

Italy

Chamber of commerce:

Unioncamere
Piazza Sallustio 21
00187 Rome
Italy
Tel: +39 06 4704 1
Fax: +39 06 4704 240
Email: segreteria.generale@unioncamere.it
Web: www.unioncamere.it

Professional body:

Ordine degli Avvocati di Roma
Palazzo di Giustizia
Piazza Cavour
00193 Rome
Italy
Tel: +39 06 68 47 41
Fax: +39 06 686 4837
Email: consiglio@ordineavvocati.roma.it
Web: www.ordineavvocati.roma.it

Bankruptcy and restructuring procedures

Iulia Battaglia, Andrea Bernava and Antonio Tavella
Chiomenti
Milan

The Italian bankruptcy legal framework, mainly represented by *Regio Decreto* 267 of 1942 (the Insolvency Law), the provisions of which were generally reputed to be outdated, has been recently amended through the enactment of the following pieces of legislation amending the Insolvency Law: Law 80 of 2005, Legislative Decree 5 of 2006 and Legislative Decree 169 of 2007.

Bankruptcy proceeding

A company is deemed insolvent when it is unable to pay its debts as they fall due. A petition to declare a company bankrupt can be made by the company, its creditors or the public prosecutor. Upon the declaration of bankruptcy, subject to certain exceptions, creditors' actions are stayed, creditors must file claims and the management of the company passes from the debtor to the receiver. Bankruptcy proceedings are carried out and supervised by a court-appointed receiver, a deputy judge and the creditors' committee.

Italian law provides for clawback actions that may give rise to the revocation of payments and/or transactions and/or the setting aside of securities or guarantees made by the company before the declaration of bankruptcy if made within suspect periods before the declaration. Suspect periods (previously of one or two years) have been halved by the recent reforms. There are certain exemptions from bankruptcy clawback such as, for instance, transactions, payments, guarantees/securities in the context of certified restructuring plans, a court-supervised pre-insolvency composition with creditors, or ratified restructuring agreements.

Post-bankruptcy composition with creditors

A bankruptcy can be terminated before the receiver's liquidation by a petition to the insolvency court for a post-bankruptcy composition with creditors. Such a petition may be filed by creditors and third parties or by the debtor under certain circumstances and may provide for a wide variety of arrangements (including assignment of bankruptcy clawback and other actions).

Extraordinary administration for large companies

Large industrial and commercial enterprises may avail themselves of special proceedings aimed at rehabilitating distressed companies. Under Legislative Decree 270 of 1999, the requirements to be admitted to *amministrazione straordinaria* are: (i) at least 200 employees in the year before procedure's commencement; and (ii) debt equal to at least two-thirds of the company's total assets and two-thirds of its total income generated by sales and services for the last financial year.

Following Parmalat Group's insolvency, new extraordinary proceedings have been enacted under Legislative Decree 347 of 2003 and are available to insolvent companies having more than 500 employees in the year before the procedure's commencement and debt equalling at least €300 million.

Alternative insolvency procedures

Before the declaration of insolvency, the debtor may file a request for pre-insolvency composition with creditors, enter into a debt restructuring agreement or carry out an out-of-court composition.

Pre-insolvency composition

Companies in distressed conditions may make a proposal for a composition with creditors (*concordato preventivo*) through a court application accompanied by, among other things, a report drafted by an eligible professional. These applications must be based on a plan that may include a wide variety of arrange-

ments. The plan is approved with the favourable vote of creditors representing the majority of credits entitled to vote. If there are different creditors' classes, approval of the plan requires the favourable vote of creditors representing the majority of credits admitted to each class and the approval by the majority of classes. Pending *concordato preventivo* proceedings, creditors' actions are stayed; during its implementation, the company is managed by the debtor under the surveillance of a court official and under court supervision.

Restructuring agreements

Debtors may reach an agreement with creditors representing at least 60% of all claims and, upon publication, submit the agreement for the court's approval. Restructuring agreements may include a wide range of provisions and must be accompanied by an expert's report regarding the feasibility of the restructuring agreement in terms of the debtor's ability to ensure payment of creditors not adhering to the restructuring agreement. Following a restructuring agreement, the debtor remains entitled to manage its business. For a 60-day period starting from publication of the restructuring agreement, the debtor is granted an automatic stay regarding existing creditors.

Restructuring plan

Acts, payments and securities/guarantees granted on the debtor's assets made in implementation of a plan apparently capable of permitting the restructuring of the debtor's indebtedness and the rebalancing of its financial condition, the rationality of which is attested by an expert, are exempt from bankruptcy clawback. Restructuring plans are not under any form of judicial control or approval. Restructuring plans do not require the consent of a specific majority of all outstanding claims and creditors are not required to receive the same treatment. Following a restructuring agreement, the debtor remains entitled to manage its business.

Capital markets

Recommended firms	
Tier 1	Bonelli Erede Pappalardo Chiomenti Clifford Chance
Tier 2	Allen & Overy Gianni Origoni Grippo & Partners
Tier 3	Cleary Gottlieb Steen & Hamilton d'Urso Gatti e Associati Freshfields Bruckhaus Deringer Labruna Mazziotti Segni Latham & Watkins Linklaters NCTM Shearman & Sterling
Tier 4	Dewey & LeBoeuf Grimaldi e Associati Legance Macchi di Cellere Gangemi Norton Rose Pedersoli e Associati Simmons & Simmons Studio Legale Beltramo
Tier 5	Ashurst Giliberti Pappalettera Triscornia e Associati Studio Legale Grande Stevens Tonucci & Partners Ughi e Nunziante

In November 2008, after seven years in the country, White & Case departed Italy. According to the firm, the level of investment needed to succeed in the market was beyond the best interests of the firm as a whole. It was just one of a number of reshuffles that look set to reshape the landscape of the Italian legal market.

Newcomers Riolo Calderaro Crisostomo e Associati also caused a stir. The firm is a capital markets boutique, established by a trio of former Clifford Chance partners in May 2009 and tipped for great things – as all three partners are skilled and experienced practitioners.

And there were plenty of lateral moves between firms too, as Latham & Watkins and Orrick both shored up their capital markets practices with partner hires in 2008 and 2009. Orrick was especially voracious, raiding local firms Tonucci & Partners and Vita Samory Fabbrini e Associati for a total of seven partners, including Vita Samory named partner Luca Fabbrini.

Inevitably the capital markets themselves have been less exciting. Although, the atmosphere of uncertainty among clients has created enough regulatory and liability management work to keep practices busy.

In equity, mid-sized and small transactions have seen a huge drop-off as, according to one partner, “issuers are very reluctant to go to the market and face defeat trying to go public”. There have been some large deals however, and UniCredit and Banco Santander led the way with multi-billion euro issuances.

Bonelli Erede Pappalardo

Bonelli Erede Pappalardo's deep roots in the Italian market and excellent reputation among competitors see the firm keep its tier one ranking for another year.

