Linklaters was one of the first firms to create a dedicated global project finance practice. The firm advises in several international project finance transactions, covering both west and central Africa and the Maghreb.

The Paris team usually focuses on emerging regions such as New Caledonia, Mauritius, Poland, Mozambique and Kenya. In Africa, the firm has been awarded a prominent project in Algeria, where the firm is advising Total on a €3 billion contract to develop a petrochemicals plant.

Capitalising on the complete liberalisation of the French energy market in July 2007, the firm is acting as counsel on the TGV-Sud Europe Atlantique railway project, in what will become Europe's largest high-speed rail project.

At the domestic level, the firm advised Eiffage in the €573 million refinancing of Viaduc de Millau. In another important deal, the firm advised ACS/Dragados in the financing of the 23-year concession by the Communauté Urbaine Marseille Provence Métropole for the construction and operation of the Fos-Sur-Mer incinerator and waste-treatment plant.

Other highlights include acting for Xstrata Nickel in relation to a \$2.8 billion nickel-mining project in New Caledonia. Xstrata is

also developing related transport infrastructure and a coal-fired power plant.

#### Leading lawyers

Bertrand Andriani  
Paul Lignières

#### Allen & Overy

Tim Scales and Rod Cork lead Allen & Overy's project finance practice, which works closely with the public-law team of Noël Chahid-Nourai and Jean-Yves Ollier on a wide range of PPP projects including prisons, toll roads, hospitals and renewable energy.

The firm is heavily involved in providing advice on PPP projects in emerging markets - particularly in Africa, where the firm aims to position itself as one of the leading forces in the region. Highlights of the year include advising on the TAV Enfidha Airport project in Tunisia, advising AES-Sonel on the Dibamba Power Project and acting on the Kribi Power Project in Cameroon.

Other international projects include advising Total and Petronas in the financing of the Pars liquefied natural gas project in Iran, advising the lenders on the €450 million financing of a car production facility for Tofas in Turkey, and advising the Office National d'Electricité on the regulatory and contractual framework of electricity distribution in Morocco.

Among its domestic work, the team has also advised France's Ministry of Justice on the construction of 18 prisons, and has advised the cities of Le Havre and Toulouse on various PPP projects. The team is also working on the creation of PPP industry standards, advising the French government on the criteria for the admission of PPP contracts.

#### Leading lawyers

Rod Cork

#### White & Case

White & Case's project finance practice holds its position in the second tier after another strong year advising on international and domestic projects. The firm is moving away from its reputation as a lender-only firm, and has developed a wide range of clients that now includes a broad range of financiers, investment funds and sponsors.

On the domestic front, the firm advised a consortium of banks in the financing for the design, construction and operation of the French A65 motorway connecting Langon (Gironde) to Pau.

In one of the landmark projects of the year, the firm is advising Calyon and Natixis on their €300 million investment in the first PPP

financing of four prisons in France. The team is also representing Eiffage and Veolia Transport in the design, construction and operation of a railway system in the Puy de Dôme.

The firm has broad experience in Africa, where it works with a local team of South African lawyers. One highlight is advising Sorfert Algeria in a €1.1 million financing facility for the construction of a fertiliser plant

#### Other notable firms

"The team has great knowledge," says a client of Ashurst's projects department. "They understand quickly what you want, and they have a nice legal and business mix."

The firm is advising the bidding consortium on the €650 million PPP project launched by French railway maintenance company Réseau Ferré de France for the design, financing, construction, maintenance and operation of a communications network, and advised Eiffage on the financing of a €55 million hospital PPP in Rennes.

## Restructuring and insolvency

### Recommended firms

#### Tier 1

Gide Loyrette Nouel  
Santoni Paccioni & Associés  
Weil Gotshal & Manges

#### Tier 2

De Pardieu Brocas Maffei  
Fried Frank Harris Shriver & Jacobson  
Veil Jourde

#### Tier 3

Bernard Lagarde  
JeantetAssociés  
Linklaters  
Poulain & Associés  
White & Case  
Willkie Farr & Gallagher

#### Tier 4

Allen & Overy  
Clifford Chance  
Dewey & LeBoeuf  
Freshfields Bruckhaus Deringer  
Proskauer Rose  
Saigne & Associés

#### Tier 5

Fauvet La Giraudière & Associés  
Latham & Watkins  
Paul Hastings Janofsky & Walker  
Salans  
Vatier & Associés

The new Insolvency Act that came into force in France in June 2006 is finally bearing fruit.

The *sauvegarde* (safeguard) system was designed to promote restructuring rather than bankruptcy proceedings, providing strong incentives for debtors to anticipate their difficulties, and for creditors to help businesses in times of trouble.

The Eurotunnel restructuring was the first large matter to utilise the procedure, and was widely considered a success. This was a turning point for the law, which until its application to Eurotunnel had gone largely untested.

The new regime will bring advantages to the market such as additional protection for creditors, increased flexibility, and a simpler reconciliations process.

### **Gide Loyrette Nouel**

Gide Loyrette Nouel is praised by the market for its skills in insolvency. The firm usually works from the receivers' side and gets a vast amount of work from judicial administrators.

Olivier Puech is regarded by the market as Gide's standout insolvency lawyer. "He is one of the best lawyers in insolvency, an amazing litigator," says a peer.

