

# Poland

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## Do we yet have a truly single European market for securities?

Bartosz Smardzewski  
Allen & Overy A Pedzich  
Warsaw

The interpretation and application of the EU Prospectus Directive is one of the most frequently discussed subjects between foreign issuers and their legal advisers in cross-border transactions to raise capital. Poland, with one of the fastest-growing economies in Europe, is no exception. Indeed, many issuers are interested in launching cross-border securities offerings in Poland or having their securities admitted to trading on the regulated market in Poland on the basis of a so-called passported prospectus. The Prospectus Directive allows a prospectus to be passported into Poland if it has been approved in the foreign issuer's home member state. This is consistent with the Prospectus Directive's overall aim of allowing companies from the European Economic Area access to the widest possible pool of investment capital.

### Passporting procedure in Poland

Under the Prospectus Directive a prospectus approved in the issuer's home member state is valid for cross-border public offerings and admissions to trading on the regulated market in the host member state, as long as the specified passporting procedure is followed. The procedure implemented into Polish law provides that following the approval of a prospectus (or supplement), the issuer can request the relevant authority in its home member state to notify the Polish regulatory authority, the Financial Supervisory Commission.

The authority in the issuer's home member state should provide the Financial Supervisory Commission with: (i) a copy of the approved prospectus; (ii) a certificate of approval; and

(iii) a Polish translation of the summary of the prospectus. Under the Prospectus Directive, the Financial Supervisory Commission is not permitted to instigate any approval or administrative procedures relating to prospectuses, and therefore passporting a prospectus into Poland is a fairly simple procedure which is usually completed in just a few days. At this stage the Financial Supervisory Commission will issue a notification and the prospectus cannot be made available to the public until this has been delivered to the issuer. The issuer is obliged to make the prospectus available to the public either in English or Polish. If the prospectus has been drawn up in English, the issuer may publish it with the summary translated into Polish.

The passporting procedure implemented in Poland is a simple and efficient mechanism which is widely recognized as extremely beneficial and a useful tool to promote a single European securities market. The passporting procedure has been used in Poland for a number of public offers and cross-border admissions to trading on the regulated market.

### Practical considerations

Although the introduction of a passporting procedure has been a tremendous step in the development of a truly single European securities market, in practice issuers are hampered by a number of additional requirements.

Firstly, issuers are required to conclude a distribution agreement concerning the securities with an investment firm licensed or passported in Poland (if listing on the regulated market is intended, the use of a brokerage house as intermediary is also required). The distribution agreement has to be executed in writing (otherwise it is invalid) and should specify the procedure, timeframe and terms and conditions of the offer. While the distributing intermediaries might in fact ensure that an investor purchases a suitable investment

product with sufficient knowledge of all relevant facts, this tends only to be of real importance to retail investors who – in practice – are unlikely to read or fully analyze an entire prospectus. Nevertheless, a public offering of securities targeted at institutional investors also requires the use of an investment firm licensed in Poland as intermediary.

Secondly, Polish law may not accept the publication method the issuer uses in its home member state. In practice many issuers use electronic publication methods, whereas in Poland a prospectus in electronic form must be published on the issuer's website, as well as on the website of the investment firms taking part in the offer, or (in the case of admission to trading on the regulated market) on the website of the Warsaw Stock Exchange.

Thirdly, issuers intending to have securities admitted to trading on the regulated market in Poland are required to enter into a depositary agreement with the National Depository for Securities, and this must be registered before commencing the public offering (i.e. by publishing the prospectus). The nature of the depositary agreement is to provide depository, clearing and settlement services for the securities involved in public trading.

The main requirement for entering into the registration agreement with the National Depository for Securities provides that the execution of the depositary agreement must be authorized, as a matter of principle, by the issuer's shareholders' meeting or other appropriate corporate body. Based on our recent practice, the requirement to have the consent of the shareholders' meeting may not apply to foreign issuers as long as the decision to execute the registration agreement with the National Depository for Securities is taken at the same level as the authorization of the issue itself.

As a final thought, based on our experience a truly European primary securities market

has not yet come about as there are considerable differences in the manner in which the Prospectus Directive has been implemented and interpreted across Europe. However, the fact of implementation (in whatever form) has been a milestone in itself and a tremendous improvement which enables and simplifies cross-border offerings and admissions to trading on the European regulated markets.

## Capital markets

### Recommended firms

#### Tier 1

Allen & Overy A Pedzich  
Baker & McKenzie Gruszczynski i Wspólnicy  
Dewey Ballantine Grzesiak  
Weil Gotshal & Manges

#### Tier 2

Clifford Chance Janicka Namiotkiewicz i Wspólnicy  
Linklaters T Komosa i Wspólnicy  
White & Case W Danilowicz W Jurcewicz i Wspólnicy

#### Tier 3

CMS Cameron McKenna Dariusz Greszta  
Chadbourne & Parke Radzikowski Szubielska i Wspólnicy  
Domanski Zakrzewski Palinka  
Lovells H Seisler  
Oles & Rodzynkiewicz  
Salans  
Soltysinski Kawecki & Szlezak  
Wardynski & Partners

The Polish capital markets are at their healthiest ever. And the top-tier firms couldn't be happier. "The market is spectacular for us; this is what we were waiting for," said one partner.

Attitudes towards initial public offerings (IPOs) are changing for the better. The Warsaw Stock Exchange has become the preferred option for Polish and other central and eastern European companies compared to the London and Luxembourg Stock Exchanges. Dual listings have also become popular and easier due to the EU Prospectus Directive. For the first time Ukrainian companies have decided to list their shares on the Warsaw Stock Exchange and market commentators see more companies following suit. The rise in private M&A deals has also added to the activity in capital markets. All the firms believe that the market will continue to grow, leading one lawyer to comment: "This is amazing. We couldn't have asked for anything better."