But it has not been a banner year for Bonelli. The firm lost securitisation partner Alberto Del Din to Paul Hastings in December 2008 and the equity capital markets – the firm's strongest practice – have been closed to all but the biggest deals.

While the firm was selected by Banco Santander for its €7.2 billion rights issue in November 2008, several peers commented that it has been less visible on the headline-grabbing deals in equity this year, though, they still spoke highly of the firm.

“Bonelli are not present in the biggest equity capital markets transactions but they certainly maintain good quality,” says one rival. “The problem is a lack of work. I'm sure that they have maintained their capacity.”

Partner Emanuela Da Rin has been active in structured finance and securitisation, another practice area in which the firm excels. Although Da Rin is a partner in the banking and finance department, she is extremely knowledgeable in capital markets, according to one client. Da Rin advised the Royal Bank of Scotland in relation to the asset-backed notes issued by Argo Mortgage 3 in the framework of a securitisation of performing residential and commercial mortgage loans originated by Banca Carige for €853 million.

Leading lawyers

Carlo Montagna
Paolo Oliviero
Alberto Saravalle

Chiomenti

Chiomenti is ranked top tier for another year after acting in some of the largest transactions and performing consistently well in spite of the difficult market.

Most commentators agree that equity capital markets is the firm's strongest suit: the absence of an international network impedes a

more comprehensive debt practice and, though the firm's structured finance and securitisation practice is first-rate the market has not been there this year. But Chiomenti is not only active in equity, the firm has posted impressive deals in a range of capital markets issues and is a go-to firm for clients with Italian-law issues.

“They are very strong in Italian law but need to be coupled with an international law firm as far as international law is concerned, usually Skadden Arps Slate Meagher & Flom. But they are still one of the top five or six Italian law firms in Italy – I would rate them alongside Bonelli, Gianni and d'Urso Gatti,” says one client. “Carlo Croff and Enrico Giordano have a very strong consistency and capability in Italian law, and are very strong in regulation. They also have a good relationship with the authorities, particularly counsels. It's a very good team.”

Giordano has been one of the firm's most active partners. He is advising Enel in its €8 billion issuance of ordinary shares to be offered to existing shareholders and in February 2009 he advised Mediobanca and Merrill Lynch in relation to UniCredit's €3 billion ordinary shares issuance. Unsubscribed shares were underwritten by Mediobanca to serve the exchange of Cashes securities into UniCredit ordinary shares.

On the debt side, Francesco Ago advised HVB London as arranger and sole lead manager on UniCredit's €20 billion covered bonds programme. The programme was backed by a portfolio of mortgage receivables under the new Italian covered bonds framework.

Leading lawyers

Francesco Ago
Roberto Ghio
Enrico Giordano

Clifford Chance

The departure of a team of lawyers that included Paolo Calderaro, Michele Crisostomo and Silvio Riolo in April 2009 dealt a severe blow to Clifford Chance's capital markets practice, particularly in structured finance where Calderaro led the team.

But while everybody agrees that the firm faces a challenge, most commentators believe Clifford Chance's deal activity this year earns the firm a reprieve, justifying its tier-one ranking. The firm's remaining partners also earn praise, with several rivals singling out Filippo Emanuele as a leading lawyer in the area.

Clients see no reason to question the firm's capability either. “We have a very good relationship with Clifford Chance for finance capital markets matters,” says one large bank-

ing client. "They have the features of the law firms that we avail ourselves of because they are an international firm, they have a pretty wide experience in financial capital markets and public finance, which are the areas of concentration of this bank and they are in the shortlist of major firms that are very well known in this sector."

The firm has been particularly visible on the debt side, working on MTN and Eurobond issuances, according to rivals, though the firm's largest mandate was advising UniCredit on its €6.6 billion recapitalisation plan in January 2009. Filippo Emanuele led the deal, which included acting as issuer's counsel on UniCredit's €3 billion rights issue and related issue of convertible hybrid instruments.

Leading lawyers

Filippo Emanuele
Alberta Figari

Allen & Overy

Allen & Overy's international network and outstanding debt capital markets practice in Italy set it apart and insulate the firm against difficult times, according to competitors.

And while having a large practice in a sluggish market is far from ideal, the firm's capacity to offer clients a one-stop-shop approach to transactions is an effective lure.

"In capital markets Allen & Overy deserve tier one," says a competitor. "They are more balanced in terms of the service they provide. The firm is weaker on equity, definitely, but they are strong in bonds and are rebuilding the structured finance practice. The firm is suffering most because of the size of its group, but the range of products they offer is good."

While the firm's leading lawyers remain unchanged, partner Cristiano Tommasi is, according to commentators, building an excellent reputation in debt capital markets. "He's a debt guy that does good work," says one rival. Tommasi led on the deal advising UniCredit on a €1 billion fixed rate note issuance under its €60 billion Euro MTN programme. The deal was listed on the Luxembourg Stock Exchange and was the first large public bond issuance by an Italian bank in 2009.

Leading lawyers

Max Aaron
Massimiliano Danusso
Stefano Sennhauser

Gianni Origoni Grippo & Partners

Traditionally Gianni Origoni Grippo & Partners is one of Italy's strongest equity capi-

tal markets firms. But the practice took a hit when partner Antonio Coletti left for Latham & Watkins in September 2008. However, the unstable nature of the markets has made it difficult to establish what kind of effect the move will have on the firm's capabilities.

"Gianni Origoni continues to have a name in the market, but it also continues to have issues with people leaving," says one peer. "I think it's hard because it's associated with market downturn, so it's difficult to say what long-term effects will be there."

Even with the loss of Coletti and the slow market, Gianni Origoni managed to post one of the market's largest rights issues. Andrea Marani led on the deal – a €1.2 billion issue for the subscription of new Finmeccanica ordinary shares in November 2008.

The firm's reputation is less proven in debt capital markets, however, but that has not stopped it winning mandates and praise from clients on that side too.

"I have had positive experiences working with them," says a client. "They have good experience and so they have a good view of other precedents, which is very helpful. Also, they are very keen and available, which makes them easy to work with."

In February 2009, Marco Zaccagnini led the team that assisted Cassa Depositi e Prestiti as issuer in the establishment of its €3 billion Luxembourg Euro MTN programme.

Leading lawyers

Francesco Gianni

Other ranked firms

Cleary Gottlieb Steen & Hamilton has a strong international capacity and equity capital markets practice, which sees the firm work with a lot of the big issuers.

"Cleary have got a balanced practice among various practices of law and have a strong international network. They are very accurate in transactions," says one competitor.

In February 2009, Pietro Fioruzzi and Michael J Volkovitsch were co-counsel for UniCredit on its €6.6 billion capital strengthening measures.

