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Central Bank Reform Act 2010

Kevin Allen
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The first step in a planned three stage legislative process to create a new fully integrated structure for financial regulation in Ireland came into being in July 2010 with the passage into law of the Central Bank Reform Act 2010 (the Act requires a commencement order to take effect). This Act provides the statutory basis for merging the functions of the Central Bank and the Irish Financial Services Regulatory Authority (IFSRA, also known as the Financial Regulator), which were previously separate, and creates a single fully integrated central bank with a unitary board. When the Act is commenced, IFSRA will be dissolved.

This reform places the Central Bank at the centre of financial supervision and financial stability oversight, providing for full integration and co-ordination of the prudential supervision and stability of individual financial institutions with that of the financial system as a whole, and is part of the legislative response of the Irish government to the economic and financial crisis in Ireland. The rationale for creating a single fully integrated central bank is to facilitate the Central Bank to monitor and respond more quickly and meaningfully to systemic risk than was possible in the complex structure that previously existed.

Central to the Act is the creation of a unitary board, chaired by the Governor, known as the Central Bank Commission which is responsible for the prudential supervision of regulated financial service providers, the conduct of business, including protection of consumer interests, and the stability of the new financial system overall. The Commission consists of the Governor, the newly created positions of Head of Central Banking and Head of Financial Regulation, the Secretary General of the Department of Finance and at

least six but no more than eight other members, which are expected to be appointed shortly by the Minister for Finance.

The Act provides the legislative framework for a fitness and probity regime to be applied by the Central Bank. As part of this new system, the Commission will prescribe certain functions which are carried out by regulated entities as "controlled functions". There are new powers which allow the Head of Financial Regulation to investigate a person's fitness and probity to perform a controlled function. The Head of Financial Regulation also has input into potentially sensitive or influential appointments in regulated financial services providers, including the power to direct that a person should not be appointed to perform a controlled function where he is satisfied that the person is not a fit and proper person to perform that function.

Other interesting provisions in the Act include the transfer of certain functions which were formally performed by the Consumer Director and the Financial Regulator, to the National Consumer Agency. These include the provision of information to consumers regarding financial services and the promotion of financial education for consumers. The Central Bank retains some consumer related powers, including the power to establish an expert group to advise it on the exercise of its consumer functions. Amendments are also made to insurance legislation to enhance compliance by the insurance sector and to legislation governing credit unions to allow them greater flexibility with regard to the provision of loans.

In line with standard practice where changes are proposed to the structure of national central banks within the European System of Central Banks (ESCB), the European Central Bank (ECB) issued opinions on the Central Bank Reform Bill in March and June 2010, to ensure that the proposals were consistent with the rules governing the ESCB. The key concern outlined by the ECB related to the independence of the Central Bank, the Governor and the new

Central Bank Commission in the exercise of the ESCB-related functions.

As a result, the Act now specifically reinforces the Governor's sole responsibility for the performance of the Bank's objectives regarding ESCB-related tasks. Further provisions reflecting the ECB's concerns are expected to be included in the second Central Bank Reform Bill which is due to be published in the autumn of 2010.

The passage into law of this Act comes at a time of great change in the organisation of banking structures in Ireland. Professor Patrick Honohan, a member of the governing council of the European Central Bank, has been appointed as Governor of the Central Bank and Mr Matthew Elderfield has been appointed as Head of Financial Regulation. The Financial Regulator recently commenced a consultation process on a new code of corporate governance practice for Irish Financial Services Institutions. The fitness and probity regime outlined in the Act is expected to be commenced shortly.

As previously mentioned, a second Bill due for publication in 2010 will enhance the powers and functions of the restructured Central Bank in relation to the prudential supervision of individual financial institutions, the conduct of business, including the protection of consumer interest and the overall stability of the financial system. In addition, consideration is being given to the establishment of a Special Resolution Regime which would apply special rules to the winding up of credit institutions.

A third Bill will eventually consolidate the existing statutory arrangements for the Central Bank and financial regulation in the State.

Capital markets - equity

Recommended firms

Tier 1

A&L Goodbody
Arthur Cox
Matheson Ormsby Prentice
McCann FitzGerald
William Fry

Tier 2

Dillon Eustace
LK Shields
Mason Hayes + Curran

Capital markets - debt

Recommended firms

A&L Goodbody
Arthur Cox
Matheson Ormsby Prentice
McCann FitzGerald

Tier 2

William Fry
Dillon Eustace

Tier 3

LK Shields
Maples and Calder
Mason Hayes + Curran

As pricing and valuations stabilise, movement in capital markets becomes more evident with renewed interest from investors. One partner notes: "Businesses generally are seeing that there is a greater level of appetite for investment because people are willing to go back into the markets as the prices are right."

There has been considerable activity in the equity capital markets prompted by a need to repair balance sheets or meet regulatory capital requirements. There is also an increasing prevalence of oil and gas exploration using equity capital market to raise money for its activities.

A visible trend over the past 12 months has been the increased activity in high-yield bonds, that is, from the point of view of listing the bonds on the stock exchange. There has also been an increase in the access to the eurobond market for debt finance. "There has been an awakening of the debt cap markets. There are very few public CDOs because the markets have been closed to these but we've seen smaller private deals. We've seen an increase in the issuance of straight debt. It's clear the debt capital market is open again," says one partner.

Another partner signifies the importance of the establishment of Nama (the National Asset Management Agency) in relation to the debt capital markets and explains: "The intro-

duction of Nama has been interesting from debt capital markets point of view since it is focused on repairing banks balance sheets and is government led. There have been few changes but we may have some positive changes later this year. The government has been more worried about salvaging the Irish financial system rather than growing the Irish financial system."

Despite some recovery in the debt and equity capital markets, lawyers report a more difficult environment generally in which getting deals done has become a more difficult task compared with previous times. "There is a greater level of scrutiny by investors and an unusual degree of negotiation. Issuers must now allow investors a greater say in how their products are to be structured. The deals are harder to do at the moment."

A&L Goodbody

Recognised as one of the most prominent firms in the region, A&L Goodbody is highly respected within the market. "A&L have been in the market for the longest time with one of the biggest structured finance and debt cap market practice," says one competitor.

Clients also praise the firm for its professionalism and for the quality service it provides. "I am very happy in dealing with them. I found A&L to be a very efficient and a professional practice. This is because of the quality of their work and their response time," says one client.

Mark Trainer is singled out by clients as one of the key names in the market, "He is very easy to deal with and would be very commercial in his approach, I think his commerciality makes him what he is. He gives strong advice and strong opinions and can see things from a commercial perspective."

David Baxter is another to be highlighted by clients, "He offers very sound advice and is very strong on the relationship side," says one, adding: "We are very reliant on the likes of David and Mark."

The practice, led Ciaran Rogers, has been involved on a number of transactions. The firm advised Irish Life & Permanent (ILP) in relation to the Credit Institutions Scheme 2009, a government-backed guarantee scheme. ILP was the first bank to issue a bond guaranteed under the scheme. Adrian led the transaction, advising on the application and operation of the scheme.

Peter Walker, who moved to the London office in April 2010, this year represented Iberdrola Finance Ireland on a \$2 billion note issuance which was listed on the Irish Stock Exchange. Walker also represented Riverdeep in relation to a debt-for-equity restructuring

of approximately \$7.5 billion of senior and mezzanine debt.

Elsewhere, Eithne FitzGerald advised Davy as the sponsor to Independent News & Media on its debt-to-equity bond restructuring and rights issue, and David Widger acted for UBS and Davy as joint bookrunners in the €1.23 billion rights issue by CRH.

Leading lawyers

Adrian Burke
Ciaran Rogers
Peter Walker

Arthur Cox

"The main strength is their commitment to clients and client's objectives and using and applying their technical knowledge and expertise to that end. They are problem solving is how I would characterise them," says one client.

A firm that stands out as leader in the market, Arthur Cox attracts praise from a number of clients for its dedication and client-focused approach.