#### **Leading lawyers**

Olivier Puech

### **Santoni Paccioni & Associés**

Santoni Paccioni & Associés has been in the market for 18 years and is the leading niche French firm in insolvency matters. The firm has been cooperating with Allen & Overy for a number of years, but now the two firms have entered a strategic agreement to work together on an exclusive basis for restructuring and insolvency work in France.

"I think the agreement with Allen & Overy is working very well," says one competitor. "He [Marc Santoni] is a legend in insolvency and he wanted to maintain his name, which is why they have this special friendship agreement with Allen & Overy."

Marc Santoni attracts praise from other competitors as well: "Marc Santoni is an aggressive, good lawyer," says a rival. "He is always busy with work, and well-known in litigation and restructurings".

One of the firm's notable deals was advising ECF Ecofel and La Corpo on its rehabilitation proceedings, while it also acted for GAL on a special mediation which involved *sauvegarde* law and rehabilitation proceedings.

The firm has also worked on the bankruptcy and restructuring cases of Smoby, Actis, Nexia and Eurotunnel. Recently, the firm has focused on distressed LBO cases.

#### **Leading lawyers**

Marc Santoni

### **Weil Gotshal & Manges**

Weil Gotshal & Manges has held its top-tier position this year after acting on a number of large restructuring and insolvency matters. "They are the number-one firm," says one competitor, adding: "Jean-Dominique Daudier de Cassini is a very good professor, and probably one of the best practitioners in the jurisdiction."

The team has been involved in many high-profile restructuring cases of late. The firm advised Deutsche Bank in the acquisition of Michel Thierry, which included a large debt-restructuring component, and advised in one of the largest bankruptcy proceedings in France, representing Nexia Froid.

#### **Leading lawyers**

Jean-Dominique Daudier de Cassini

### **De Pardieu Brocas Maffei**

De Pardieu Brocas Maffei is regarded by the market as one of the top firms for restructuring matters. Jacques Henrot is the firm's main restructuring and insolvency lawyer, and is considered by the market as "skilful, very good at dealing with banks and clients, and very experienced in big deals".

This year the firm recruited Philippe Dubois from Poulain & Associés as a partner in January 2008. Dubois has already a well-deserved reputation in the market as a good lawyer, and is said to be a lawyer to watch in the future.

De Pardieu has particular experience representing banks, hedge funds and equity providers in restructuring concerns.

One notable mandate saw the firm advise KBC Bank on the bankruptcy proceedings of its derivative instruments; it also represented the European Investment Bank as a creditor and shareholder in the debt restructuring of Eurotunnel.

#### **Leading lawyers**

Jacques Henrot

### **Veil Jourde**

Veil Jourde suffered a blow with the departure of Guilhem Bremond, who has launched a new boutique called Bremond Avocats. "He is a young partner, a good lawyer and his new firm is one to watch in the future."

But the firm practice still calls frequently on the services French insolvency guru Gabriel Sonier, who has an informal agreement with Veil Jourde. Sonier's firm, Sonier &

Associés, works from the same office as Veil Jourde.

### **JeantetAssociés**

JeantetAssociés provides consultancy and litigation work related to insolvency and restructuring.

Didier Malka is highly praised by the market for his expertise as a litigator. He advised Société Générale, Calyon and Commerzbank on the debt restructuring of Smoby, and advised Michel Thierry Group on its second debt restructuring.

### **Linklaters**

Aymar de Mauléon de Bruyères heads Linklaters' restructuring and insolvency department, which also contains the well-regarded Cécile Dupoux.

"She quickly understood all the issues, and formulated a very smart and effective strategy. She was quick, responsive, helpful and patient," says one client of Dupoux. "In all my years, I have never been as grateful for the work done by an outside lawyer: she was truly first-rate."

One of Linklaters' standout mandates was assisting VRG Linhas Aéreas in the transfer of routes and slots from its former operator Varig following the insolvency proceedings of Varig. The firm is also advising the DBRS group on the closure of its European activities.

#### **Leading lawyers**

Cécile Dupoux

### **Poulain & Associés**

Poulain & Associés is highly respected by the market, mainly for the firm's leading lawyer Jean-Paul Poulain. Competitors believe the departures of Philippe Dubois and Gabriel Sonier will affect the practice, but with Poulain at the helm, commentators believe the firm will maintain its strong position in the market.

"He is an old-fashioned, aggressive, good lawyer, who specialises in mid-size deals," says one competitor of Poulain. "He has an appealing combination of skills: half lawyer and half banking specialist. He's a dealmaker, and extremely successful in his career."

The firm has taken part in some big transactions this year, representing well-known clients such as Ebrex, Cavenham, Eppic and Home Institut.

#### **Leading lawyers**

Jean-Paul Poulain

**White & Case**

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The market recognises Reinhard Dammann as White & Case's standout lawyer for restructuring and insolvency matters, and he received plaudits for his cross-border work.

Dammann's current work includes a role advising the French and German governments in relation to the reform of both countries' insolvency laws. "He is a very good writer and has many books on this matter," says a rival. "He is an academic who has created a good reputation for the firm."

One of the firm's standout mandates this year was representing the liquidators of Eurotunnel regarding the appeal filed by bondholders, which challenged the jurisdiction of the Commercial Court of Paris.

**Leading lawyers**

Reinhard Dammann