Latham & Watkins continued to bolster its capital markets practice with the addition of former Gianni Origoni partner Antonio Coletti in September 2008. And though the downturn and constriction of the market has since forced the firm to slow its plans for expansion, it has shown itself to be capable of great things, particularly in equity transactions, where competitors see the firm as strongest.

In June 2009 leading lawyers Michael Immordino and Jeff Lawlis led the team that advised Mediobanca, Banca IMI, JPMorgan

and the other managers in relation to Enel's €8 billion rights offering.

Leading lawyers: Michael Immordino and Andrea Novarese

Linklaters moves up a tier after receiving a deluge of praise from competitors for its equity capital markets and structured finance and securitisation practices. The firm has also strengthened its team by taking on former Shearman & Sterling associate David Ingrassia in August 2008, though it is head of capital markets Luigi Sensi who elicits the most praise.

According to competitors Sensi is one of the leading practitioners in international capital markets. "Luigi is a very good lawyer; one of the go-to names in Italy," says a rival.

The firm is seen as particularly strong in acting for issuers and banks. Sensi advised Mediobanca and Merrill Lynch in relation to UniCredit's €3 billion rights issue in February 2009.

In November 2008 partner Dario Longo counselled German bank HVB (Bayerische Hypo-und Vereinsbank) as arranger of a €24 billion residential mortgage loans securitisation, originated by UniCredit Banca per la Casa.

NCTM's capital markets practice is headed by Stefano Padovani. The firm has been active on both debt and equity transactions this year. NCTM also extended its reach into Belgium, merging with Brussels boutique O'Connor and Company, a firm specialising in international economic law.

On the equity side, Giuseppe Labianca is advising Univa Partecipazioni in a public offering of shares. On the debt side, the firm, led by Padovani, advised Frankfurt bank Commerzbank on the €30 million issue of floating rate notes.

For analysis of other leading law firms in the Italian capital markets visit the website at www.iflr1000.com

Banking

Recommended firms	
Tier 1	Chiomenti Clifford Chance Linklaters
Tier 2	Allen & Overy Bonelli Erede Pappalardo Freshfields Bruckhaus Deringer
Tier 3	Ashurst Gianni Origoni Grippo & Partners Grimaldi e Associati Legance
Tier 4	Cleary Gottlieb Steen & Hamilton Giliberti Pappalettera Tricornia e Associati Latham & Watkins NCTM Pedersoli e Associati
Tier 5	Dewey & LeBoeuf Macchi di Cellere Gangemi Pavia e Ansaldo Simmons & Simmons Ughi e Nunziante
Tier 6	Baker & McKenzie Carnelutti Delfino e Associati Willkie Farr & Gallagher DLA Piper Lovells Tonucci & Partners

In banking, rather unusually for Italy, foreign firms have traditionally enjoyed an edge. According to one partner this is because international players like Linklaters and Clifford Chance have the structures, models and resources to handle cross-border transactions expediently for lenders.

But the Italian banking market is now far from traditional. And though Italian banks mostly avoided the poisonous assets at the core of the downturn, the disappearance of international lenders and the knock-on consequences of the credit crunch have made everybody reluctant to lend.

“From a lending point of view things have slowed down considerably,” says one partner. Banks are not willing to lend unless it is to certain products. There is no syndication. The only possibility was to create club deals, initially at least.”

Of course there have been exceptions. Corporate lending is ongoing, even big-tick-

et deals, as Fiat’s €1 billion loan demonstrated. Otherwise it’s mostly been small transactions for around €50 million.

Restructuring is now at the core of most firms’ activities.

“Certain big players like Royal Bank of Scotland or other major European players are not originating any new transactions and just managing their portfolios, which means banking work has changed,” says a partner. “Basically banks and banking lawyers have to deal with distressed transactions and restructuring of existing transactions and that’s why most firms have created debt restructuring groups, which include not only banking lawyers but also bankruptcy lawyers and M&A experts. What keeps banks busy most is restructuring of existing transactions.”

Chiomenti

Chiomenti has a first-rate corporate practice, a strong domestic focus and, traditionally, has always been viewed as a borrowers’ firm. But since the sources of new money deals have dried up Chiomenti has adapted well, emerging as one of the top practices for debt restructuring.

“Chiomenti still deserves to be in tier one,” says a competitor. “It is similar to Bonelli in that it is a borrowers’ firm, but it is also very active in restructuring because it has a strong corporate client base and is known as being a finance firm – which is a good mix for restructuring work.”

According to peers the firm still lacks a strong international capacity and, hence, acts less frequently on the lender’s side, though, clients spoke highly of the firm’s technical skills.

“We were working on a very large capital increase and had a beauty parade between four or five of the top firms in Italy. It was not just a question of price, but also of quality and they were the best one,” says a client of Chiomenti, who went on to praise the firm’s performance handling the deal’s documentation.

Chiomenti also lands big-ticket deals. In October 2008 partner Franco Lambertenghi led the team assisting Eni in relation to a €3.1 billion credit facility, which was executed in respect of the acquisition of Belgian energy supplier Distrigaz.

Leading lawyers

Francesco Ago
Luigi Bendi

Clifford Chance

Clifford Chance remains a tier-one banking firm in spite of a difficult year both in terms of the listless banking market and its own internal restructurings.

“Clifford Chance has been hit by some departures but they are clearly a banking firm and they are doing banking work,” says a competitor.

The firm would have been especially hit by the severe decrease in acquisition finance and cross-border deals, though it has compensated with a large number of restructuring and refinancing deals as troubled clients seek out the market’s acknowledged banking experts.

“Clifford Chance was fine in terms of being efficient, timely and correct,” says one client who praised managing partner Charles Adams for his high level of participation in deals. “We have built a very strong relationship with their law firm over time and they are a reference within the Italian legal framework for corporate banking transactions.

Illustrating its capacity for debt restructuring, Clifford Chance is advising the senior credit support provider agent and second lien co-ordinating committee in the Ferretti Yachts debt restructuring. At €1.2 billion, it’s one of the largest debt restructurings in Italy to date and leading lawyers Charles Adams and Giuseppe De Palma are both acting on the mandate.

Leading lawyers

Charles Adams
Giuseppe De Palma
Massimo Novo

Linklaters

Linklaters moves up a tier after competitors and clients roundly agreed that its performance in banking deals, in particular on acting for lenders, merited a higher ranking.

“You should promote Linklaters to tier one,” says a partner. “I think they are certainly involved in all the major transactions and the firm has two of the strongest lawyers in Italy: Andrea Arosio and Davide Mencacci.”

Clients also singled out Arosio and Mencacci as the practice’s greatest assets.

“Linklaters is the law firm we use most often, the firm we prefer to use,” says one client. “It’s not really a matter of firms, it’s just a matter of working with Andrea Arosio. We work with him because he is very smart, very useful in negotiations and he knows loan agreements and securities work very well, so from our perspective he is very useful. Also he is very credible in the eyes of the counterparties because everyone in the market knows he’s a good lawyer – so when he says something is do-able, everybody knows that it is.”