### Allen & Overy A Pedzich

The Polish market is extremely active, but some believe it's moving a bit too fast, and its no wonder that as the competition is getting thicker, partners and associates seem to be changing firms at regular intervals. Jacek Jonak, who used to head Allen & Overy's capital markets practice, left in April 2007 causing a stir in the market. But luckily for the firm, it had been joined by Jacek Michalski, a partner from Dewey Ballantine Grzesiak, who returned to Allen & Overy after a nine-year absence in February 2007.

Despite the loss of a few lawyers over the years the firm has stood up well and has some top-class talent. Partner Arkadiusz Pedzich was given special mention for debt and securities work.

Allen & Overy is particularly known for its work in structured and derivative transactions; but its equity capital markets work is also increasing. It made headlines when it advised Pegas Nonwovens, in a dual listing in Prague and Warsaw. The €136 million IPO consisted of a partial sell-down of existing shares held by Pamplona, a British private-equity group.

The firm advised Bank Handlowy w Warszawie on the issue of Z150 million (€13 million) five-year structured floating-rate notes due 2011 by European Investment Bank. It also enabled Deutsche Bank to list structured instruments on the Warsaw Stock Exchange. The multi-asset best-strategy notes issuance amounted to €34.5 million, and the transaction was carried out along with Allen & Overy's London office. In the last 12 months, the Polish Ministry of Finance has also used the firm's services to establish a €25 billion medium-term notes programme.

#### Leading lawyers

Jacek Michalski  
Arkadiusz Pedzich

### Baker & McKenzie Gruszczynski i Wspólnicy

Konrad Konarski is highly regarded in the market by both his rivals and his clients and is instrumental to Baker & McKenzie's first-tier capital markets practice. One client who used the firm on the debt side said: "I thought Konrad Konarski was great; I am glad we cooperated as a whole. He was flexible with a good knowledge of the market and was extremely innovative in his work."

The firm advised Astarta Holding in an IPO and listing on the Warsaw Stock Exchange, the first Ukrainian entity to do so. Elsewhere, it acted for Cinema City International in the IPO of its shares for €92.1 million. The deal involved offices in Warsaw,

London and Amsterdam and was one of the largest IPOs by a foreign company in 2006.

Baker & McKenzie was also involved in the IPO and listing of Pegas Nonwovens on the Warsaw Stock Exchange, in which the firm acted as a counsel to the underwriter ING Securities. Another standout deal was the firm's advice to ABN Amro during the sale of shares by minority shareholders in Multimedia Polska, by means of an IPO.

On the debt side, it acted for Bank Gospodarstwa Krajowego in the issuance of Eurobonds guaranteed by the Polish State Treasury to develop the Polish motorway programme.

#### Leading lawyers

Konrad Konarski

### Dewey Ballantine Grzesiak

Dewey Ballantine Grzesiak moves to tier one after a string of successful transactions and recommendations from its peers and clients. Its focus has always been on the big-ticket work, and with the market expanding, the firm seems to be in the right place at the right time. It was quite active on the equity front, advising the Central European Distribution Corporation in a dual listing on the Warsaw Stock Exchange. At the time of writing, the firm was planning an IPO of the shares of JW Construction Holding and of Pol-Aqua.

It also impressed the market when it advised Getin Bank in the issue of bonds under a €1 billion programme of Euro medium-term notes. In another debt deal, Dewey Ballantine was consulted by Zlomrex in its €170 million high-yield bond offering which was used to repay outstanding debts and finance its acquisition of an Austrian steel distributor.

#### Leading lawyers

Jaroslaw Grzesiak  
Zbigniew Mrowiec

### Weil Gotshal & Manges

Weil Gotshal & Manges comes up frequently in conversations about the leading firms in capital markets in Poland. The firm was the busiest compared to its competitors, and 2006 and 2007 saw it employ about 10 new associates to distribute the work.

The Warsaw Stock Exchange has emerged as a viable market for foreign issuers, especially those from countries in central and south-east Europe. And all these transactions now take place under the EU Prospectus Directive making the process much easier than it used to be. Weil Gotshal & Manges is one of the favoured and most experienced firms in such matters.

According to a client, the firm's lawyers are "positive, and are good professionals and have an excellent securities and stock exchange knowledge". Anna Frankowska was given the nod by almost all of the capital market lawyers spoken to from the other firms: "She is a great lawyer and adds stand out in the market," said one of her rivals. In a global offering, it advised CAIB Securities and UBS as underwriters in the IPO of Multimedia Polska, a Polish telecoms provider. It also advised ING in its secondary offering of shares of Central European Distribution Corporation. Elsewhere, it acted for CDM Pekao brokerage house in a €105 million IPO of Dom Development, a leading Polish property developer.

Weil also advised regular client Credit Suisse in connection with its offering of shares of Getin Holding. The €402 million transaction consisted of 70 million new shares along with 60 million existing shares offered by shareholder LC Corp.

In non-equity matters, Weil advised Varde Partners Europe on aspects of its second securitization fund in Poland and the acquisition of a non-performing loan from ING Bank Slaski. It was also busy in a couple of bond offerings; it represented Globe Trade Centre in a transaction worth \$219 billion. The firm also acted for Citibank International on its offering of principal protected securities on the WIG20 index of the Warsaw Stock Exchange. Finally, it advised CDM Pekao, which acted as the offering agent, in the IPO of shares of JW Construction Holding, a Polish residential developer.

#### Leading lawyers

Anna Frankowska  
Pawel Zdort

#### Clifford Chance

Clifford Chance is "one of the most consistent firms in Poland" according to market commentators. On the equity side, it advised Warimpex on the Polish and international aspects of a flotation comprising of a listing on the Vienna Stock Exchange and Warsaw Stock Exchange. The also firm helped CA Immo International with its listing on the Vienna Stock Exchange, and assisted Deutsche Bank in relation to a €1.5 billion bond issue. Elsewhere, the firm was involved in the restructuring of BRE Bank's subordinated notes programme, by transferring the notes (issued in 2002 and 2005) from English to German jurisdiction. Finally, PKN Orlen issued bonds up to Zl2 billion under a domestic debt programme with the help of Clifford Chance, and the firm also helped Bank Handlowy w Warszawie and Société Générale issue bonds for Elektrownia Rybnik.

