

Canada

Chamber of commerce:

The Toronto Board of Trade
1 First Canadian Place
PO Box 60
Toronto, Ontario
Canada M5X 1C1
Tel: +1 416 366 6811
Fax: +1 416 366 8406
Email: info@bot.com
Web: www.bot.com

Professional body:

The Canadian Bar Association
902-50 O'Connor Street
Ottawa, Ontario
Canada K1P 6L2
Tel: +1 613 237 2925 /
+1 613 237 1988
Fax: +1 613 237 0185
Email: info@cba.org
Web: www.cba.org

Recent changes to Canada's securities laws

John Wilkin
Blake Cassels & Graydon LLP
Toronto

Over the past two years there have been several significant changes in Canadian securities laws that impact corporate finance transactions. Significant changes to the liability provisions of securities laws, heightened corporate governance requirements, the broadened scope of Canada's short-form prospectus rules, and the harmonization of private placement rules across provincial jurisdictions have had, or are anticipated to have, a direct impact on corporate finance activities in Canada.

Civil liability for continuous disclosure

New legislation in the province of Ontario (Canada's largest capital market) has created a right of action against the issuer or any responsible person (defined as a *reporting issuer* in Ontario and any other issuer with a substantial connection to Ontario that has publicly traded securities) in favour of any person who buys or sells securities of the issuer during a period of time in which there is an uncorrected misrepresentation in a disclosure document or in a public oral statement. A disclosure document that might give rise to a right of action includes any written communication (including electronic) that is filed with the Ontario Securities Commission, any government or stock exchange, as well as any communication, the content of which would reasonably be expected to affect the market price or value of a security. A public oral statement will only give rise to a right of action if it relates to the business or affairs of the issuer and is made by a person with actual, implied or apparent authority to speak on behalf of the issuer in circumstances in which a reasonable person would believe that information contained in the statement will become generally disclosed.

Furthermore, the new amendments provide a right of action to persons who acquire or dispose of an issuer's securities during a period in which the issuer fails to make timely disclosure of a material change. This right of action will arise without regard to whether the person actually relied on the issuer's compliance with its disclosure requirements.

Parties potentially liable under these new provisions include: (i) the issuer; (ii) each officer of the issuer who authorizes, permits or acquiesces in the release of the document containing a misrepresentation or in the failure to make a timely disclosure; and (iii) each influential person (defined as a controlling shareholder, promoter or

insider of the issuer) and each director and officer of the influential person, who knowingly influences the issuer or director or officer of an issuer in the release of the document or the making of the public statement.

By way of defences, the new legislation provides that a person is not liable if they can prove that they had conducted, or caused to be conducted, a reasonable investigation and had no reasonable grounds to believe that there was a misrepresentation or that failure to make timely disclosure would occur.

To address the possibility of abusive strike-suits, such as those experienced by public companies in the US, the new legislation contains a requirement that a legal action based on a misrepresentation or failure to make timely disclosure cannot be commenced without leave of the court. As a threshold matter, the court must be satisfied that the action is being brought in good faith and that there is a reasonable possibility that the action will be resolved at trial in favour of the plaintiff. Also, any action that is brought cannot be discontinued or settled without court approval. The prevailing party is entitled to costs as determined by a court.

Corporate governance requirements

The US Sarbanes-Oxley Act of 2002 (SOX), which has changed the corporate governance landscape in the US, has also had a tremendous impact in Canada. The Canadian securities regulators have taken a number of steps to implement rules applicable to Canadian public companies that mirror SOX requirements. Three of the measures that have been implemented to date are: (i) requirements relating to the audit committee composition and auditor independence; (ii) requirements relating to certification of interim and annual financial statements by an issuer's chief executive officer and chief financial officer; and (iii) requirements relating to prescribed corporate disclosure by issuers and disclosure of an issuer's compliance with prescribed corporate governance guidelines.