The same client adds: “Also, he has a great team. Davide Mencacci is an excellent lawyer. Together they are building a practice with other lawyers, not only in banking but in capital markets and M&A, which is very useful.”

In November 2008 Arosio and Mencacci advised ING bank as senior and mezzanine mandated arrangers respectively on the €600 million leveraged financing for the acquisition of N&W Global Vending’s share capital by Investcorp and Barclays Private Equity. The sellers in what was Italy’s largest leveraged acquisition financing of 2008 were Argan Capital, Merrill Lynch Global Private Equity and the management.

Leading lawyers

Andrea Arosio
Davide Mencacci

Allen & Overy

Allen & Overy has lost a number of lawyers and a portion of its market share in Italy this year, creating an air of uncertainty concerning its outlook. Most commentators agree that its international network and outstanding reputation will limit any immediate effects felt by the firm, but opinion is split on its long-term prospects, with some competitors questioning the firm’s capacity and others insisting that it has already resulted in a much stronger banking practice.

“Allen & Overy has built its practice up to standards they have elsewhere after losing people. They have come back to the success of the past,” says one rival.

And the firm’s impressive deal list suggests that this more positive forecast may be the most accurate.

Stefano Sennhauser led on the deal advising Intesa Sanpaolo, UniCredit and Calyon as mandated lead arrangers on the €1 billion revolving facility loan to the Fiat Group, and in January 2009 Sennhauser also advised Société Générale as agent, lead arranger and bookrunner on the €525 million term loan and an €125 million revolving facility provided to Groupe Adeo for the acquisition of DIY retail business Castorama.

Leading lawyers

Paul Flanagan
Stefano Sennhauser

Bonelli Erede Pappalardo

Bonelli Erede Pappalardo moves down after losing another prominent member of its banking practice, Alberto Del Din. Del Din left the firm for Paul Hastings Janofsky & Walker in January 2009, taking with him Lorenza Talpo as well as six associates. The departures come a year after

Andreas Novarese left the firm for Latham & Watkins.

And though Bonelli’s excellent corporate capacity ensures that it will never be bereft of borrower clients, the consensus is that these departures have affected the firm’s reputation as lenders’ counsel.

“Bonelli Erede Pappalardo is the undisputed corporate firm in the country, but it’s not as good a banking firm,” says a peer. “Certainly it is an immensely profitable and good firm but there are some areas in which they are the best and some in which they are not, and banking is one where they are not.”

But, among clients, Bonelli is still known as a firm that can get the job done. “We have had several experiences with the firm and they have always been successful and positive,” says one client. “We go to them because of the quality of the partners and the associates that I know there. They are at the top in terms of structured finance and banking. I worked with Emanuela Da Rin a couple of years ago on a very large transaction and she was very helpful.”

One of Da Rin’s mandates was advising the Wittur Group as borrowers in a €120 million secured financing. The deal was structured in several facilities, granted by a pool of lenders, and arranged by UniCredit Corporate Banking, Bank Austria Creditanstalt and Bayerische Hypo-und Vereinsbank.

Leading lawyers

Roberto Cera
Emanuela Da Rin
Riccardo Sallustio

Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer’s restructuring has led the firm to have a lower profile in the banking market, though it is well regarded by peers – particularly for banking litigation work.

The firm’s banking practice is headed by leading lawyer Corrado Angelelli, who has acted in a number of its most noteworthy deals. In September 2008 Angelelli advised Lucchini as borrower in a €350 million unsecured financing granted for general corporate purposes. The lenders were BNP Paribas, Intesa Sanpaolo, Natixis and UniCredit Corporate Banking.

Leading lawyers

Corrado Angelelli

Other ranked firms

Ashurst has put in an impressive performance over the past two years, building strong relationships with leading banks, according to commentators.

But the drought in acquisition finance and the departure of a four-lawyer team, which

included partner Maura Magioncalda, to Pedersoli in May 2009 has cast a shadow over the future of the practice and obstructed a tier two promotion.

“Ashurst has done well in the last few years in terms of mid-market deals,” says a rival. “But it has just lost a banking partner to Pedersoli and, because the department is small, we will have to see what the impact will be. But certainly the firm has been very active in the mid market.”

Ashurst has reinforced its practice, promoting international finance practitioners Paul Stewart and Lorenzo Verneti as partners in June 2008 and May 2009 respectively.

Managing partner Riccardo Agostinelli still leads the practice, which according to clients provides an effective service. “Working with them was quite good,” says a client of the firm. “I think that the service provided is very efficient. We receive quick answers that are complete and precise. We use them mostly for acquisition and structured finance. Agostinelli has been our point of contact in several cases and we are more than satisfied.”

Agostinelli led on a mandate advising Banca Popolare di Verona as arranger and agent in the €30 million financing granted, together with Cassa di Risparmio di Lucca Pisa Livorno, to I2 Capital Partners for the acquisition of the Franco Vago Group.

Although commentators agree that **Gianni Origoni Grippo & Partners’** banking practice has been affected by the Legance spin-off, most have full confidence in the firm’s ability to rebuild. The confidence stems from its well-established brand and excellent client connections.

Partners Andrea Marani and Matteo Bragantini advised UniCredit Real Estate as a contributing entity in the transfer of a €480 million portfolio of real-estate assets to real-estate fund manager Fimit.

Also in December 2008, Bragantini, along with Alvise Di Stefano, assisted Ergon Capital Partners in the €135 million refinancing of a bridge facility, which was granted to Ergon Capital Partners for the joint acquisition – with Athena – of the Nicotra Group.

Legance moves up two tiers after rivals spoke strongly about both the expertise of its lawyers and the quality of its deals.

“Legance is an up-and-coming firm that is starting to be a very important player in the market,” says one rival. “They are starting to appear on deals that before would have seen the likes of Allen & Overy on.”

The firm has pursued clients very aggressively according to competitors and, though there is a sense that it could climb higher still, many believe that Legance must further prove itself in the market.

Alberto Giampieri has been singled out as the firm's leading lawyer and as a leader in the market as a whole, but clients state that the entire team is praiseworthy. "The quality of the lawyers from Legance has always been excellent," says a client.

In December 2008 Giampieri led on a deal advising BNP Paribas, Intesa Sanpaolo, Buckeye Partners UniCredit and MPS on €500 million of financing for Eracle real estate fund.