#### Leading lawyers

Nick Fletcher  
Grzegorz Namiotkiewicz

#### Linklaters T Komosa i Wspólnicy

Linklaters has managed another active year, especially on the equity side. There was increased activity on the IPOs front, and the firm was involved in a handful of offerings. Marcin Chylinski, who spearheads the capital markets practice, was praised by one of his rivals: "He is full of good ideas, and is a nice person to work."

The firm advised Dom Development, a Polish residential developer, on its IPO in late 2006 and due to the complexity of its transaction it worked along with its lawyers in the real-estate department. The practice also won acclaim when it acted for Dom Maklerski PKO on an offering of bonds issued by foreign banks in Poland. The bonds, which were issued by Deutsche Bank, were the first structured bonds listed on the Warsaw Stock Exchange.

Linklaters assisted ING Bank Slaski with regards to the implementation of the Mifid directive. Elsewhere, it acted for Vistula in a secondary issue of new shares and the sale of existing shares. This €38 million transaction closed in less than a month and took place after the merger of Vistula with Wolczanka, two clothing retailers, in the first half of 2006. In a pan-European transaction the capital markets group advised Orco Property Group in its secondary shares issuance on the Warsaw and Budapest Stock Exchanges. Lastly, it advised LC Corp in its €280 million IPO.

#### Leading lawyers

Marcin Chylinski

#### White & Case W Danilowicz W Jurcewicz i Wspólnicy

White & Case's capital markets team consists of three partners, two of senior counsel and four associates. The firm tends to focus more on the debt side, such as acting for the underwriters Deutsche Bank in the issue of €170 million 8.5% senior secured notes due 2014 by Zlomrex. It also helped Belvedre in the issuance of privileged bonds with variable interest rates bought by Credit Suisse.

Elsewhere, the firm proved its mettle when it represented the State Treasury of the Republic of Poland in a US-registered debt shelf. This was subsequently followed by the issuance of \$1 billion 5% due 2015, and \$100 million 5.408% notes due 2035. It also advised KBC in its successful tender offer for the outstanding shares of Warta Insurance for Zl300 million.

White & Case has been in the process of advising a number of international financial

institutions in potential securitization deals. Its regular clients in this sector include Atlantic, Bank Handlowy w Warszawie, Bank BPH, Enterprise Investors, Eurohypo, Fortis Group and GE Debt Management.

#### Leading lawyers

Janusz Fiszer  
Witold Jurcewicz

#### Chadbourne & Parke Radzikowski Szubielska i Wspólnicy

Chadbourne & Parke impressed the market when it was involved in one of the big IPOs of 2006, advising Multimedia Polska in its offering of shares both domestically and globally. The firm was involved in all the legal aspects of this \$269 million transaction, including legal aspects of the prospectus and regulatory considerations. This deal showed that it's not only the top-tier firms that are taking advantage of this surge in IPO activity.

#### Leading lawyers

Gabriel Wujek

#### Wardynski & Partners

Wardynski & Partners continues to get positive feedback from its counterparts. "It is a very good local firm, and is increasing its presence in the markets," said one rival.

On the deals side, the firm prepared several prospectuses and serviced procedures of new issues for companies already on the Warsaw Stock Exchange. It assisted AIG Bank Polska in terms of the legal documentation required for issuance of bank securities. In an interesting development, the firm added Ryszard Czerniawski, a former vice-president of the Warsaw Stock Exchange, to its arsenal in September 2006.

#### Leading lawyers

Danuta Pajewska

## Banking

### Recommended firms

#### Tier 1

Allen & Overy A Pedzich  
Clifford Chance Janicka Namiotkiewicz i  
Wspólnicy

#### Tier 2

Baker & McKenzie Gruszczynski i Wspólnicy  
Dewey Ballantine Grzesiak  
Linklaters T Komosa i Wspólnicy  
White & Case W Danilowicz W Jurcewicz i  
Wspólnicy

#### Tier 3

CMS Cameron McKenna Dariusz Greszta  
Lovells H Seisler  
Norton Rose Piotr Strawa and Partners  
Salans  
Soltysinski Kawecki & Szlezak  
Wardynski & Partners  
Weil Gotshal & Manges  
Wierzbowski Eversheds

#### Tier 4

Beiten Burkhardt P Daszkowski  
Gide Loyrette Nouel  
Gleiss Lutz  
Hogan & Hartson Jamka Galos  
Miller Cranfield Paddock and Stone  
Nörr Stiefenhofer Lutz

The banking field hasn't been as active as capital markets and M&A, but it's still been a fairly eventful year. Polish banks like Bank Handlowy w Warszawie are beginning to take the initiative of investing in the region and in the country, and with property financing increasing, the market is stable. Most of the firms have a broad-based international banking and finance practice representing banks, financial institutions and private-equity funds in financing transactions.

The market is now extremely competitive, and even though there has been a slight decrease in finance work, the next few years promise to be even more eventful, particularly with the banks creating ever more innovative and inventive financing methods.

The first thing most lawyers will point out is this increasing sophistication. "The transactions are getting more and more complex," said a lawyer. "If you look at some of the deals we worked on three or four years ago and the ones we are dealing with now, you will see the difference."

### Allen & Overy A Pedzich

Allen & Overy's banking team, led by Arkadiusz Pedzich, maintains its first-tier position after another successful year. It

advised a consortium of mandated lead arrangers consisting of Citibank International, Bank Handlowy w Warszawie, ING Bank and the European Bank for Reconstruction and Development in relation to a Z1134 million (€34.5 million) credit facility to finance the construction of a power plant. The team also advised P4, a telecoms operator, on a €150 million facility granted by China Development Bank.

Peers and clients have only good things to say about Allen & Overy's banking and finance practice. "It has an impressive record in this field, and its partner Arkadiusz Pedzich is an open personality," said a rival. Among the firm's other lending work it advised a consortium of banks in a €320 million refinancing and working capital facility for a joint venture of Basell and PKN Orlen.