National streamlined short-form prospectus system

National Instrument 44-101 – *Short Form Prospectus Distributions* has been amended to enable more issuers to use Canada's short-form prospectus system by relying on their existing continuous disclosure record, which is readily available to the public through the System for Electronic Document Analysis and Retrieval. The short-form prospectus system allows an issuer: (i) to file an abbreviated form of prospectus, which incorporates its publicly filed disclosure documents by reference; and (ii) to access the capital markets efficiently through a shortened regulatory review period. The short-form system was previously accessible to only senior issuers with sub-

stantial market capitalization. However, the amendments eliminate the two-year seasoning period for an issuer following its initial public offering, and the minimum market capitalization requirements of the previous rule. As a result of this significant broadening of the qualification requirements, smaller issuers are now able to efficiently access the public capital markets through the short-form prospectus system provided they have filed an annual information form, which serves as the base disclosure document for the issuer.

Harmonization of the prospectus and registration exemptions

National Instrument 45-106 – *Prospectus and Registration Exemptions* was implemented on September 14 2005, and consolidates and harmonizes across Canada many of the exemptions from prospectus and registration requirements which had previously been contained in various provincial securities statutes and regulatory instruments. Before its enactment, multi-jurisdictional issuers were required to comply with differing distribution regimes in each jurisdiction. The implementation of the new rule is intended to reduce transaction costs for issuers, as they are now required to comply with only one set of rules for private placements in Canada.

Although the purpose of the new rule is harmonization, certain differences between jurisdictions still exist. By way of example, the exemption from the dealer registration and prospectus requirements for family, friends and business associates of the issuer do not apply in Ontario, while an Ontario-only exemption for founders, control persons and family has been incorporated. Furthermore, the new rule contains two different versions of the offering memorandum exemption which have been adopted by various jurisdictions, with Ontario choosing to adopt neither.

The new rule contains a minimum amount exemption from the dealer registration and prospectus requirements in respect of trades of securities with an acquisition cost of not less than \$150,000. Exemptions relating to petroleum, natural gas and mining properties and estates, bankruptcies and liquidations have been broadened, and the exemption for accredited investors (which is similar to the US concept) made consistent. New exemptions from both registration and prospectus requirements have been added in respect of trades by an issuer to a creditor to settle a *bona fide* debt of the issuer, or in an evidence of deposit issued by a Schedule III bank or an association governed by the Cooperative Credit Associations Act (Canada).

Conclusion

The recent regulatory developments described above have been designed to reduce transaction costs and improve access by all market participants to the Canadian public capital markets. However, the regulators have tempered this with accountability through the adoption of secondary market liability and a tightening of corporate governance standards.

Bank lending

Recommended firms

Tier 1

Blake Cassels & Graydon
McCarthy Tétrault
Ogilvy Renault
Osler Hoskin & Harcourt

Tier 2

Davies Ward Phillips & Vineberg
Fasken Martineau DuMoulin
Stikeman Elliott
Torys

Tier 3

Borden Ladner Gervais
McMillan Binch Mendelsohn

Tier 4

Bennett Jones
Burnet Duckworth & Palmer
Fraser Milner Casgrain
Goodmans
Macleod Dixon

Banking – financial services regulation

Recommended firms

Tier 1

Blake Cassels & Graydon
McCarthy Tétrault
Ogilvy Renault
Osler Hoskin & Harcourt
Torys

Tier 2

Fasken Martineau DuMoulin
Fraser Milner Casgrain
Stikeman Elliott

Bennett Jones

With offices in Calgary, Toronto and Edmonton, Bennett Jones is one of the more capable banking firms in Canada. Douglas Benson, formerly counsel at Fraser Milner Casgrain, joined the firm in June 2006, bringing the group to a total of 38 partners and 17 associates. Bennett Jones boasts clients such as EnCana Corporation, Nexen and Credit Suisse.

In 2005, the firm advised EnCana in connection with C\$4.5 billion unsecured extendible revolving term credit facilities to a restated credit agreement, representing the largest credit facility transaction ever done in the Canadian oil and gas industry. In another oil industry matter, Bennett Jones acted in a C\$2 billion transaction for French oil company Total regarding credit facilities provided by Canadian and international lenders in July 2006.

In July 2005, the firm represented Nexen in another C\$2 billion matter involving Nexen's revolving term credit facilities to finance operations in Canada, the US and the UK.