For analysis of other leading law firms in the Italian banking market visit the website at www.iflr1000.com

Mergers and acquisitions

Recommended firms	
Tier 1	Bonelli Erede Pappalardo Chiomenti
Tier 2	Cleary Gottlieb Steen & Hamilton Gianni Orioni Grippo & Partners Giliberti Pappalettera Triscornia e Associati Grimaldi e Associati Pedersoli e Associati
Tier 3	Clifford Chance d'Urso Gatti e Associati Labruna Mazziotti Segni NCTM
Tier 4	Delfino e Associati Willkie Farr & Gallagher Dewey & LeBoeuf Freshfields Bruckhaus Deringer Latham & Watkins Legance Lombardi Molinari e Associati Pavia e Ansaldo Simmons & Simmons Studio Legale Grande Stevens
Tier 5	Allen & Overy Ashurst Carnelutti De Berti Jacchia Lovells Montanari Brescia e Associati Pirola Pennuto Zei & Associati / Agnoli Bernardi Ughi e Nunziante
Tier 6	DLA Piper Macchi di Cellere Gangemi Paul Hastings Janofsky & Walker Tonucci & Partners

M&A in Italy has always been the garden of domestic firms. The corporate culture instinctively favours local players and their totemic rainmakers over well-structured foreign firms. But since the disappearance of large cross-border transactions – which those US and UK firms that entered Italy were geared towards – the market has become even more punishing for the non-natives.

"Fee pressure is significant," says one partner at a leading firm. "Many larger firms have financial institutions as their main clients and they were great during the good times. But these firms didn't form ties with local providers and it is these firms, the ones relying on their relationships with banks, who are going to suffer. I think we will see a lot of down-sizing from foreign firms in Italy – those that didn't form a strong local client base."

Even firms with all the right contacts, like Bonelli Erede Pappalardo and Chiomenti, are unable to escape the squeeze of this particularly pervasive downturn and are struggling to find enough large deals to feed their enormous machines.

One partner explains: "In normal recessions there are some sectors that can weather the storms. But when you have a recession that starts as lack of liquidity and then translates as general economic recession, it affects all areas of M&A. We thought that the hole created by the lack of LBOs would be filled with activity from corporates, but it won't because when things extended into the economy it pushed them onto the defensive also – so we never saw opportunistic deals that we thought we would."

Renewable energy and utilities have proved the only consistent exceptions to this trend, as stable industrial players seek to increase their market share. Otherwise, firms have had to content themselves with mid-market transactions, and the weak signs of recovery that appeared in the second quarter of 2009 and are leading clients to at least discuss deals again.

Bonelli Erede Pappalardo

Bonelli Erede Pappalardo still acts in the market's largest transactions and remains populated by the country's top corporate lawyers, according to competitors.

And although the firm's large size and strong corporate focus is considered to be a burden in the depressed market, the firm stays busy – as the few clients still left in the market seek the best advice possible.

Fabio Cappelletti heads the firm's corporate department, though founding partner Franco Bonelli receives the most praise, befitting his status as one of Italy's great rainmak-

ers. "He is one of the greatest practitioners in the world. Franco Bonelli is an incredible professional," says one competitor.

Another founding partner, Sergio Erede, is described by a rival as one of the busiest partners at the firm, acting on its most impressive mandates. He advised Enel in its acquisition of a 25% interest in Endesa from Acciona and its subsidiary Finanzas Dos for €11 billion in June 2009. And the firm also acted in a concurrent sale by Endesa to Acciona of renewable energy assets for €3 billion.

Leading lawyers

Franco Bonelli
Roberto Cera
Sergio Erede
Umberto Nicodano

Chiomenti

Chiomenti retains its tier-one position for another year, with competitors noting that the balance the firm has struck between its corporate and finance practices has seen it well positioned to weather the downturn.

"Working with Chiomenti is very good, very positive," says one large banking client. "We started working with them in 2006 with a very complicated transaction, a merger. We decided to start with them because of the good brand name of the firm. What I really appreciate about the firm, and is their key characteristic, is that they have a good ability to understand the business issues, not just the legal problems, and to put everything into context in negotiations."

And while Chiomenti is well known for its excellent relationships with banks, one of the firm's most high-profile deals of 2009 was representing the failing airline Alitalia. Michele Carpinelli and Francesco Ago advised the extraordinary commissioner in the €1 billion sale of Alitalia's assets, which included the sale of its flying operations to the Confederation of Aerial Industries in January 2009.

And Carlo Croff, another of the firm's leading lawyers, advised Groupe Adeo in the €560 million acquisition of Castorama Italia from home improvement retail group Kingfisher, also in January 2009.

Leading lawyers

Michele Carpinelli
Carlo Croff
Francesco Tedeschini

Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton has one of the most respected M&A practices in Italy, but the firm moves down a tier as peers felt

that its deal flow was not comparable with that of the market's domestic juggernauts.

"I'm not sure if Cleary Gottlieb is as good a firm as the others in tier one in terms of the quantity of the work they do," says a competitor. "Though they are the best foreign firm in Italy they just don't do the same amount of work."

Nonetheless, the firm is highly praised and commentators are quick to stress that it is capable of working on the largest, most complex transactions, and puts to good effect its international capabilities. Leading lawyer Roberto Casati is lauded as the architect of the firm's success, though other younger partners at the firm such as Roberto Bonsignore are increasingly given the opportunity to demonstrate their abilities.

"Cleary Gottlieb is one of the international firms that has really managed to launch themselves in the market," says a rival. "One of the best moves they have made is taking on Roberto Casati – he's managed to build well on the international aspects which the firm could provide him with."

Casati, along with partner Roberto Bonsignore, is advising Mediobanca on the acquisition of an equity interest in Ferretti, the Italian yacht-maker that is embroiled in one of the country's largest restructurings.

Leading lawyers

Roberto Casati

Gianni Origoni Grippo & Partners

Despite a couple of years marred by departures, Gianni Origoni Grippo & Partners holds its tier-two position and remains one of the most active M&A practices in Italy.

The firm is most active in the mid market. Competitors attribute its continued visibility to the retention of its key rainmaker partners as well as the connections and expertise of Gianni himself.

"Gianni has always proved himself to be someone who can build a business," says one rival. "The losses will have a significant impact and the firm will feel the consequence of larger transactions not being there, but he will defend his position in the market and come back for sure."

In December 2008 Francesco Gianni and Emanuele Grippo advised Crédit Agricole on the €2.5 billion acquisition of leading consumer finance company Ducato, by Agos.

Leading lawyers

Francesco Gianni

Giliberti Pappalettera Triscornia e Associati

Giliberti Pappalettera Triscornia e Associati is a small firm mostly active on very specific mid and small-cap transactions, according to competitors. But the reputation and expertise of its three name partners propels the firm to tier two.

Leading lawyer Alessandro Triscornia is said to be at the heart of Giliberti Pappalettera Triscornia e Associati's renowned private equity practice, but the decline of the market combined with the firm's domestic outlook has some rivals questioning the firm's future as a market leader.

"Giliberti is an excellent firm but it is too Italian. You need fluent English-speaking people with experience working in the US and UK," says a competitor.

Leading lawyers

Enrico Giliberti

Alessandro Triscornia

Grimaldi e Associati

Grimaldi e Associati has offices in Rome, Milan and Brussels, and is led by the highly respected Vittorio Grimaldi.