In regulatory work the firm has worked with clients like GE Money Bank and Western Union Financial Services. It advised Citibank on local law aspects of export credits and Toyota Bank Polska in the preparation of legal documentation for its retail banking products.

A client recommended both Tomasz Kawczynski and Arkadiusz Pedzich: "Tomasz is the type of the guy who is very good at translating banking business into legal documentation. He is very straightforward and has immense experience and knowledge to back."

Of Arkadiusz Pedzich, the client added: "He is a legend and the greatest authority in banking law in Poland."

#### Leading lawyers

Tomasz Kawczynski  
Arkadiusz Pedzich

### Clifford Chance

Clifford Chance has one of the strongest banking practices in Poland. It had another successful year and was involving in some of the country's largest loan facilities.

PKN Orlen is one of its prized clients and one of Poland's largest companies. The firm advised it in the financing of the Mazeiku acquisition. It also advised a group of banks led by BPH Bank in a facility to finance the development of a new generation of televisions. Finally, the firm participated in one of the highest-value syndicated loans this year; where it advised Bank Handlowy as the facility and documentation agent and a consortium of other banks as arrangers.

#### Leading lawyers

Grzegorz Namiotkiewicz

### Baker & McKenzie Gruszczynski i Wspólnicy

Baker & McKenzie had an eventful last year, in which it worked on a good number of deals and at the same time lost a few lawyers and hired some new ones. Among the departures was Krzysztof Korzeniewski, a partner and a leading banking lawyer, who left the firm to join Citigroup in May 2007.

The firm advised Bank Zachodni WBK in the construction and investment financing for a real-estate project, and acted for Calyon in a €115 million working capital financing and Fortis Bank in a subordinated mezzanine financing. The firm was also consulted by two foreign banks on setting up representative offices in Poland. Lastly, it worked for Bank Zachodni in a real-estate acquisition financing for the purchase of Wisniowy Business Park.

#### Leading lawyers

Peter Swiecicki  
Tomasz Ujejski

### Dewey Ballantine Grzesiak

Banking is not one of Dewey Ballantine's core practice areas but it has been taking steps to develop the field to replicate its successes in the capital markets and M&A categories.

"It is an aggressive firm, but I respect it especially because of Jaroslaw Grzesiak – he is a great competitor," said a partner from a rival firm. But in December 2006 Dewey Ballantine lost partner Jacek Michalski, who returned to Allen & Overy, where he had been a partner until 1998.

On the deals front, the firm advised Polska Kasa Opieki and Bank Zachodni in the financing for Sanitas Polska. It is also acting for Biotanol in connection with securing a loan for the construction of a new bioethanol production plant in Poland.

#### Leading lawyers

Jaroslaw Grzesiak  
Andrzej Wysokinski

### Linklaters T Komosa i Wspólnicy

Jaroslaw Miller, the banking and finance partner of Linklaters, has been instrumental to its increased visibility on the market. "He is a gifted lawyer, and we like working with him," said a rival partner.

Linklaters participated in one of the largest-ever financings by a Polish company. It advised BNP Paribas, Société Générale and other banks in a €1.6 billion bridge facility for PKN Orlen to acquire a majority shareholding in AB Mazeikiu Nafta. Another deal that stood out was the firm's representation of

Citibank on a Z11.6 billion revolving facility for Polkomtel, a Polish phone operator.

Linklaters also guided three banks on a Z1259 million term facility and a Z190 million revolving facility for Agros Nova, a Polish fruit and vegetable processor. These facilities are to be used to acquire 60% of its own shares from its existing shareholder, Enterprise Investors.

Another highlight for the firm was when it advised PKO Bank Polski and Bank BPH on the Z1300 million secured multi-currency, multi-option loan facility to Grupa Kety for financing its future expansion plans.

The firm advised BZ WBK as a lender in a €21 million financing for the acquisition of the Renaissance office building in Warsaw. Falcon Investments, a Spanish fund, acquired the property through a Luxembourg entity, and the firm's team consisted of Jaroslaw Miller, Adrian Horne and Joanna Gawlicka from the banking practice and Bartosz Miszkurka, a real-estate lawyer.

Lastly, Linklaters is acting for the Bank of America on the acquisition of a non-performing loans portfolio from BPH, a transaction which also involved a complex due diligence exercise. Some of the firm's regular clients in this category are Aareal Bank, Merrill Lynch International, Kredyt Bank and Hypo Real Estate Bank International.

#### Leading lawyers

Jaroslaw Miller

### White & Case W Danilowicz W Jurzewicz i Wspólnicy

White & Case has a client list that even the top-tier firms would be jealous of, and despite peers saying that the firm has slowed down in the last two years, it is still one of the leading firms in the market. It advised Bank Handlowy w Warszawie and Bank Pekao Shipyard Financing on the loans to finance an investment project for Stocznia Szczecinska related to the Polish shipyard, and recently provided counsel to Deutsche Bank with respect to new consumer finance products in Poland. The firm also advised the same client in the acquisition financing for the acquisition by Oaktree Capital of a European group of companies, and acted for Deutsche Bank in Luxembourg in the €152 million refinancing of the Gealan Group.

Another deal that kept the firm busy was its work for Sferia on its \$500 million purchase of an equipment, software and technology company from Lucent Technologies. It has been supporting the China Development Bank in connection with a €150 million credit for P4, a mobile telephone operator in Poland.

Another deal, which displays White & Case's resourcefulness was its advice to

Lehman Brothers on the restructuring of Warszawskie Centrum Dystrybucyjne and Centrum Biznesu Ozarów, including advice relating to insolvency proceedings. This was handled by Lech Gilicinski, who one lawyer called "an insolvency expert". Finally, the firm represented a client with the opening of secondary insolvency proceedings in Poland under the EU Insolvency Directive.