Carl O'Sullivan has impressed clients who report he is a key figure at the firm. "His depth of connection and ability to put together various pieces of information is world class," says one client.

The firm has been active across a range of transactions over the past 12 months. On the equity side the firm advised Anglo Irish Bank on its recapitalisation which involved a \$4 billion subscription for ordinary shares during the summer of 2009, and the subsequent injection of a promissory note the spring of 2010. Anglo Irish was nationalised in 2009. Led by Pádraig Ó Ríordáin and a team, the €8.3 billion closed in March 2010.

On a further deal, the firm has been active in advising on the establishment of the National Asset Management Agency (Nama). The €80 billion transaction involved Nama acquiring portfolios of assets, deemed a risk, from credit institutions in Ireland

On the debt side the firm acted for CRH on the first corporate bond issue by an Irish corporate since the collapse of Lehman Brothers in 2008. The €750 million deal was led by Cormac Kissane and closed in May 2009. Glenn Butt also acted on behalf of Russian Railways on its \$1.5 billion Russian loan participation notes due in 2017.

Leading lawyers

Glenn Butt
Cormac Kissane

Matheson Ormsby Prentice

Matheson Ormsby Prentice has been active on a range of high-profile deals over the past 12 months. The firm has a strong debt practice led by Turlough Galvin and is praised by clients for its handling of transactions.

“They were very good in their execution of deals,” says one client, adding: “They are responsive, approachable and react well to deadline and keep you informed.”

The practice has a strong team of lawyers according to clients who single out Tim Scanlon and Christian Donagh as experts in their field. The practice has a strong client base and a solid reputation among peers and clients alike.

The firm has been active across a range of significant deals. On the debt capital markets side, the firm advised First Allied Irish Banks on the exchange of €2.4 billion of its subordinated debt at a substantial discount. The exchange increased the bank’s capital reserves by approximately €1 billion. This was a significant transaction given that it was the first time a public debt exchange had been effected by an Irish bank. The deal was led by Galvin and closed in June 2009.

On a further highlight for the firm, Garry Ferguson (who left in September 2010 for the new Walkers office) and Anthony Walsh were active in advising on the establishment of a number of SPVs so as to become significant stakeholder in the key Icelandic banks.

Ferguson and a team also advised The Bank of New York Mellon on its role in the multi-billion euro bond issuances by the Irish state. These sovereign bonds were issued through the National Treasury Management Agency of Ireland and played a crucial role in stabilising the Irish economy.

On the equity capital markets side, the firm advised EcoSecurities Group on its defence of a hostile takeover bid by Guanabara Holdings - an unusual practice in the Irish market. The firm also advised Davy Stockbrokers on the placing of new ordinary shares of \$160 million in Petroceltic International. The transaction was led by Tim Scanlon and Richard Grey.

Leading lawyers

Christian Donagh
Turlough Galvin
Tim Scanlon

McCann FitzGerald

McCann FitzGerald has an impeccable reputation among its clients and attracts a number of high-profile deals. The firm is praised for providing a high quality of service and is commended for its dedication and solution-oriented approach. “We’ve been dealing with

them for a number of years and we’ve always found that they listen to what we need and come up with solutions,” says one client.

Julian Conlon and Hugh Beattie are singled out by clients as being key figures at the firm with a client-focused attitude. “They handled the transaction very well and did whatever we needed them to do. We are happy with the relationship we have with them,” says one client.

Beattie advised Bank of Ireland Group in relation to the implementation of its €1.2 billion debt buy-back programme and the set up of the buy-back vehicle in connection with this. This deal, which closed in May 2009, was the first deal of its kind to be finalised by an Irish bank. Following its success, buy-backs became part of the recapitalisation strategy of many Irish banks.

Fergus Gillen represented Bord Gáis Éireann on the €550 million bond issue under its new Irish Stock Exchange listed €2 billion euro MTN programme. This was a rare occurrence in which a non-financial sector investment-grade rated Irish corporate tapped the eurobond market. The deal closed in June 2009.

In March 2010, the firm acted on behalf of Petroceltic International in its bid to raise \$120.5 million from a share placing which was over-subscribed. Petroceltic International raised the funding through a conditional placing of over \$635 million of new ordinary shares. This deal, which was led by Barry Devereux, successfully raised equity in an oversubscribed placing despite difficult economic conditions.

Another client notes of the team: “They understand the nature of our query when we ask it and have enough experience to deal with it as well as put solutions forward to us very quickly.”

Leading lawyers

Hugh Beattie
Julian Conlon
Roy Parker

William Fry

“We have had a very positive experience with Fry, it is a very professional firm and we are very pleased. They have a lot of experience and are professional to deal with,” says one client.

William Fry is praised by clients for its professionalism and efficient service. The firm has a strong capital markets practice and is respected by clients as a market leader. “Their level of experience is superb and they are really nice people to do business with,” says a client.

The firm has been involved in a range of transactions over the past 12 months. The firm has been involved in advising Nama in relation to the structuring of Nama special purpose vehicles (SPVs) for private investment as well as the acquisition of construction and development-related debt and other related securities. This deal was led by Myra Garrett and Stephen Keogh and was completed in March 2010.

The firm has also been active advising Ardagh Glass Finance on its offering of €300 million first priority senior secured notes, due in 2016. The deal, which was led by Elaine Hanly, Myra Garrett and David Fitzgibbon, closed in June 2009 and was one of the largest fundraising deals to close of the year.

In June 2009, the firm advised Smurfit Kappa Corporation on a €100 million senior debt buyback by reverse Dutch auction. This transaction, led by Owen O’Connell and Orla Brennan, was the first of its kind in Ireland.

Leading lawyers

Elaine Hanly

Dillon Eustace

Dillon Eustace is a respected contender in the market and described by competitors as a firm that is visible across a range of deals. “This firm always has a role in deals and is visible,” says a peer.

The firm is also praised by competitors for its strength in the debt capital markets. “They have expertise in the area and they have the capacity and do a lot of work in the area,” says one.

The firm has been advising Absalon II in relation to the issuance of up to \$2 billion secured notes, due in 2040. Secured on a portfolio of assets to be acquired by the issuer, the notes comprised primarily of investment grade bonds, high-yield bonds, unrated bonds and other assets to be managed by GoldenTree Asset Management, the portfolio manager. This deal was completed in May 2010.

The firm also represented Irish Life & Permanent (IL&P) in its restructuring of its €8 billion euro commercial paper programme, guaranteed by the Minister of Finance. IL&P was the first participating institution to be approved under the Credit Institutions Eligible Liabilities Scheme (ELS) while the programme was the first to be guaranteed under the ELG Scheme.

Andrew Traynor and Houlihan have also been active in advising Wolfhound Funding 2 in relation to a Banking of Scotland (Ireland)’s €3.1 billion RMBS listed on the Irish Stock Exchange in December 2009.

Leading lawyers

Conor Houlihan

LK Shields

Led by David Williams, the capital markets practice remains a contender among the high-profile firms in the region. The practice saw the departure of Joe Gavin in December 2009, who left to become chief lawyer to the Financial Regulator in Ireland after being with the firm for 13 years. This was a move that was expected by peers to result in decreased deal flow; however the firm has remained active across a number of transactions.

One peer notes: "Joe Gavin has left and I don't know where this will leave there existing practice, but they have a very good capital markets practice and they deserve their position in the rankings." The peer adds: "The fact that Joe joined the Financial Regulator deserves testament to the quality of the people in their groups."

Williams, Tracy Gilvarry and Andrew Gill have been active on an ongoing deal advising Banquo Credit Management in connection with diversification notes, a structured vehicle with €1 billion in assets.

The firm also represent Prodigy Finance on its establishment of a €50 million secured limited-recourse note programme. The ongoing deal is also led by Williams, Gilvarry and Gill.