"A firm we very often see as counterparty is Grimaldi e Associati," says one competitor. "It is an excellent firm and does excellent business."

And although some peers note that the practice has been less visible on deals this year and possesses only one or two standout corporate partners, Roberto Cappelli is widely regarded as an exceptional lawyer.

"I like Roberto Cappelli," says a rival. "I had the chance to meet him as counterparty and he's very good at understanding the real topics on the table, so we don't waste time going over meaningless things."

Pedersoli e Associati

Pedersoli e Associati is known as an established firm capable of acting in high-level transactions.

"Pedersoli is not an off-the-shelf type of firm that prints, changes a few names and then gives you a contract," says a client. "They are very high quality, have great legal minds and provide you with the kind of service you need in this environment. I work a lot with Alessandro Dubini – I think he is one of the best legal minds in Milan."

The firm is described by rivals as a typical Italian boutique with excellent contacts, particularly among banking groups. But some competitors question whether its traditional structure is attractive enough to younger lawyers to ensure that the practice maintains its level of quality among partners.

For now, at least, Pedersoli has little to worry about. In July 2008 partners Ascanio Cibrario and Alessandro Dubini advised on the €750 million acquisition of the Italian undertakings of TMF Group by Doughty Hanson & Co

Other ranked firms

Clifford Chance keeps its tier three position after competitors noted that, although the firm's internal restructuring had little effect on its M&A capability, its visibility in deals was insufficient to merit a promotion.

The bulk of Clifford Chance's corporate capacity lies with partner Alberta Figari who, according to one rival, is "very smart and performs very well". And, though the firm benefits from a large network, it has yet to get into "the centre of the scene" in Italy according to competitors.

But the firm has acted in some very impressive, headline-grabbing deals. In February 2009 Alberta Figari and Ian Tully advised Snam Rete Gas on its acquisition of Stogit and Italgas from Eni for €1.7 billion and €3 billion respectively.

NCTM is a traditional corporate practice that has significantly increased its capacity with the addition of seven partners since October 2008.

The firm is mostly active on mid-market domestic transactions according to competitors – who pick out Alberto Toffoletto as the practice's leading lawyer.

But it was Paolo Montironi who led on NCTM's most noteworthy deal of 2008, advising a consortium of equity investors led by Barclays Private Equity and Investcorp in its €800 million acquisition of N&W Global Vending from Argan Capital and Merrill Lynch in November.

For analysis of other leading law firms in the Italian M&A market visit the website at www.iflr1000.com

Project finance

Recommended firms	
Tier 1	Allen & Overy Gianni Origoni Grippo & Partners
Tier 2	Ashurst Bonelli Erede Pappalardo Chiomenti Clifford Chance Grimaldi e Associati Norton Rose
Tier 3	Baker & McKenzie DLA Piper Freshfields Bruckhaus Deringer Legance Lombardi Molinari e Associati NCTM Pedersoli e Associati
Tier 4	Carnelutti Cleary Gottlieb Steen & Hamilton Giliberti Pappalettera Triscornia e Associati Lexjus Sinacta Macchi di Cellere Gangemi Paul Hastings Janofsky & Walker Simmons & Simmons Studio Legale Sutti Ughi e Nunziante

Project finance in Italy has been largely resilient to the downturn, mostly thanks to the burgeoning demand in Europe for green energy.

“Infrastructure and energy, especially renewable energy, are very active this year,” says one partner from a leading firm. “There hasn’t been much of a downturn because in energy there’s a state subsidy, which means projects are still funded regularly, even in a downturn.”

In addition to subsidies, the government took further steps to make project finance in Italy more attractive when, in October 2008, the rules governing the award of public infrastructure concessions were amended to reduce the time taken on public tendering. And while it’s too early for empirical results, commentators expect the change greatly to benefit private companies.

Yet even though the outlook as a whole for project finance in Italy has been encouraging, the impact of the financial crisis has still been felt.

“It’s been a harder year than others,” says a partner. “The credit crunch has had an effect and a lot of smaller players, which may have been active in previous years, have been

forced out of the market because don’t have cash – so it’s the bigger players that are running the market at the moment. Also, there are the usual problems with financing and the need for a lot of club deals.”

Allen & Overy

Allen & Overy keeps its tier-one position after another strong year in the energy sector, led by Catia Tomasetti.

Tomasetti is the market’s undisputed leader for renewable energy projects, especially hydroelectric plants where she has a monopoly.

“Allen & Overy to my mind is a step ahead of Gianni,” says a rival. Catia is mainly doing the work there and it’s fair to say that she’s been successful developing a profile, so the firm deserves to be there based on its deals.”

The firm is best known for acting on the lenders’ side. Tomasetti has an unrivalled knowledge of the behaviour and procedures of international banks, according to clients, and often acts for arrangers too.

“We were among four mandated lead arrangers so we were not the decision takers,” says one client regarding the choice of firm for financing. “The choice of Allen & Overy was recommended by the sponsors and we had no problem accepting them. In the end it was very positive – the firm supported us well in negotiations. Catia is very strong in supporting banks in negotiations with the sponsors.”

In the first quarter of 2009 Tomasetti led on a deal advising Natixis as mandated lead arranger on the €100 million financing for a wind farm with a capacity of 100MW to be built in Sardinia, Italy.

Leading lawyers

Catia Tomasetti

Gianni Origoni Grippo & Partners

The dust has settled on the firm’s 2007 spin-off troubles and, according to commentators, Gianni Origoni Grippo & Partners’ project finance capabilities remain largely intact.

The firm’s project finance department is led by name partner Eugenio Grippo and Ottaviano Sanseverino. Sanseverino is known as the more active of the two partners in the market and is praised by clients for his commitment to projects.

“We appreciate his availability and, in addition to this, his capability for good insight into projects,” says a client of Sanseverino. “He points out problems and issues which would not be his own job to

stress – but he does and this helps a lot. He’s flexible too; if there’s any change to the scope of the work, he is fine.”

According to one competitor, the size of the firm’s practice lends itself well to infrastructure work, where the margins are more suited to smaller, Italian firms, but Gianni Origoni is also involved in the energy sector.

In December 2008 Sanseverino advised Société Générale on the largest non-recourse project financing of photovoltaic and solar projects in Italy, up to the maximum aggregate power of 50MW. The projects were in the Brindisi and Mesagne municipalities and the deal was valued at €45 million.

Leading lawyers

Eugenio Grippo

Ashurst

Ashurst is the best firm in the mid market according to competitors. The firm’s project finance department is lauded for its technical nous, but the smaller practice is often edged out of the largest transactions by Gianni Origoni and Allen & Overy.

Yet Ashurst remains active, particularly in infrastructure where the firm’s head of energy, transport and infrastructure Franco Vigliano is regarded as a point of reference for the area by both peers and clients.