#### Leading lawyers

Jacek Czabanski  
Lech Gilicinski  
Piotr Galuszynski

### CMS Cameron McKenna Dariusz Greszta

CMS Cameron McKenna went through a few changes in the last year. In May 2007, it hired Marek Król, a partner from White & Case, as the head of its banking and finance team. It also added two more lawyers from White & Case to its armoury, namely Peter Malecek from the Prague and Bratislava office and Malgorzata Chrusciak from Warsaw. On the flipside, it lost Nicholas Coddington, who clients regard as a brilliant lawyer, to Clifford Chance. Another associate that left the firm was Mateusz Toczyski who joined Salans.

A client who has working with the firm for over a year said it was "efficient, responsible, effective and a prize when compared to the other firms".

The firm has one of the most efficient real-estate practices in the entire central eastern European region and the Warsaw has benefited tremendously from this. It advised Bank Pekao on financing an acquisition of property and development of five residential projects in Warsaw and for acted Deutsche Bank in the financing of an acquisition of a trade centre in Warsaw.

CMS Cameron McKenna also advised a consortium of five banks in the financing of a bio-fuel factory in Poland for Z1330 million. Competitors and clients were impressed by the firm's progress in the last few years. "It has been doing very well recently, and I see it gradually becoming bigger and bigger," said a rival.

#### Leading lawyers

Marek Król

### Lovells H Seisler

The banking practice of Lovells, headed by Beata Balas-Noszczyk, consists of nine senior lawyers and three junior lawyers and is renowned for its expertise in insurance. "I have been greatly impressed by Lovells," said one of its competitors when asked about the

firm, and almost all of its peers were similar in their views.

The firm advised Bank BPH as an arranger of a Z1150 million revenue bonds programme for MPK Lodz. It also helped BRE Bank on the establishment of an insurance company – BRE Ubezpieczenia Towarzystwo Ubezpieczen.

Clients had only positive things to say about the firm, with one commenting: "It pays a lot of attention to potential conflicts of interest and always acts and does what's best for the client." Lastly, Lovells advised Hypo Real Estate Bank International on a €51.5 million facility for the acquisition of retail centres in Poland.

#### Leading lawyers

Beata Balas-Noszczyk  
Piotr ZawiSlak

### Wardynski & Partners

Wardynski & Partners received several accolades from peers for its "professionalism" and "its attitude". The firm's banking department worked on the acquisition of a loan portfolio by Hypo Real Estate International. On other deals it acted for the HP Pelzer Group in a refinancing project and for Law Debenture as a trustee of the defaulted Elektrim group in its bond issues, including the restructuring of the bonds and bankruptcy proceedings.

Elsewhere, the firm guided a number of banks on secured and unsecured syndicated senior and mezzanine credit facilities to Polish borrowers. It also acted for a market chain on the introduction of private-label credit cards and a Polish investor in the acquisition of \$500 million intra-group bonds.

#### Leading lawyers

Jan Nowicki

### Weil Gotshal & Manges

Weil Gotshal & Manges' banking practice is not as prominent as its M&A and capital markets practice but it has appeared on quite a few transactions in recent months. The firm is expanding its team and this has produced new instructions for its banking practice. Among these were advice given to Netia in relation to its Z1300 million loan from Rabobank, and to Petrolinvest on its €80 million loan from PKO for the financing of foreign acquisitions. The firm represented Prokom Investments in the financing of a €35 million aircraft purchase. Pawel Rymarz and Artur Zawadowski, who heads the department, were praised by its competitors. "They are both good lawyers, and they complement each other," said one rival.

**Leading lawyers**

Pawel Rymarz  
Artur Zawadowski

**Other notable firms**

Like other firms on the market, **Wierzbowski Eversheds** has also seen a rapid growth in real-estate financing deals after Poland's EU accession. Rivals called it a "pragmatic and versatile firm". It gave Zachodni WBK legal advice and helped draft collateral documentation for numerous facility agreements. Other work included advising Provident in the restructuring of its business and providing support to Royal & Sun Alliance Direct Insurance.

**Gide Loyrette Nouel** had another good year and advised a good number of both French and international clients. The firm advised Calyon as an agent on the preparation of documentation relating to a €660 million revolving credit facility. It also helped Zachodni WBK on the refinancing and financing of portfolios of real estate amounting to €34 million. One of the firm's big highlights in 2007 was acting for private-equity fund Enterprise Investors on the \$85 million leveraged buyout of Komfort Market.

**Nörr Stiefenhofer Lutz** has worked on some eye-catching transactions on the Polish market, such as acting for Goldman Sachs International in a €65 million syndicated credit facility for Schieder Möbel Holding. It also assisted Oaktree Capital Management on the acquisition and subsequent financing of Richmond Foods for €400 million and in regulatory work, it has recently advised Axa and WestLB.

**Mergers and acquisitions****Recommended firms****Tier 1**

Dewey Ballantine Grzesiak  
Weil Gotshal & Manges

**Tier 2**

Allen & Overy A Pedzich  
Baker & McKenzie Gruszczynski i Wspólnicy  
Clifford Chance Janicka Namiotkiewicz i Wspólnicy  
Linklaters T Komosa i Wspólnicy  
Soltysinski Kawecki & Szlezak  
White & Case W Danilowicz W Jurcewicz i Wspólnicy

**Tier 3**

Beata Gessel & Paerners  
Chadbourne & Parke Radzikowski Szubielska i Wspólnicy  
CMS Cameron McKenna Dariusz Greszta Domanski Zakrzewski Palinka  
Gide Loyrette Nouel  
Lovells H Seisler  
Norton Rose Piotr Strawa and Partners  
Salans  
Wierzbowski Eversheds

Transactional work has expanded globally and Poland has emerged as one of the most active countries in central and eastern Europe. The M&A market increased by a half in 2006 according to government statistics. The country's GDP has also increased in the last two years, and economists believe this will continue into 2008. This has made investors extremely optimistic and they have been looking at Poland differently, especially after its EU accession in 2004.

The government has relaxed its attitude to privatization and lawyers have been quick to respond. Investors have started acquiring Polish companies and some of those companies are pursuing opportunities abroad as well. Private equity has also made its way to Poland and will begin to play more of a role as the successes roll in.