On a further highlight, the firm advised Capita Trust Company in connection with its role as trustee of the fourth series of notes issued by Cavendish Opportunities Investments. The deal was closed in the spring of 2010 and was led by Williams and Gill.

Leading lawyersAndrew Gill
Tracy Gilvarry
David Williams**Maples & Calder**

Maples and Calder is commended for its client focused approach and efficiency by clients. One says: "They are prompt and give quality responses. They gave good sound business advice and legal advice. We would use them again in the future."

A client says of Barry McGrath: "As a lawyer, Barry is business-result oriented and creative. He is tenacious."

Although a number of deals are confidential, publishable highlights include advising Source UK Services on the launch of its gold Physical Exchange Traded Commodity (P-ETC) platform on the Irish Stock Exchange and the Sets platform of the London Stock Exchange. This was the first time that gold

was used as collateral in such a programme. The deal was led by Nollaig Murphy and closed in June 2009.

On a further deal, the firm acted on behalf of a consortium led by HNA Group and Bravia Capital Partners on the acquisition of the entire aviation business of Allco Finance Group. The portfolio included 68 aircraft leased to customers together with Qantas and Singapore Airlines. The \$150 million deal was led by David Maughan and closed in December 2009.

Mason Hayes + Curran

"It's an excellent firm with excellent lawyers. They performed extraordinary well and we have used them in financing and normal corporate activity. They are the only Irish firm we use." says one client.

Mason Hayes + Curran is commended by clients and described as being among the top law firms in Ireland. The practice is led by Paul Egan who has been involved in advising Emirates National Oil Corporation in its bid to acquire Dragon Oil. The \$2.4 million deal was led by Egan and Justin McKenna.

The firm also represented SSI Investments III in its offer to acquire SkillSoft. The ongoing deal is led by Egan and a team.

McKenna is praised by clients for his handling of transactions and is described as an excellent lawyer who is active in the field of corporate work. In speaking of the team at the firm, one client says: "They are all very approachable people and they want to get the deal done."

Leading lawyersPaul Egan
Justin McKenna**Other notable firms**

Eversheds O'Donnell Sweeney is described as a top firm by clients. "I have to say I found dealing with Eversheds first class, I really can't speak any more highly of them," says one.

The firm represented Kenmare Resources on its fully underwritten \$270 million equity fundraising which was carried out by way of a placing and open offer. The deal which closed in April 2010 was led by Sean Ryan and a team.

The firm also advised IFG Group in connection with a placing and open offer of shares on the Irish Stock Exchange and London Stock Exchange. This would fund the acquisition of James Hay Holdings from Santander Private Banking UK. The €50 million deal which closed in January 2010 was led by Abigail St John Kennedy.

Eugene F Collins receives positive feedback from clients: "The firm would be as competent as a number of the other prominent law firm in Dublin," says one.

Laura MacDermott is singled out as a capital markets key figure at the firm. One client says: "She is very prompt in responding and we had no issues at all."

The firm has been active this year, advising Anglo Irish Bank Corporation on debt securities totalling €100 million. The deal was led by Eileen Grace and closed in October 2009. On a separate transaction, the firm carried out advisory work for clients in connection with the establishment of a qualifying investor fund.

Banking**Recommended firms****Tier 1**A&L Goodbody
Arthur Cox
Matheson Ormsby Prentice
McCann FitzGerald**Tier 2**

William Fry

Tier 3Byrne Wallace
Eversheds O'Donnell Sweeney
LK Shields
Mason Hayes + Curran

The Ireland credit line is still very tight and there is still wide spread unavailability of lending. Starting point credit is no longer as readily available as it was in the past and creditors have taken a much more stringent stance.

"You have to make a good case for why you want credit. Borrowers are largely grateful for credit that is available and are not seeking to negotiate on the margins that are set," says one banking partner.

Funding is solid for companies with very quantifiable underlying assets, that is, those which have a clear path to an increased capital over time, funding is possible. However banks are being much more cautious and conservative in terms of wanting to ensure there are sufficient guarantees.

For the time being, the banking market as a whole in Ireland is largely gripped by Nama. Law firms have been kept busy with Nama which is reviewing what steps need to be taken. These include assessing whether loans need to be enforced, whether they can just be left as they are or whether their security needs to be tightened. With the first transfer of loans complete, market players are at a stand-

still waiting for Nama to take effect before making decisions.

Restructuring and refinancing of existing facilities has also been a key part of the banking business in Ireland over the past 12 months with additional security being taken by institutions.

Within the Irish financial institution, there is some pessimism about lending recovery. With Irish banks having received substation bailouts, there will be pressure from the government for them to begin lending, especially to small and medium enterprises which are being starved of credit.

“The reality, or the hope, would be that banks would begin to lend. There is a huge sense of confidence that they will if there is political pressure. But their criteria might be that only the very, very best will get credit, lending is so skewed,” says one partner.

“Even if they do open their doors to lending, they will be much more conservative in terms of who they will lend to and the basis on which they would lend. They would charge much higher margins and much higher fees, charging substantial amounts for credit.”

While the UK and European banks are expected to be in a position to lend much sooner than the domestic banks, they may only extend credit to larger institutions as opposed to smaller enterprises. “Our sense is that the Irish banks are under so much pressure they might not recover to begin lending at the same level as they used to, and it might be the non-Irish banks that come out of the traps first in terms of lending,” says a partner.

There is no clear consensus as to which banks might be in a position to re-open their doors for lending but it is clear that there will be a political imperative to get banks lending again. What remains unclear is, to what extent one will be able to get lending. Given the erosion of their capital reserve, it's difficult to see how quickly banks will recover.

A&L Goodbody

“I am very happy in dealing with them, they appear to be a practice that is relationship driven and are very concision of the relationship they develop with clients,” says one client.

A&L has an outstanding reputation in the market among both clients and competitors. One peer says: “A&L is premier in banking both in size and scale and depth of practice.”

A name that is frequently mentioned by peers is that of Séamus Ó'Cróinín who is highly regarded by peers: “Séamus is excellent and a very good lawyer to deal with,” says one.

One highlight saw Adrian Burke and Ciaran Rogers represent Quinn Group in relation to the refinancing of its €1.2 billion

financing provided by syndicate banks and international bondholders - one of the largest and complex restructurings in the Irish market.

Ó'Cróinín and Maireadh Dale acted for a syndicate of banks led by UBS in relation to the provision of secured facilities to Avolon Aerospace Leading, an aircraft lessor company.

The firm also acted on behalf of International Lease Finance Corporation on a secured financing facility from Bank of America for \$800 million. The deal, led by Catherine Duffy and Dale, involved a collateral pool of 43 aircrafts.

Leading lawyers

Kevin Allen
Catherine Duffy
Stephen Haughey
Séamus Ó'Cróinín

Arthur Cox

Arthur Cox attracts a significant amount of praise from a range of clients who have been involved in dealing with the firm. Competitors equally commend the firm for its technical output. One peer says: “The quality of what they produce and their technical output is excellent without a doubt. They are always interested in getting the deals done.”

Clients are also keen to highlight the firm as one that has proved instrumental in the success of deals. One client explains: “We've had a very positive experience in dealing with the firm in relation to some very significant issues that resulted and the advice provided by Arthur Cox played a very important role in this.”

Cormac Kissane is singled out as an important figure at the firm, “He is very knowledgeable in his area and has a very strong commitment to timely delivery of information and advice,” says a client.

The firm acted on behalf of a syndicate of Bank of Ireland in relation to the provision of syndicate and hedging facilities to Coillte Teoranta. The deal was led by Grainne Hennessy and a team and closed in March 2010.

Kathleen Garrett led a team advising Postbank Ireland in an ongoing transaction in connection with capital requirements.

The practice is also involved in advising Nama in structuring the transfer of loan and bank assets as well as reviewing due diligence reports in relation to the exposures to transfers to Nama. The ongoing deal is led by Orla O'Connor.