“Franco Vigliano has a very wide knowledge of the legal framework,” says one client. “He was involved in the past with changing the law for infrastructure so he’s very good in technical and legislative matters. He also has a very good knowledge of public administration work and has good contacts among institutional operators.”

Ashurst is known as a predominantly lenders’ side firm and has an excellent reputation among banks. In September 2008 Vigliano advised a group of banking clients, which included UniCredit Infrastrutture, UniCredit Corporate Banking and Banca Intesa Infrastrutture, on an amendment to the €56 million project financing of the Castelfranco Veneto and Montebelluna hospitals developed by Asolo Hospital Service.

Leading lawyers

Franco Vigliano

Bonelli Erede Pappalardo

Bonelli Erede Pappalardo has a mid-sized project finance practice known for its work in infrastructure – much like that of Gianni Origoni, though less established.

The departure of yet more of the firm’s banking and finance department in January 2009 is said to have affected its visibility act-

ing for banks and sponsors in projects, but the practice, led by Emanuela Da Rin and Riccardo Sallustio, is still active.

Sallustio is advising Global Solar Fund on its €500 million financing for a photovoltaic project in Apulia, while Da Rin is advising Autostrade per l'Italia in relation to the €400 million financing from Banca Monte dei Paschi di Siena, UniCredit Corporate Banking and Banca Popolare di Vicenza to Società Infrastrutture Toscane for the building of the highway junction Signa in Prato, Italy.

Chiomenti

“Chiomenti is a good player and has good lawyers there,” says a rival. “They do a lot of energy and infrastructure, but probably slightly more infrastructure.”

The firm is also praised by clients for its commercial acumen and ability to provide support for clients in a range of services.

“They know the Italian market quite well,” says one client. “They know how Italian companies behave and they know what’s going on in the market. And they cover all kinds of aspects apart from just traditional financing. They are involved in a lot of things and so can provide special advice.”

The same client went on to praise Giulia Battaglia for her availability and relationship with sponsors and banks.

Battaglia advised MPS Capital Services Banca per le Imprese in a €26 million project financing for the construction, engineering and development of 260 micro photovoltaic plants in Sicily from Soleagri.

Other lawyers singled out for praise at the firm include Giovanni Diotallevi and Carola Antonini.

Antonini, an “extremely good lawyer” according to one competitor, advised Società Energie Rinnovabili on the financing for a project of wind farms in Sicily and Puglia with a total capacity of 343MW. The project, one of the largest of its kind in Italy, was worth €700 million and was described as “extremely complex” by a rival practitioner.

Leading lawyers

Francesco Ago

Clifford Chance

Clifford Chance has been active in project finance advising sponsors and lenders. Two of the firm’s practitioners, Charles Adams and Massimo Novo, are regarded as leaders in the practice area and the firm is especially well known for its work on wind-related projects. Though this has led some peers to claim that Clifford Chance has “taken a

selective attitude to the market”, the firm’s deal history shows it has experience in a wide variety of sectors.

Novo advised Intesa Sanpaolo in June 2008 on the €800 million financing for the high-speed rail services of Nuovo Trasporto Passeggeri.

And Giuseppe De Palma is advising Gori on the €100 million project financing for the operation and improvement of the integrated water supply and wastewater management for the ATO 3 Sarnese Vesuviano in the Campania region of Italy.

Leading lawyers

Charles Adams
Massimo Novo

Grimaldi e Associati

Grimaldi e Associati acts for sponsors, lenders and borrowers on mid-market transactions, say competitors. The firm is aggressive, well known among domestic banks and benefits from the expertise of the well-regarded Francesco Novelli. And while the firm is said to be largely absent in infrastructure, it makes up for this with a surging energy practice.

For analysis of other leading law firms in the Italian project finance market visit the website at www.iflr1000.com

Restructuring and insolvency

Recommended firms

Tier 1

Bonelli Erede Pappalardo

Tier 2

Chiomenti
Clifford Chance
Lombardi Molinari e Associati

Tier 3

Allen & Overy
Cleary Gottlieb Steen & Hamilton
Freshfields Bruckhaus Deringer
Gianni Origoni Grippo & Partners
NCTM
Paul Hastings Janofsky & Walker
Pedersoli e Associati
Simmons & Simmons

Tier 4

Carnelutti
Giliberti Pappaletta Triscornia e Associati
Grimaldi e Associati
Legance
Macchi di Cellere Gangemi
Pirola Pennuto Zei & Associati /
Agnoli Bernardi
Studio Legale Bruni Gramellini e Associati
Tonucci & Partners
Ughi e Nunziante

Tier 5

Baker & McKenzie
CMS Adonnino Ascoli & Cavasola Scamoni
De Berti Jacchia
Studio Legale Sutti

As the rest of the legal profession rides out the trough in activity, restructuring and insolvency lawyers across the world are busying themselves with a glut of distressed mandates. But for Italian lawyers, this experience is a first.

“The difference between Italy and other markets is that this is the first real restructuring cycle that the country has gone through,” says a partner. “Italy has had big insolvencies before but not really restructurings and we are using instruments that were introduced only recently.”

The country’s reformed bankruptcy legislation was enacted in 2005 and allows for the real turnaround of a company. The reforms have provided professionals with all the tools they need to handle complex restructurings and, in turn, opened up the market for international firms, like Linklaters, who are well equipped to handle large cross-border cases.

But the attitude among some Italian businesses has been slow to embrace the new laws.

“Unfortunately the business community has not yet adapted to the new legislation and

is arriving at the restructuring side when it's too late to do anything. We have procedures that are almost as good as Chapter 11 but people don't use them because they are scared of involving the courts."

The consensus is that this has to change, especially since activity has yet to peak.

"Right now we are waiting for the next few months," says one lawyer. "The worst has not yet arrived."

Bonelli Erede Pappalardo

Bonelli Erede Pappalardo leverages on its corporate capacity and combines a respected litigation practice with excellent academic knowledge to provide a market-leading bankruptcy practice that keeps them in the top tier.

"I use Bonelli Erede Pappalardo because they are very keen on bankruptcy," says one client. "They have studied bankruptcy law for a long time and are experts in these matters."

The firm's R&I practice group is led by Marco Arato, a corporate partner and professor who is known for his deep knowledge of the area. Bonelli's academic credentials and wider practice acting for lenders in transactions has given it a reputation as a bankruptcy specialist, rather than a restructuring firm.

Illustrating Bonelli's standing, it was chosen to advise Deutsche Bank, Commerzbank and other German banks that, in conjunction with the German state, bailed out Hypo Real Estate Group and Depfa Bank. Andrea De Tomas and Riccardo Sallustio are leading on the €30 billion transaction.