**Dewey Ballantine Grzesiak**

Dewey Ballantine Grzesiak maintains its first-tier position after unanimous approval from its competitors. "It is the strongest firm in M&A, no one can doubt that," said a rival partner. The firm has taken advantage of recent M&A activity and with the market showing signs of increasing even more in the next few years, Dewey Ballantine is in the perfect position to exploit further growth.

Lejb Fogelman, who heads this department, worked on the spin-off of Bank BPH and its merger with Bank Pekao. Fogelman

and his team worked on UniCredito's sale of Bank BPH and its merger of 60% of its business into Bank Pekao, believed to be the largest cross-border bank merger in Europe.

Another deal that proves the firm's dominance on the market was its assistance to the Polish Power Grid Company by establishing four groups to consolidate the energy sector. It also worked on the merger of CR Media and Internet Group after a public offering of shares of the holding Corilius.

Finally, Dewey Ballantine worked for the shareholders as well as Merrill Lynch Global Emerging Markets in the sale of Dominet Bank. The bank is one of the big Polish banks which has been developed by private entrepreneurs, and has a stronghold over the car finance segment of the market.

**Leading lawyers**

Lejb Fogelman  
Jaroslaw Grzesiak

**Weil Gotshal & Manges**

Weil Gotshal & Manges has taken concerted efforts to build its private-equity practice over the last couple of years and is one of the strongest firms in the market on the strength of its M&A deals. The firm grabbed headlines when it was involved in one of the largest foreign acquisitions on behalf of a Polish company, advising PKN Orlen in its 53.7% of the shares in AB Mazeikiu Nafta, a refinery in the Baltic from Yukos International UK for \$1.5 billion. It also helped the client sign agreements with the Lithuanian Government to acquire an additional 30.66% of the shares for \$852 million.

Weil has added 10 associates to its practice in the last year to match the voracious demand of the market. It represented a French based retail group Casino Guichard Perrachon, in the disposal of its main assets in Poland for €884 million. The transaction comprised three complex elements and received wide publicity. The firm also advised Softbank in its merger by acquisition of Asseco Poland for €315 million.

A client summed up the strengths of the firm: "It is very business-minded and is not one of those firms that give long legal explanations with little bearing on the commercial aspects." The firm capitalized on this international approach to advise the private-equity wing of Bank of America in the sale of its portfolio company Hortex Holding to Argan Capital; a new private-equity player dedicated to the region. In another private deal, it represented Enterprise Investors and its private-equity fund Polish Enterprise Fund VI in the acquisition of the Jaan part of the Nordglass Group. Elsewhere, it advised ABG Ster-

Projekt in its merger by acquisition through the exchange of shares of Spin.

Pawel Rymarz, who was repeatedly singled out as one of the key members of the firm's M&A team, was consulted by Bartimpex in the 81% share disposal in Bank Wspolpracy Europejskiej to Innova Capital.

#### Leading lawyers

Pawel Rymarz  
Piotr Tomaszewski

### **Allen & Overy A Pedzich**

Allen & Overy's corporate department was given new impetus when Jacek Michalski joined it after leaving Dewey Ballantine Grzesiak in February 2007. Competitors commented that even though Allen & Overy had lost some ground in the last few years it has done well to retain its M&A team's excellent standing.

In a standout deal, the firm advised Bank BPH in its spin-off through the transfer of its assets and liabilities with Bank Pekao. It also acted for Aegon in the acquisition of 100% of PTE Ergo Hestia's shares in a key development in the Polish pensions sector. According to a client, Allen & Overy "represents a combination of expertise, knowledge, flexibility and flawless client relations".

Rupert Murdoch's News Corp made its entry into the Poland with the help of Allen & Overy by acquiring shares in Telewizja Plus. And lastly, in the telecommunications sector, the firm advised P4 in its acquisition of Germanos Polska.

#### Leading lawyers

Jaroslaw Iwanicki  
Jacek Michalski

### **Baker & McKenzie Gruszczynski i Wspólnicy**

With the Polish market expanding, lateral hires have become quite a regular feature and Baker & McKenzie got a taste of this in the last 12 months. Five lawyers left the firm, which added a further four lawyers in the same period. Despite the fluctuation, the Baker & McKenzie's reputation remains strong and it was involved in a good number of deals.

A lot of the firm's work was connected with real estate. It advised TK Development in four deals connected with shopping complexes in Poland, acted for Provimi Rolimpex on the disposal of its shares, and guided Plaza Center in its sales of shares to the Alaska Project, which consists of shopping malls in Poland and Czech Republic. The firm also conducted due diligence and advice on the

dual listing of Plaza Center. Finally, Baker & McKenzie advised the Riverside Company in a leveraged buyout of a Polish metals company for €12.3 million.

#### Leading lawyers

Marcin Gmaj  
Tomasz Krzyzowski

### **Clifford Chance Janicka Namiotkiewicz i Wspólnicy**

Clifford Chance made its commitment to Poland clear when it added 17 associates (seven of them from Baker & McKenzie) and one counsel in the last year. And the firm has a good basis for expansion, as it attracts a decent share of the company's transactional work.

Advent International was instructed by Clifford Chance on the acquisition of Ultimo, a debt collection business. The firm acted for the Polish National Gas Company on the acquisition of 15% of shares in three oil and gas deposits on the Norwegian Continental Shelf from ExxonMobil. In other work, Clifford Chance acted for Tollerton Investments on the sale of its Polish mobile phone distribution network to P4 for a 22% stake. The transaction had a value of €24 million and closed in May 2007.

#### Leading lawyers

Nick Fletcher  
Agnieszka Janicka

### **Linklaters T Komosa i Wspólnicy**

Linklaters has been doing well ever since it entered the Polish market in 2001 and the last year was no different. The firm advised Axa on the acquisition of 49% of the shares in five companies holding a commercial property portfolio in Warsaw for €145 million.

It also worked on the reorganization of the Polish national grid, which involved the transfer of the shares to the country's treasury, and the demerger of the national grid. Another of the firm's highlights this year was advising Dwory when it took over Kaucuk, a Czech company, for €125 million, a deal which involved the creation of a 25-year joint venture.