Leading lawyers

Grainne Hennessy

Cormac Kissane

Matheson Ormsby Prentice

“An excellent firm, I understand entirely why they are in tier one,” says one peer. The practice is one of the leaders in the banking sector and is widely respected and key player in the market.

Clients equally praise the firm; one says: “MOP has excellent people there that are good to deal with and very experienced.”

Patrick Molloy is highlighted by peers and a key figure in the field of banking, “I come across him on transactions and I would rate him certainly, he is very capable and a good to deal with banking lawyer,” says one peer, adding: “He is practical and efficient in getting the job done.”

Ken Rush (who left in September 2010 for the new Walkers office) this year represented The Export-Import Bank of China on a \$230 million deal for the financing of six aircrafts to a Chinese based lessor.

On another deal, Patrick Molloy represented Bank of Ireland on the financing of a new private hospital in Dublin. The new hospital is being built at a cost of €192 million with €38 million provided by private investors and the remaining €154 million financed through a loan from the Bank of Ireland.

Leading lawyers

Patrick Molloy
William Prentice

McCann FitzGerald

McCann Fitzgerald has a solid banking practice and is admired by peers as a leading firm, “No question, they have a first rate operation, I think they are excellent frankly,” says one peer.

Clients also commend the firm for its expertise in the field of banking and describe it as a strong practice. Eamon de Valera is highlighted as by peers “He is always very effective in how he operates,” says one.

The firm this year acted for General Electric Capital Corporation in connection with the provision of facilities to the Bioniche Group for the acquisition of intellectual property rights in the pharmaceutical sector. This deal was successful despite widespread lack of funding in the corporate lending sector. The deal was led by De Valera.

The practice also represented an Irish bank in connection with the refinancing of an acquisition by an Irish aircraft leasing company. This was another example of agreed funding despite a difficult economic climate. The deal was led by Catherine Deane and

Georgina O’Riordan and closed in February 2010.

Leading lawyers

Niall Powderly
Eamon de Valera

William Fry

“We got a very favourable early impression and I would be very much inclined to go back again,” says one client.

William Fry’s banking practice is led by Elaine Hanly and has been involved in a number of deals over the past 12 months. Hanly advised Aergo Capital on the financing of its acquisition of Safair (Proprietary). The deal gave Aergo control of 33 aircraft in the Safair aircraft-leasing division and led to the lease of a further nine planes from the parent company.

William Fry also advised Allied Irish Bank on a range of debt restructuring transactions, including the Grand Canal Theatre Company’s loan facility for the development of a theatre in Grand Canal Square. The deal was led by Rachel Stanton and closed in January 2010.

In speaking of the firm, one client said: “They are friendly, good to access, and good to do business with.”

Leading lawyers

Orla Brennan
Elaine Hanly

Other ranked firms

Dillon Eustace has been active over the past 12 months. One highlight this year saw the firm advise Nama on its the first tranche of loan transfers. The deal was led by Conor Houlihan, Conor Keaveny and Michael Barker and closed in February 2010.

Eugene F Collins wins praise from clients: “The firm is timely and complete and would have no hesitate to give them a new instruction,” says one.

Laura MacDermott is also praised by clients for her handling of transactions by clients, one says: “All requests were dealt with timely and completely and we have a good working relationship with Laura.”

The firm advised Credit Suisse in its capacity as agent to mezzanine lenders in connection with the restructuring of the mezzanine credit agreement with HMH Publishing Company. This multi jurisdictional debt and equity financing deal was led by Laura MacDermott and closed in August 2009.

MacDermott is also active on an ongoing deal representing Nama on its loan acquisitions.

Clients speak highly of **Eversheds O’Donnell Sweeney**, one says: “They delivered a service in a way that you don’t get these days from large firms. You feel like you are getting a personal service and they delivered advice in a way that was easy to deliver to my internal clients.”

The firm this year acted on behalf of EirGrid on a range of deals, including advising on a new standby facilities granted by Barclays Bank Ireland. The €20 million deal was led by Steve Rodgers and closed in January 2010.

Rodgers is highly regarded by clients, one says: “Stephen Rodgers was excellent, they could not do enough for us, the service was first class and at times. They helped every step of the way”

LK Shields Solicitors represented Bank of Ireland on a range of refinancing of property development facilities in distress. Neil O’Keeffe led the transaction which closed in April 2010.

O’Keeffe is also active in advising Lombard Ireland on an ongoing deal in relation to its refinancing of a number of asset-backed facilities.

The banking practice at **Mason Hayes + Curran**, led by Kevin Hoy, has been advising Anglo Irish Bank Corporation on its due diligence exercise for the transfer of loans and securities to Nama. The ongoing transaction is led by Christine O’Donovan and a team.

William Carmody also led a team advising Ulster Bank on a number of lending transactions. The €140 million deal closed in February 2010.

Investment funds

Recommended firms

Tier 1

A&L Goodbody
Dillon Eustace

Tier 2

Arthur Cox
Maples and Calder
Matheson Ormsby Prentice
McCann FitzGerald
William Fry

Tier 3

LK Shields
Mason Hayes + Curran

The most significant trend in the investment funds sectors is the considerable increase in the number of more alternatives such as Undertaking for Collectives Investments in Transferable Securities (Ucits).

In the last 12 months there has been a significant push towards these products and

there are a number of reasons for this. Firstly, they have a much more favourable marketing regime than traditional hedge fund products. Secondly, there is greater appetite by investors and much uncertainty around the Alternative Investment Fund Managers Directive, a draft directive for the hedge fund community.

There has been activity in the exchange-rate funds projects, with interest in this space from the Middles East and a resurrection of interest from the Japanese market; particularly for stand-alone funds.

One investment funds partner notes: “Whilst the global financial markets were collapsing, the regulation system continued reasonably and we didn’t have the meltdown in the regulated fund world and unregulated fund world.”

The partner adds: “There are limits on how much funds can borrow, particularly in the Ucits - it’s supposed to be a safe investment unit. It actually does work in that during the global meltdown Ucits funds have performed well in general.

They might have suffered with the value falling slightly but as a product they have been proved to work quite well and a good investment vehicle.”

Europe is becoming popular as the home domical for products. Ireland is understood to be a safe jurisdiction and, given the economic climate, this is what investors want. “We see a trend moving that way for the foreseeable future. It’s the investors who put their money in these funds who are driving the managers to say ‘we want a Ucits product’ because they see it has a good history,” says a partner.

“We are seeing developments for the regulated product which is mostly Ucits and we are given fee proposals for people who want to redomicile into a regulated jurisdiction.”

The other main developments this year is in regards to the qualifying investor fund (QIF). One partner says: “We are seeing a choice in the market of one or the other, the popular product has been the QIF. In the last 12 months most of the inquiries we’ve received would relate to a potential life settlement product and how to structure that.

The withholding tax rules in the US mean that these life settlement funds, of those needed to come onshore, either try to redomicile here or look at a new structure. We also see this produce going into unregulated structure as well and that is what unregulated funds will do.”

The partner continues: “The life settlement product is one of the highlights of the last 12 months and will be looking forward.”

A&L Goodbody

"We use Goodbody for a lot of our corporate work, they did as much as needed and are very good. We use the firm when we are setting up subsidiaries or working on internal corporate projects that need external advice," says one client.

Led by Brian McDermott, the investment funds practice forms part of the corporate division and is recognised by clients as being a strong presence.

This year Mary McKenna advised HSBC on the establishment and launch of its Ucits (Undertakings for Collective Investment in Transferable Securities) fund which launched one sub-fund and multiple share classes. This transaction was the first of its kind for HSBC and closed in October 2009.

The firm also advised Christofferson Robb & Co on the establishment of an Irish qualifying investor Fund (QIF) investing in bank capital release deals. The minimum target size of the fund is €50 million. The deal was led by Brian McDermott and Niamh Ryan and closed in February 2010.

The firm also advised The Carlyle Group in relation to the set-up and authorisation of its first Irish regulated loan fund platform as well as the advised on the launch of its first two sub-funds. The transaction was led by Michael Barr.