Also, Franco Bonelli, Marco Arato and Giovanni Domenichini worked together to advise Compagnia Aerea Italiana in the last quarter of 2008 on its €1 billion acquisition of Alitalia assets in the extraordinary administration of Alitalia, and also teamed up on CAI's assumption of part of Alitalia's debt under several secured loans and aircraft lease agreements.

Leading lawyers

Franco Bonelli
Emanuela Da Rin

Chiomenti

Chiomenti has been involved in a number of the largest mandates this year, earning praise from clients and peers alike.

The firm is most often seen in restructurings, and supplements its practice with solid corporate and litigation departments. According to commentators, Chiomenti's R&I group has no standout practitioner, rather, clients can expect the same high level

of advice from any number of lawyers at the firm.

"We choose Chiomenti because we know some of the partners and we have a very good estimation of them," says one client. "We appreciate the customisation of the services we receive – they tailor their solutions to your specific problem and don't just do things based on some standard model."

In January 2009 the firm advised Alitalia-Linee Aeree Italiane on the bankrupt airline's extraordinary administration procedure against Compagnia Aerea Italiana and others. Francesco Ago led on the mandate, which was one of the largest of the year.

The firm advised the majority shareholders of Fingruppo Holding on the judicial restructuring of its €283 million of debt in March 2009.

Clifford Chance

Although Clifford Chance has less experience than the other tier-two firms in corporate restructurings and bankruptcy, the firm's international capacity and good standing among banks has seen it act on a number of large mandates this year.

"Clifford Chance is involved with the banks a lot and, at the moment, they are really important, but the approach of Clifford Chance in these matters depends on the approach of the banks," says one competitor.

The firm's financing expertise and evolved structure however, ensure that clients receive a consistently high quality of service that's in sync with its international reputation.

"We have a longstanding relationship with London and use their global network wherever we can. We worked on an administration with the Italian office and they performed very satisfactorily. They were knowledgeable, commercial, responsive and generally efficient, which isn't always the case in Italy and other jurisdictions."

In January 2009 the firm, led by Franco Grilli Cicilioni and Carlo Felice Giampaolino, advised aircraft lessors and lenders on the insolvency and restructuring of the bankrupt airline Alitalia.

Additionally, the firm is advising Citigroup in the continuing Parmalat saga. Fabio Guastadisegni is acting for Citigroup as creditor of various entities of the Parmalat group.

Lombardi Molinari e Associati

Lombardi Molinari e Associati has a distinguished history advising in R&I cases and continues to act in some of the most prominent mandates around.

"It's a firm very often involved in restructuring deals. I met them in several deals and

they are very strong in pure insolvency," says a rival.

The firm is primarily a litigation boutique led by name partners Giuseppe Lombardi and Ugo Molinari, neither of whom focus on bankruptcy. But they nonetheless have the skill to represent clients in the most complex transactions – for instance, the firm played a significant role in the Parmalat case.

"Lombardi Molinari e Associati is a very good example of a firm where there is nobody who you would regard as a specialist, but Mr Lombardi is one of the best litigators in Italy and from time to time does restructuring. And Molinari is a private equity specialist, but between the two of them they do have the required skills," says one competitor.

In the latter half of 2008 the firm advised Banca Popolare dell'Emilia Romagna, Banca Popolare di Milano and Banca Popolare di Sondrio on a transaction restructuring the Banca Italease Group, which has €20 billion of assets.

Leading lawyers

Giuseppe Lombardi

Other ranked firms

The turmoil in **Allen & Overy's** finance department this year has led peers to question whether the R&I group can still deliver. But the global downturn has created the ideal proving ground, giving international practices in Italy the chance to take on more significant roles.

Allen & Overy, led by Massimiliano Danusso, Massimo Greco and Pasquale Cardelicchio, was mandated by a group of banking clients that includes the Italian Banking Association, UniCredit Banca and Banca Popolare di Milano on issues stemming from the collapse of Lehman Brothers, including directions on exercising contractual rights under derivative transactions and claims brought by clients against financial institutions.

Cleary Gottlieb Steen & Hamilton has a reputation among peers as primarily a corporate firm.

"We don't see Cleary Gottlieb that much," says one rival. "It's very much an M&A practice; they get involved in new equity processes but not really in restructuring. It's an excellent firm, but not as strong in restructuring."

Yet the firm's practice, which is headed by Roberto Bonsignore, is active in the market. Partner Giuseppe Scassellati-Sforzolini is advising a multinational appliances group headed by white goods manufacturer Antonio Merloni on international aspects of its extraordinary administration proceeding.

Freshfields Bruckhaus Deringer's R&I practice is mainly driven by Enrico Castellani according to competitors. But the firm also has a strong litigation department, augmenting its capacity for bankruptcy work.

Freshfields has been busy since the third quarter of 2008, advising, among others, Interbanca in relation to the restructuring of Mark IV Industries and counselling JPMorgan on the €250 million restructuring of the Fantuzzi Group.

Gianni Origoni Grippo & Partners took steps to reinvigorate its practice in May 2009 with the addition of former head of business restructuring and insolvency at Lovells, Silvio Tersilla. Tersilla joins Gianni's bankruptcy team led by Antonio Auricchio and Gabriella Covino, who act on insolvencies and restructurings, respectively. The firm has a longstanding reputation for excellence in the area and receives a huge boost from the rainmaking capabilities of Francesco Gianni, who is "one of the best lawyers in Europe", according to a rival.

In the first quarter of 2009 Auricchio and Rita Gismondi advised an investment fund on the restructuring of the Ferretti Group of companies' debt and the negotiations of a restructuring under Article 67 of the Italian bankruptcy law.

NCTM is a growing firm in Italy. The firm's R&I practice, led by Maurizio Cimetti in the Verona office, is active on small to mid-size deals and has a niche representing private equity firms in distressed proceedings, competitors say.

In February 2009 Cimetti advised I2 Capital Partners on the acquisition of €600 million of assets from energy company Belleli's bankruptcy proceedings. The insolvency proceedings and subsequent litigations encompassed a variety of issues, including receivable and claw-back actions.

Paul Hastings Janofsky & Walker's intense recruitment drive at the beginning of 2009 has had a lot to do with the firm's raised profile in the Italian market, but its tier-three promotion for R&I is down mostly to the reputation of Bruno Cova.

Cova played a key role in the Parmalat case, cementing his reputation as a leader on complex bankruptcies. But it's not all about Cova at Paul Hastings – the firm has a proven record for acting in international and domestic R&I cases and is regularly mandated by clients, say rivals.

In January 2009 Cova led the team representing Mauna International and its financial advisor Compagnie pour Assistance Technique et Investissements in the acquisition of the non-Italian subsidiaries of distressed manufacturer Metecno.

Pedersoli e Associati is an important boutique in Italy according to one competitor. The firm has strong links with banks, an excellent dispute resolution team and has been involved in some of the larger mandates in the market.

For analysis of other leading law firms in the Italian restructuring and insolvency market visit the website at www.iflr1000.com