Linklaters acted as Polish legal counsel for Johnson & Johnson in its global acquisition of Pfizer Consumer Healthcare business. British Telecom has also made its way into the market in Poland, and Linklaters has been advising the group in its purchase of Telexis, a telecoms company, from Fiat as part of a multi-jurisdictional transaction. It also advising the Linde Group on the acquisition of BOC Gazy in Poland.

The media sector is seeing a lot of activity in Poland and the firm advised Discovery Communications Europe in its joint venture with TVN, a popular TV channel in Poland, to establish a Polish History Channel. It also acted for NFI Empik Media & Fashion in the acquisition of a 65% stake in Ukrainian JSC Bookva, which involved taking over a network of 27 bookstores and increasing its presence in Ukraine.

Besides this, the firm's M&A client list includes Citibank Handlowy, The Linde Group, ING Bank, BRE Bank, Citibank, Orco Properties, Provident and Philips Polska.

#### Leading lawyers

Jolanta Tropaczynska  
Cezary Wisniewski

### **White & Case W Danilowicz W Jurcewicz i Wspólnicy**

"Historically it was a very strong firm, but it has slowed down a little," said one competitor of White & Case. But it has still managed to appear on a number of big deals in the last 12 months. The firm is working for a number of private-equity funds interested in acquiring Polish companies and also for domestic organizations investing abroad. It made an impression in the market when it advised KBC in its successful tender offer for the outstanding shares of Warta Insurance.

White & Case also advised Mid Europa Partners in a Z11.6 billion (€423.6 million) acquisition of shares in Aster City Cable from Hicks Muse Tate & Furst, and Restaura and Volumetric, both Spanish developers, in various investment-related matters in Poland. Another deal that caught the attention of the market was the firm's assistance to Sferia on its \$500 million purchase of equipment, software and technology from Lucent Technologies. In a real-estate related deal White & Case advised the Klépierre's Polish arm on the acquisition of several shopping centres throughout the country.

#### Leading lawyers

Witold Danilowicz  
Witold Jurcewicz

### **Chadbourne & Parke Radzikowski Szubielska i Wspólnicy**

Chadbourne's M&A practice has steadily grown over the last few years. It represented a client in a multi-party merger of companies taken over by Zaklady Tluszczone Kruszwica. Elsewhere, it advised International Trading and Investments Holdings Luxembourg in the

sale of a 82.35% stake in Grupa Onet to TVN. Finally, the firm was consulted by Zlomrex in acquisition of a steel business from Stalexport.

#### Leading lawyers

Gabriel Wujek

### **CMS Cameron McKenna Dariusz Greszta**

According to a competitor, CMS Cameron McKenna is “getting bigger and better”, and judging by some of its deals, the statement rings true. The firm hired two associates and one counsel at the start of 2007. Recent work includes advising the stakeholders of Broker FM in its sale of shares to Bauer Media Invest for €123 million, and guiding TVN in its acquisition of the shares in Grupa Onet, followed by a public tender, a squeeze-out and a further de-listing. Lastly, the firm advised Verlagsgruppe Handelsblatt in its acquisition of shares in Money.pl in summer 2006.

#### Leading lawyers

Dariusz Greszta

### **Gide Loyrette Nouel**

Gide Loyrette Nouel’s international clientele is getting bigger, which has definitely helped the firm and given it a broader appeal. It advised DnB Nord Polska on the acquisition of shares in Bank Inicjatyw Społeczno-Ekonomicznych for €140 million. Another impressive deal was the firm’s representation of Enterprise Investors in the leveraged buy-out of Komfort Market. Gide also assisted Ciech in the acquisition of a majority stake in the company Organika-Sarzyna. Lastly, it helped Pirelli & C Real Estate in establishing a joint venture with Cypress Grove International.

#### Leading lawyers

Rafał Dziedzic

### **Lovells H Seisler**

Lovells has done well in the last year according to both its clients and peers. “The firm’s lawyers are professional, and are able to react to tight timescales,” said one client. Examples of the firm’s work include advising Sanitas in its acquisition of a Polish pharmaceutical company and First Data Corporation in buying over the shares of Polcard.

#### Leading lawyers

Marek Wroniak

### **Wierzbowski Eversheds**

Wierzbowski Eversheds also impressed the market with some good work. At the time of writing, it was advising Invido in the acquisition of a Polish window and door manufacturer. And in 2006 it represented AS Wendre in the acquisition of a bedlinen manufacturer and worked on the merger of Burda Verlag and Burda Polska.

#### Leading lawyers

Krzysztof Wierzbowski

### **Project finance**

#### Recommended firms

##### Tier 1

Allen & Overy A Pedzich  
CMS Cameron McKenna Dariusz Greszta  
Wardynski & Partners

##### Tier 2

Baker & McKenzie Gruszczynski i Wspólnicy  
Clifford Chance Janicka Namiotkiewicz i Wspólnicy  
Dewey Ballantine Grzesiak  
Weil Gotshal & Manges  
White & Case W Danilowicz W Jurcewicz i Wspólnicy

##### Tier 3

Chadbourne & Parke Radzikowski Szubielska i Wspólnicy  
Gide Loyrette Nouel  
Gleiss Lutz  
Hogan & Hartson Jamka Galos  
Linklaters T Komosa i Wspólnicy  
Lovells H Seisler  
Nörr Stiefenhofer Lutz  
Salans  
Soltysinski Kawecki & Szlezak

Project finance is not as growing as fast as some of the law firms in Poland would like, but there are reasons to be optimistic. The energy sector promises to grow stronger and the construction of the bioethanol plant was a definite highlight. Another project that caught the attention of the market was PKN Orlen’s acquisition of a refinery from Yukos Oil Company and the Lithuanian government.

Poland and Ukraine’s joint victory in the bid to host the Euro 2012 soccer tournament promises to add some much-needed activity to the field. “This is great news. We will have a lot more of work because of this,” said one lawyer, adding: “We do not have many top-quality football stadiums and hotels in the country. This is the perfect time to start these projects.”