Leading lawyers

Brian McDermott

Dillon Eustace

"Dillon Eustace has a terrific investment funds practice," says one peer. Andrew Bates heads the practice and has been involved in advising McClean Budden in the first European Ucits to be promoted by a Canadian asset manager. Bates advised on the launch of McClean Budden Funds, an umbrella Ucits (Undertakings for Collective Investment in Transferable Securities) company with five sub-funds. The deal closed in December 2009 and generated industry comment in Toronto in the early part of 2010.

Brian Kelliher also represented National Bank of Abu Dhabi in what was the world's first Exchange-Traded Funds (ETF) listed in the Persian Gulf. Oneshare, established by The National Bank of Abu Dhabi, was authorised in March 2010 by the Financial Regulator, and included two sub-funds.

The firm also advised Gam on a sub-fund in the Gam Ucits platform. The deal was led by Kelliher and closed in November 2009.

Leading lawyers

Andrew Bates
David Dillon

Arthur Cox

Arthur Cox works with a range of clients and has been active on a number of transactions. "They would be very commercial, efficient and a professional practice. The quality of their work, and their response time, is excellent," notes one client.

The firm maintains its position and remains a highly regarded practice with a diverse client base. A figure highlighted by clients, and spoken of highly, is Sarah Cunniff, one says: "She is very pleasant person to deal with. She is hardworking, easy to deal with and knowledgeable."

The firm has a joint asset management and investment fund practice. The division is led by Kevin Murphy who has been actively on a range of deals. Murphy has been involved in a high-profile deal advising Legg Mason in relation to the migration of a large fund of approximately \$12 billion to its firm.

Murphy also advised Dodge & Cox, A US investment manager, on its establishment of a new Ucits (Undertakings for Collective Investment in Transferable Securities) fund - the client's first international fund offering.

On another transaction, Murphy advised Algebris Investments on the establishment of Algebris Global Financial Fund; a qualifying investor fund (QIF) for The Children's Investment Fund.

Leading lawyers

Sarah Cunniff
Kevin Murphy
Carl O'Sullivan

Maples & Calder

"Like any professional firm it's about the people that work there and they have among the best and brightest in the investment funds community. I've been working with them for many years - absolutely a top professional firm, top class," says one client.

The firm has had a successful year with increased prominence in the investment funds market and has attracted praise for having a solid team.

Maples and Calder's investment funds practice is noted also for its increased visibility in the market. The firm expanded its practice with new hires in 2010 including partners Paul Dobbyn, formerly with the Irish Bar, and Peter Stapleton, formerly with Dillon Eustace.

Department head Barry McGrath is highlighted as one of the key players at the firm, "He epitomises the organisation and it's all about doing business, he made it easy because he understood what we were trying to achieve," notes one client.

The firm represented Marshall Wace in January 2010 in the establishment of

Qualifying Investor Umbrella Funds, both a unit trust and a corporate vehicle. This was a significant deal given it was the first large re-domiciliation of an existing offshore master-feeder hedge fund into an onshore jurisdiction. On a further deal the firm acted on behalf of the same client in its establishment of an Ucits ETF (exchange-traded fund) platform with 13 sub-funds.

In May 2009 the firm also represented Credit Suisse in the establishment of an Ucits ETF platform with 29 sub-funds and registration of sub-funds across Europe.

Matheson Ormsby Prentice

The firm has good market presence and is a respected practice with experienced lawyers, according to its peers. The firm continues to hold its position in the market as a solid funds practice and is respected by clients and competitors alike.

James Scanlon is highly thought of by clients who report positively on dealings with him, one says: "James is very strong on the technical side and is easy to deal with. He is fair and looks for a solution."

The firm has been active on advising Goldman Sachs in the establishment of a range of qualifying investor funds (QIFs) to facilitate the client's investment in US life settlement policies. The deal was led by Paul Farrell (who left in September 2010 for the new Walkers office) and was completed in August 2009.

Leading a team, Dualta Coughlin advised JPMorgan on its structured Ucits (Undertakings for Collective Investment in Transferable Securities) platform including advising on the launch of a separate third part manager Ucits platform for JPMorgan. The deal closed in April 2010.

Leading lawyers

Michael Jackson
James Scanlon

McCann FitzGerald

Clients appreciate the team at McCann FitzGerald and praise their handling of deals "They have very good lawyers and when you have good lawyers on each side it makes life easier," says one client, adding: "The lawyers at McCann's are very attentive and thorough."

The practice is led by Mark White, who continues to attract praise. One partner says: "He is very highly regarded and a fine lawyer."

The firm this year acted for Pacific Century Group in connection with its acquisition of AIG's asset management business and non US insurance business. The deal was

led by Mark White and a team and closed in September 2009.

Consultant Tony Spratt took the lead in advising Insynergy Investment Management on the establishment of its Ucits (Undertakings for Collective Investment in Transferable Securities) platform as well as the launch of the fund's first two sub-funds at the start of 2010.

On a further deal, the represented UBS Investment Bank on an ongoing deal led by Darragh Murphy. The deal involved acting as legal advisors to the clients' Ucits Management Company as well as its Ucits umbrella schemes and qualifying investor funds (QIFs).

Leading lawyers

Darragh Murphy
Mark White

William Fry

Tara O'Reilly is highlighted as key figure at the firm and is praised by peers. "Tara has a good reputation. She is solid on the technical side and is a good contributor at an industry level," says one. Clients also single out O'Reilly as an experienced partner with expert knowledge.

Another key figure at the firm is Cormac Commins who has been involved across a range of high profile deals. The firm did however lose Declan O'Sullivan to Dechert's new Dublin office in March 2010, however given the array of talent the firm has on its payroll, it is unlikely to lose any momentum following the loss.

Commins this year advised Blackrock Investment Management on the Irish funds elements of its acquisition of Barclays Global Investors. The complex transaction was the largest asset management acquisition in history and resulted in Blackrock becoming the largest asset manager with assets totalling \$300 billion.

The firm also advised Ahli United Bank on the successful redomiciliation of their Cayman range of funds to Ireland. The deal was led by O'Reilly.

Another highlight saw O'Reilly involved in representing ETF Securities on the launch of its leverage and inverse products which were the first exchange-traded funds to be authorised in Ireland.

Leading lawyers

Cormac Commins
Dan Morrissey
Tara O'Reilly

Other ranked firms

Led by David Williams, the investment fund practice at LK Shields Solicitors has been active on a number of deals in the past 12 months. Williams, together with Tracy Gilvarry and Andrew Gill, advised Banquo Credit Management on establishing Credit Flex, a Ucits (Undertakings for Collective Investment in Transferable Securities) III umbrella fund. The €250 million deal closed in the spring of 2010.

The firm also advised Reech Alternative Alpha Fund on the reorganisation of Chirin Absolute Alpha Fund, a Ucits III fund. The deal, led by Sarah Lyons and Williams, also involved its re-launch as Reech Alternative Alpha Fund in March 2010.

Mason Hayes + Curran advised TNI on the establishment of a Ucits (Undertakings for Collective Investment in Transferable Securities) fund for its Middle Eastern client in March 2010.

The investment practice, led by Fionán Breathnach, was also involved in representing Cheyne Capital in the establishment of a convertible bond Ucits. The deal, which closed in September 2009, was led by Breathnach and Sarah O'Sullivan.

In October 2009, the firm advised Centaur Fund Services on its establishment of a new hedge fund administrator in Ireland. The deal was led by Breathnach and O'Sullivan.

Other notable firms

International law firm Dechert became the second international firm to open in Dublin in two years when it announced its launch in March 2010.

Declan O'Sullivan, formerly of William Fry, joined Dechert to head up its investment funds practice. His work there will involve advising domestic and international clients in the establishment and authorisation of various investment funds including Ucits (Undertakings for Collective Investment in Transferable Securities), hedge funds, property funds and private-equity fund products.

In such a stable and mature legal market like Ireland, it will be interesting to see how Dechert develops its practice over the coming years.

Mergers and acquisitions

Recommended firms

Tier 1

A&L Goodbody
Arthur Cox
William Fry

Tier 2

Matheson Ormsby Prentice
McCann FitzGerald

Tier 3

Eversheds O'Donnell Sweeney
LK Shields
Mason Hayes + Curran

Tier 4

Byrne Wallace
Eugene F Collins

There were definite signs of a slowdown in 2009 for M&A, with a significant decrease in deal flow reported by partners. This continued through to 2010 with the earlier part of the year being the worst affected in terms of activity. The decreased rate of activity is attributed to the lack of funding and an absence of sellers.

"There is no activity in commercial lending therefore there is not too much funding for acquisitions. Values dropped and no one was able to sell at the price they wanted, so sellers were holding on for markets," says one partner.

"If people had to sell, they are getting to the realisation gradually that they can't wait around, I think we will be seeing a few more people prepared to put their companies for sale."

The property sector had been a big driver of the Irish economy, but with this sector hit and banks stunting growth by refusing lending, deals continued to be scarce.

However that's not to say there's been no M&A activity - trade players have been active on corporate deals, while private-equity houses have been involved in secondary placings.

Sectors showing the most signs of activity have been technology, pharmaceutical and mostly the renewable energy. "Energy is still a hot area. It's fair to say that we expect there to be a considerable amount more M&A activity in year to come, certainly a respectable level of activity is expected to surface," notes one partner.

"It's definitely coming back; the size of deals last year was greater than in preceding years, what we are now seeing is a movement away from the predatory element, we see a lot of multi nationals buying Irish assets at low value and the disposal of non-core business, this has shifted out, there is a lot more activity and it is real activity."

A&L Goodbody

Led by John Given, the M&A practice has been active in across a range of deals. Given, Julian Yarr and Cian McCourt led a team advising Elan Corporation on its strategic review which led to an \$885 million equity investment by Johnson & Johnson in Elan Corporation. This also led to the \$500 million sale of Elan Corporation's Alzheimer's Immunotherapy programme to company owned by both Elan Corporation and Johnson & Johnson. The deal closed in July 2009.

The firm also advised Bord Gáis Éireann (BGE) on its acquisition of SWS Energy. The acquisition was one of the most significant M&A deals in Ireland in 2009 and indicates the activity in the Irish energy market. This was also the first key acquisition by BGE in a number of years. The deal, valued at approximately €500 million, was led by Cian McCourt and Ross Moore and closed in December 2009.

A further deal involved David Widger acting on behalf of Hellman & Friedman on a €228 million acquisition of Web Reservations International in November 2009. This was the first acquisition in Ireland by Hellman & Friedman.

Leading Lawyers

Eithne FitzGerald
John Given
Jack O'Farrell
Julian Yarr

Arthur Cox

Arthur Cox has been visible over the past 12 months is considered as having a strong and stable practice. Competitors describe the firm as solid, with one noting that "Cox has weathered the recession best". Colm Duggan heads the M&A practice which has been active advising a range of clients.

Brian O'Gorman attracts praise after peers describe him as key player in the firm, "I've come across him on a few transactions and he is well regarded and people I speak with are of the same view," said one peer.

The practice advised a number of leading US companies on their migration to Ireland this year, including Accenture, Cooper Industries, Covidien and TBS Shipping. The deal was led by O'Gorman and a team.

Maura McLaughlin was also active, leading a team advising Emirates National Oil Corporation (ENOC) on its acquisition of 48.5% of shares in Dragon Oil that ENOC does not already own.

Ciarán Bolger led a team advising Gambia which was selling its Irish agribusiness and dairy businesses to Glanbia Cooperative Society, a separate legally owned entity. The €400 million

deal was largely funded by a placing of shares held by the buyer.

Leading lawyers

Ciarán Bolger
Colm Duggan
Brian O'Gorman

William Fry

William Fry has a strong M&A practice and is respected as a reputable contender in this field. Competitors describe the firm as having a solid practice: "They are an excellent firm with a good M&A practice," says one.

The practice is led by Bryan Bourke who, together with Paul Murray, advised Fox Sports Network on the purchase of its Setanta Sports US pay television business.

David Carthy led a team advising University of Pittsburgh Medical Centre in connection with its acquisition of 66.66% of the shareholding in Beacon Medical Group, which owns the Beacon Hospital Sandyford, and a 40% share in the companies contracted to build and operate co-location private hospitals. When the hospital builds are completed, UPMC will be largest operator of private hospitals in Ireland. The deal closed in August 2009.

On another deal, the firm represented Merriem Capital Group on its acquisition of a minority stake in Edun Apparel, an Ireland based ethical clothing company. The deal was let by Stephen Keogh and closed in May 2009.

Leading lawyers

Myra Garrett
Owen O'Connell

Matheson Ormsby Prentice

"They have a practical approach and are very much client-focused. We were very pleased with their service and with definitely be happy to use them again," says one client.

The M&A practice, led by Stanley Watson, has been involved in a range of significant deals over the past 12 months. A key figure at the firm highlighted by peers is Patrick Spicer: "He is excellent and one of the better M&A lawyers in town," comments one partner.

Tim Scanlon acted on behalf of Aramark on its €50.8 million acquisition of Veris, a property and facilities management business. The deal included creating a cash shell and delisting for Veris.

Another highlight for the firm involved advising THI Beacon Court on the acquisition of a majority stake in Beacon Hospital by the University of Pittsburgh Medical Centre. The deal involved a complex series of structures and transactions due to a large number of parties

and stakeholders involved. The €68 million deal was led by George Brady and Paul Brickley.

Leading lawyers

Patrick Spicer

McCann FitzGerald

"McCanns have a strong practice and have been brilliant to deal with. We felt we were getting a good service and the lawyers there are very good, they are pragmatic, attentive and solution-oriented," says one client.

The practice is managed by David Lydon who, led a team advising C&C Group on the Irish aspects of its acquisition of Anheuser-Busch InBev. The €250 million deal closed in September 2009.

Valerie Lawlor and Colm Fanning have also been visible and have advised Marathon Oil Corporation on the sale of its wholly owned subsidiary, Marathon International Petroleum Hibernia. The final sale proceeds are expected to range between \$235 million and \$400 million. The deal was completed in June 2009.

Ben Gaffikin was also active in representing Ion Equity and other selling shareholders on the sale of SWS Natural Resources Holdings, operator of the second largest wind energy generation business in Ireland. This was one of the most significant domestic M&A deals in Ireland in 2009. The €500 million deal closed in December 2009.

Leading lawyers

Barry Devereux
Michael Murphy

Other ranked firms

Mason Hayes + Curran acted for Activision Blizzard on the Irish law aspects of the integration of Activision and Vivendi Games following their merger. The \$18 billion deal was led by Gerard Ryan.

The firm also represented a 50% shareholder in respect of an acquisition of the remaining 50% of a property development group. The €800 million deal was led by David O'Donnell and closed in December 2009.

Eugene F Collins advised the vendors on the sale of Shanahan Engineering to Wood Group. The deal, which gained significant media coverage in 2009, was led by Gerard Coll and consultant Anthony Collins and closed in December 2009.

On another transaction, Deborah Kelly advised Johnson & Johnson on its acquisition of an over the counter medicines business.

Other notable firms

Dillon Eustace represented Sella Life in relation to it being acquired by CBA Vita SpA. The deal led to the transfer of the entire portfolio from Ireland to Italy with the approval from the High Court. The deal was led by Tom Carney and closed in March 2010.

The firm also acted for Lake Region, a US medical group, on its acquisition of Brivant, a manufacturer of medical devices. The deal, which closed in July 2009, was led by Keith Smith.