### **Allen & Overy A Pedzich**

Allen & Overy’s project finance firm has moved from strength to strength in the last

year after it worked on some of the biggest developments of the past year, such as advising Bank Pekao and PKO in a credit facility for the construction of a chemical plant for PAK Odsiarczanie. Elsewhere, it acted for a syndicate of banks as mandated lead arrangers to finance a €880 million construction of a construction of a lignite-fired power plant along with the modernization of an existing plant. This transaction was one of the largest energy financings in central and eastern Europe.

On another deal, Allen & Overy was consulted by a four-bank syndicate in the financing for four independent Polish power projects. Lastly, it advised Deutsche Bank as an equity provider in its investment in the construction of four wind farms.

#### Leading lawyers

Arkadiusz Pedzich

### **CMS Cameron McKenna Dariusz Greszta**

Market commentators believed that CMS Cameron McKenna has one of the strongest real-estate practices in Poland and in the region, which has been a big plus for it in the project finance category. On the deals front, the firm advised a consortium of five banks in the financing of the construction of a factory for Biotanol for Zł330 million (€87 million). At the time of writing, it was also advising Grupa Lotos on developing and financing a new refinery installation. The firm lost the head of its energy practice, Dariusz Mioduski, and senior lawyer Graham Cheeseman, both of whom who joined Kulczyk Holding. But it still has a versatile and experienced team of lawyers and the firm has its foundations in this practice intact, due to the presence of Andrzej Blach and Andrew Kozłowski.

#### Leading lawyers

Andrzej Blach

Andrew Kozłowski

### **Wardynski & Partners**

Wardynski & Partners maintains its top-tier position after peers were pleased with the firm’s initiative and drive. “It has a talented pool of lawyers and a good referral network,” said one rival. The firm assisted a British credit institution on the financing to purchase gaming equipment by a Polish company. It also acted for Brenntag Group in a refinancing project, and enjoys a steady stream of real-estate work.

#### Leading lawyers

Jan Nowicki

### **Baker & McKenzie Gruszczynski i Wspólnicy**

Baker & McKenzie has been slightly less active in projects this year, even relative to its competitors. Some peers attribute this to a reorganization of personnel, from which they expect the firm to recover soon. The highlight of the firm's year in project finance was advising Autostrada Wielkopolska, a motorway concessionaire, in the restructuring of a senior credit facility for €230 million.

#### **Leading lawyers**

Peter Swiecicki  
Tomasz Ujejski

### **Clifford Chance**

Clifford Chance was involved in a diverse range of projects this year. The firm advised Po\_udniowy Koncern Energetyczny in the issuance of bonds for the financing of a new coal-fired 460MW plant in Lagisza in Poland. Panattoni also consulted the firm in the financing for the construction of an H&M warehouse. Lastly, it acted for the Macquarie Countrywide Trust in the €172 million financing of a portfolio of shopping centres from Simon Ivanhoe.

#### **Leading lawyers**

Peter Deegan  
Jan Zdzienicki

### **Dewey Ballantine Grzesiak**

Dewey Ballantine was acting for most of the year as counsel to Biotanol to finance the construction of one of the first bio-ethanol plants in Poland. The transaction was handled by the head of the firm's energy department, Andrzej Wysokinski, along with three associates. The firm has a strong history in privatization and has responded well to the market's demands, becoming a preferred law firm for energy-related work.

#### **Leading lawyers**

Andrzej Wysokinski

### **White & Case W Danilowicz W Jurcewicz i Wspólnicy**

White & Case has a strong energy department and has made an impact on the otherwise sedate project finance market. On the deals front, it acted for PKN Orlen in the acquisition of the AB Mazeikiu Nafta refinery from the Yukos Oil Company and the Lithuanian government. Électricité de France, Hydroaluminium Chrzanów, Elektrociepłownia Wybrzeze, Fortum Power and Heat Oy are some of its key clients in this field.

One of the firm's Asian clients, China Development Bank, consulted the firm's Warsaw office in connection with a €150 million credit facility for P4, whose funds will be used for building infrastructure in Poland. It also worked for Bank Handlowy w Warszawie and Bank Pekao in connection with loans for Stocznia Szczecińska Nowa to finance the construction of 18 ships for \$45.5 million.

#### **Leading lawyers**

Tomasz Chmal  
Witold Danilowicz  
Witold Jurcewicz

### **Chadbourne & Parke Radzikowski Szubielska i Wspólnicy**

Chadbourne & Parke may not have the big-ticket deals to its name, but it has an efficient project finance practice as can be seen by the complexities of the some of its recent work. The firm represented the European Bank for Reconstruction and Development in the development of a floorboards factory in Ukraine for Barlink. Secondly, it acted for the Royal Bank of Scotland in a credit facility provided to FX Energy for the exploration of natural gas and mining activities in Poland. The funds from the facility will cover infrastructure and development costs for a variety of Polish gas projects.

#### **Leading lawyers**

Kazimierz Jelenski

### **Linklaters T Komosa i Wspólnicy**

Project finance is a growing part of Linklaters' Warsaw practice. In one of the biggest recent real-estate transactions in the country it advised BZ WBK as a facility agent and lender on the €64 million construction and investment financing for the Forum Gliwice shopping centre in Poland. Elsewhere, it advised Bank BPH on two secured multi-tranche property project finance transactions relating to residential projects in Warsaw.

#### **Leading lawyers**

Jaroslav Miller

### **Lovells H Seisler**

Lovells has a robust real-estate practice and that has carried over to the firm's project finance practice. It advised Rockwell Automation on a multi-disciplinary facility for more than 500 employees in Katowice. Elsewhere, it advised Bank Zachodni WBK on a loan to finance the acquisition of the FIM building in Warsaw by Orco

Apartments. Lastly, Lovells advised Panattoni on a number of storage lease agreements.

#### **Leading lawyers**

Joanna Krawczyk-Nasilowska  
Jolanta Nowakowska-Zimoch