Project finance

Recommended firms

Tier 1

A&L Goodbody
Arthur Cox
McCann FitzGerald

Tier 2

Matheson Ormsby Prentice

Tier 3

Eversheds O'Donnell Sweeney
Mason Hayes + Curran
William Fry

Tier 4

Eugene F Collins
LK Shields

The renewable energy sector dominated projects in the finance landscape for the last 12 months with wind energy being the main area of activity. Market developments have been strong in the energy sector because of the nature of the support mechanism. "The certainty that is given by a state supported mechanism gives a reasonable level of comfort, the other factor that has played in our favour is that some of the banks are being recapitalized are now being more selective with their lending and one of the few sectors the banks are confident in is the energy sector," notes one partner.

On the PPP side, the number of projects has dropped significantly. This is not through a lack of projects in the pipeline but because projects are taking longer to come through. "There are funding competitions emerging now also and this is affecting the length of time because there are just not enough banks to go round," says a partner.

The past year has been difficult in the market but the beginning of 2010 showed a continued positive trend. Before this point, many projects were stalled due to the lack of availability in funding but after a slow year, the Irish market has begun to see bigger-ticket projects coming back.

"In comparison to last year things are beginning to move. The energy sector has been, I

wouldn't say totally immune, but has survived better than other sectors," says a partner.

"There is huge activity around renewable and wind farms in particular. There is cause for optimism."

A&L Goodbody

A&L Goodbody continues to be highlighted as a high ranking firm who's reputation among peers and clients justifies its position in the first tier. The project finance division is managed by Kevin Feeney and has been visible across a range of deals over the past 12 months.

The firm has been involved in acting for Nord LB and Commerzbank in connection with its €65 million financing of a wind farm which forms part of a pan-European 32.5MW wind farm portfolio financing. The firm also advised the same client on the €40 million financing of a 22.5MW wind farm. The transaction involved complex structures and mezzanine financing. The deal was led by Ross Moore and closed in July 2009.

Another deal involved advising St. MacNissi's Educational Trust and the Trustees of the Congregation of the De La Salle Brothers in connection with the a private finance initiative (PFI) project. The complex deal involved two projects and finance structures for the design, build, operation and finance of two new primary school and the replacement of two existing secondary school. The £30 million deal was led by Feeney and closed in May 2009.

Moore also represented Barclays Bank and BNP Paribas in their role as commercial lenders for the construction by EirGrid of a high-voltage direct current interconnector between Ireland and the UK in May 2010.

Leading lawyers

Kevin Feeney
Ross Moore

Arthur Cox

Arthur Cox has a solid project finance practice, managed by Alex McLean, and has been visible on a range of significant deals over the past 12 months. The firm has been involved in advising Celtic Metro Group on one of the largest and most complex PPP projects in Irish history. The project involved the construction of a metro system, Metro North PPP. The €3 billion ongoing deal is led by Garrett Monaghan.

Monaghan, McLean and banking specialist Grainne Hennessy represented Eco Wind Power in the portfolio financing of a cross-colateralised wind farm. The €276 million transaction closed in May 2009.

On another deal, Aaron Boyle and Amelia Sorohan acted on behalf of Superstop Consortium and Bank of Ireland on a dual

mandate basis. This was one of the fastest PPP projects to reach financial completion in Ireland, closing within eight weeks of the appointment of the preferred bidder. The €100 million deal, led by Monaghan, closed in October 2009.

The firm also acted for EirGrid on its financing of a 500MW high-voltage, direct current (HVDC) electrical interconnector linking Ireland and Wales. This was the first HVDC interconnector in Ireland and was the among the largest energy infrastructure project financing in the jurisdiction.

Leading lawyers

Alex McLean
Garrett Monaghan

McCann FitzGerald

In speaking of lawyers at McCann FitzGerald's project finance team, one client says: "They are hardworking and pragmatic. They are practical and always deliver which is the main thing."

McCann's project finance division is managed by Eamonn O'Hanrahan who acted on behalf of National Roads Authority (NRA) on an €80 million transaction. The deal involved advising the client in connection with the competition and award of the contract for the design, build and finance and operation of the first tranche of service areas. This was the first PPP to close since 2007 for the NRA.

Another deal involved advising National Development Finance Agency in connection with aspects of the re-development and expansion of the National Concert Hall on its existing site. The ongoing deal is led by Claire Lenny.

Leading Lawyers

Colm Fanning
Eamonn O'Hanrahan

Other ranked firms

The project finance department at **Eversheds O'Donnell Sweeney** is led by Mark Varian. The firm advised AIB on the financing of Cronalea Wind Farm. This was the first wind farm refinancing to be concluded by AIB in Ireland following the credit crisis. The €12 million deal was led by Varian and closed in closed in January 2010.

Another deal involved representing Bord Gáis Éireann in the development of its first wind farm. The €10 million deal was led by Varian and Kate Randazzo and closed in April 2010.

William Carmody heads the project finance division at **Mason Hayes + Curran** and has been active advising Euro Wind on the financing of the 33MW Glenough Wind Farm. The

deal forms part of the international Euro Wind portfolio financing which includes projects in Germany, France and Ireland. The €71 million deal was led by Carmody and was completed in July 2009.

Leading a team, Carmody also advised The Bank of Ireland in relation to its financing of the Derrynadivva wind farm for Ecopower. The €28 million deal closed in December 2009.

William Fry has been active in advising University College Dublin on its Gateway development using a PPP concession model. The project, in excess of €400 million is the largest single capital project undertaken in the higher education sector. The ongoing deal is led by Liam McCabe and a team.

The firm has also been active advising Fingal County Council on its €107 million design, build and financing of several key infrastructure projects in North Dublin. The ongoing deal is led by McCabe.

Another deal involved Fergus Devine advising Macon Consortium (Blackshore Holdings and Oyster), a shortlisted bidder for the Motorway Service Areas PPP project.

Restructuring and insolvency

Recommended firms	
Tier 1	
A&L Goodbody	Arthur Cox
Matheson Ormsby Prentice	McCann FitzGerald
William Fry	
Tier 2	
Eugene F Collins	Mason Hayes + Curran
Tier 3	
Byrne Wallace	Eversheds O'Donnell Sweeney
Maples and Calder	
Tier 4	
LK Shields	O'Grady's

"Certainly, within Ireland the next couple of years will be difficult times. A lot of the banks are going to take some aggressive action in the course of the next couple of years, a few have sharpened their pencils and they should kick up in coming months," says one partner.

Over the course of the last 12 months the restructuring and insolvency sector has been very much property focused with a number of the property developers having transferred to Nama. Zoe Group, the largest property company in Ireland also went into examinership which resulted in an increase

of activity for firms. "There has been a lot of work in examinerships in the country, Zoe Group took up a lot of time for a lot of people in the country last year, this was a head line examinerships that took place," says a partner.

The insolvency and restructuring market in Ireland is extremely busy since banks, in a bid to improve the value of their security, moved into enforcement mode flowing from the lending decisions made from 2006 to 2007. Practitioners describe the Irish market as weak and expect to see further activity work in the field of restructuring towards the end of this year.

Expanding on the situation in Ireland, one partner says: "There is a wider recognition among the banks on the true extent of impaired loans and an acceptance that we have to move to enforcement. This has happened because there is no liquidity, no money and property prices have collapsed."

The partner adds: "The level of formal insolvency work has skyrocketed, the level of security reviews for banks has massively increased, the level of advisory work in relation to the transfer of loans to Nama has increased also."

A&L Goodbody

A&L Goodbody moves up into the top tier after the market recognised the strong track record the firm had shown over the past three years.

One of the leading figures at the firm praised by peers is Mark Traynor. He is highly regarded by fellow practitioners who consider him to be a leader in his field.

The restructuring and insolvency department, led by David Baxter, has been advising Allied Irish Banks (AIB) as the largest creditor to the Zoe Group as well as advising PwC as the receivers appointed by AIB to parts of the companies and assets within the Zoe Group. The Zoe Group, controlled by Liam Carroll had been one of the largest property developers in Ireland and owed an approximate €1.3 billion to various banks. The ongoing high profile transaction is led by Baxter.

Another matter saw Traynor represent Deloitte as the receiver of Waterford Wedgwood and its related companies in the jurisdiction. The ongoing matter involves the disposal of assets owned by the Irish companies within the Waterford Wedgwood Group, including plant, machinery and property businesses.

Leading lawyers

David Baxter
Mark Traynor

Arthur Cox

The practice is led by William Day who is a respected figure at the firm. In speaking of Day, one client says: "Willie would be strong in terms of his opinion and commercial in terms of approach - strong enough to be able to rely on it and he recognises the need to focus on certain factors over others."

Leading a team, Day has been advising Barclays Bank and other syndicate members on the €700 million restructuring of the Quinn Group.

A further ongoing matter involves the firm advising Bank of Scotland Ireland and David Hughes, as receiver, on the petitions for the examination of Zoe Developments Group. The €1.2 billion transaction is led by Day.

Another highlight saw Day act for examiner Kieran Wallace from KPMG on the examination of Linen Supply of Ireland. The matter is valued in excess of €20 million.

Leading lawyers

William Day

Matheson Ormsby Prentice

Matheson Ormsby Prentice's restructuring and insolvency team is led by three partners, Tony O'Grady, Rod Ensor and Julie Murphy-O'Connor. The practice has been active on a range of deals over the past 12 months and remains a leading contender in the field.

The firm has been active advising J Fleming Construction Group on the construction company's €1.3 billion restructuring of its debts to various banks. The proposed restructuring was the second largest to take place (valued at over €1 billion) in Irish corporate history. The deal was led by Ensor and a team and closed in March 2010.

The firm also advised Linen Supply on its €36 million examinership in February 2010 in a case which confirmed the Examiner's power to repudiate leases as a result of a Supreme Court judgment.

Leading lawyers

Rod Ensor
Tony O'Grady

McCann FitzGerald

Jane Marshall heads the department at McCann FitzGerald and has been visible across a range of deals over the past 12 months.

Marshall and Michael Murphy this year advised ACC bank in a €1 billion deal on various issues resulting from facilities advanced to Liam Carroll of Zoe Group. The deal included successfully resisting the application for examinership before the High Court and on the appeal to the Supreme Court.

Marshall was also involved in advising the ACC Bank on the enforcement action taken against the Fleming Group/Tivway, which involved resisting an application for examinership. The firm advised ACC Bank on its entitlement to challenge the examiner's proposal for a scheme arrangement for three Fleming companies on the grounds that these companies are unfairly prejudicial to ACC Bank. The €1 billion matter closed in March 2010.

Another highlight was representing Royal Bank of Scotland as leader of a syndicate of banks, and acting for the joint receivers, in the €104 million restructuring of Payzone, an electron payments company. Part of the deal involved a private-equity group investing €45 million in exchange for an equity stake in the group, reducing Payzone's debt to its banks. The deal was led by Murphy and closed in February 2010.

Leading lawyers

Jane Marshall
Michael Murphy

William Fry

The practice has been involved in advising David Hughes and Alan Bloom of Ernst & Young, the joint administrators of Nortel Networks (Ireland), on the restructuring of the group on a global scale. There are 19 other European jurisdictions being restructured through a single filing in the High Court in the UK, but Ireland is the only jurisdiction to have a joint administrator appointment. The complex ongoing deal is being handled by Michael Quinn, who is the head of department.

Another deal involved representing Smart Telecom on its restructuring. The transaction led to the successful appointment of an examiner, John McStay, and the scheme had been approved. The deal was led by Barry Cahir and completed in May 2009.

A further highlight saw the firm act on behalf of Karl Wüthrich as liquidator of Swissair in matters resulting in the liquidation of Swissair. The deal included a Supreme Court appeal in connection with the recognition of a Swiss judgment obtained from Swiss insolvency proceedings. The ongoing deal is led by Michael Quinn.

Leading lawyers

Michael Quinn

Eugene F Collins

Eugene F Collins continues to be active in the field of restructuring and insolvency and is spoken of highly by clients. "They have

been very responsive and solution-focused. Over all I would say they have been great to deal with and value the relationships they have with clients," says one.

Led by Doug Smith, the practice has advised George Maloney of Baker Tilly Ryan Glennon in relation to the examinership of companies within the Fleming Group. This was the largest, by value, formal insolvency case in Ireland, involving companies owing €1.8 billion. The deal was led by Smith and a team and closed in March 2010.

Smith has been visible on a range of deals over the past 12 months including in relation to the examinership of companies with the Black Shore Group, advising companies seeking protection of the High Court. The multi-layered insolvency deal is ongoing.

A further highlight saw the firm involved in a high-profile deal relating to the restructuring and receivership advice for the Setanta Sports broadcasting group of companies. The deal was led by Smith and was closed in July 2009.

Leading lawyers

Dough Smith

Mason Hayes + Curran

Headed by Declan Black, the restructuring and insolvency practice at Mason Hayes + Curran has been visible on a range of deals.

The firm has had a strong flow of liquidator-side roles, with a highlight seeing Declan Black lead a team advising the liquidators on a €1.5 billion deal in relation to the liquidation of Zoe Group's two senior holding companies.

Black and Judith Riordan also advised the receiver on the €4 million receivership of Hughes and Hughes, one of Ireland's largest book retail companies.

Elsewhere, Riordan and Maurice Phelan advised the liquidator on a €9 million transaction relating to the liquidation of two companies that deal with the assembly, modification and onward sale of commercial vehicles. The deal was led by.

Leading lawyers

Judith Riordan

Other ranked firms

Byrne Wallace (formerly BCM Hanby Wallace) enters the rankings this year following numerous recommendations from law firms who report the firm has been highly visible in the market. The R&I department is headed by Gavin Simons who is praised by a number of peers.

A highlight this year saw the firm act on behalf of Declan McDonald of PricewaterhouseCoopers on the Bestseller Retail Ireland examination - the first examinership in which an examiner gained power as a liquidator to disclaim leases. The matter was led by Simons and John Fitzgerald and closed in June 2010.

The firm also advised Michael McAteer of Grant Thornton on the successful restructuring of Murrays Rent A Car, Ireland's largest privately owned car-hire business. The deal was led by Simons and Jennifer Malone and closed in October 2010.

Eversheds O'Donnell Sweeney has been involved in a high-profile deal advising The Zoe Group of Companies on one of the most widely reported in Irish media examinership applications of 2009. This was a significant deal that exemplified, through its refused application for examination, the difficulty in qualifying for examinership. The €1.5 billion deal was led by dispute resolution partner Norman Fitzgerald and a team and closed in October 2009.

Another deal, led by Norman Fitzgerald, involved advising Barrowville Estates, the proposed investor in the examinership of the Tweedy Group of Bars. The €10 million ongoing deal is led by Fitzgerald and Neil O'Mahony.

Clients report positively on their dealings with Maples and Calder as one notes: "Maples and Calder comes as a seamless operation. The main thing is that they are pragmatic and relationship oriented."

The firm this year acted on behalf of the Education Media and Publishing Group and its subsidiaries on the restructuring of its \$7.6 billion debt facilities. This was one of the most significant deals in Ireland in 2010 and among the largest deals of its kind. Closing in March 2010, the transaction was led by Edward Miller and Nollaig Murphy.

The firm also advised Nama in acquiring ?80 billion in property development loans from Irish banks in return for ?42 billion in government bonds.

LK Shields represented Tedcastles Oil Products, an Irish oil distribution business, in securing the appointment of an interim examiner as well as the subsequent successful application to appoint an examiner over the business in June 2009. The matter was led by Jill Callanan and closed in August 2009.

The firm also acted on behalf of George Maloney in his role as the official liquidator of Fitzgerald Packaging and Fitzgerald Cartons, two of Ireland's well known manufacturing companies. The ongoing deal is being handled by Callanan.