Among the year's other highlights, Bennett Jones acted for MEG Energy in connection with \$750 million secured credit facilities, including term loan B facilities and a Canadian revolving credit facility, to finance the development of the borrower's oil sands development, and in May 2006 the firm counseled Credit Suisse regarding its C\$1.625 billion-worth of amended and restated senior secured credit facilities.

Leading lawyers

Phil Backman
Daniel Ford

Key contact partners

Phil Backman
Bruce Barker
Daniel Ford

Blake Cassels & Graydon

Blake Cassels & Graydon maintains its tier one status this year with the help of the 29 partners and 29 associates who comprise its financial services group. Peers in the market consistently agree that the group's head, Jim Christie, is an "outstanding" lawyer as well as "a good natured individual", with one peer extolling him as "top drawer" and another noting that "he attracts a tremendous amount of work for Blakes and is also a high quality person." Meanwhile, up-and-comers such as Jacqueline Shinfield – who has been doing regulatory work for over three years now and is said to be developing "a real name for herself" in the field – are indicative of an equally promising future for the firm, which has continued to attract new clients, while simultaneously expanding the scope of its practice in both the lending and regulatory arenas over the past year.

In May 2005, Blake Cassels & Graydon represented long-standing client, Canadian Imperial Bank of Commerce (CIBC), on a C\$1.2 billion credit facility, in which CIBC acted as agent in connection with Penn West Petroleum's public offering. Soon after, in July 2005, the firm advised German company, Tui, in its \$2.6 million acquisition financing for the takeover bid for Canadian shipping company, CP Ships. The group rang in 2006 by guiding US energy company Kinder Morgan through a bridge financing and bond refinancing in connection with its acquisition of Terasen in February, and, later that month, JP Morgan Chase Bank retained Blakes for a \$1.3 billion transaction with Nortel Networks, in which JP Morgan Chase Bank acted as agent.

Other clients represented by the firm in lending transactions during 2005 and 2006 included Hudson's Bay Company, National Bank of Canada, GE Canada Financing Holding Company and Credit Suisse.

Meanwhile, in one standout financial services regulatory matter, the firm provided regulatory, corporate and securities advice in connection with the Canadian aspects of the demutualization of Standard Life Assurance and the subsequent listing of its successor company, Standard Life – one of largest financial services groups in the UK – on the London Stock Exchange.

Leading lawyers

James Christie
Mike Harquail
C Dawn Jetten
Norm Saibil
John Teolis
David Zacks

Key contact partners

Paul Belanger
James Christie
Michael Harquail
C Dawn Jetten

Borden Ladner Gervais

With new hires such as Ken Atlas and Glen Bowman, both of whom were recruited from Heenan Blaikie in September 2005, and one of the largest bank lending groups in Canada, Borden Ladner Gervais' financial services practice continues to flourish this year. Leaders in the market have suggested that the firm is on the rise in the banking sphere, and partners such as Joanne Foot, who is considered "outstanding" and was said by one peer to be "very capable, sensible and knowledgeable," undoubtedly have much to do with this assessment. Clients of the firm include a wide assortment of financial institutions, such as Scotia Bank, Royal Bank of Canada, RBC Dominion Securities, Bank of America, Bank of Montreal and HSBC Bank Canada.

In December of 2005, Borden Ladner Gervais advised the underwriting syndicate and lending syndicate for Versacold Income Fund's loan to finance the acquisition of P&O Cold Logistics, a transaction which was valued at C\$382 million. One month earlier, in October, 2005, the firm acted as counsel to the Bank of Nova Scotia, as lead arranger of a 17-lender syndicate, on the C\$1.5 billion transfer of CanWest's publishing and online media businesses to an income trust, CanWest MediaWorks Income Fund, and also assisted with the establishment of credit facilities for the deal.

At the time of writing Borden Ladner Gervais was working on a C\$3.5 billion transaction involving the conversion of Aliant into an income trust and the financing of the acquisition by that income trust of rural wireless assets formerly belonging to Bell Canada and certain other assets from Bell Canada Enterprises, in which they have been retained as counsel to a 12-lender syndicate led by The Bank of Nova Scotia and Royal Bank of Canada. The firm is also presently engaged as counsel to the Bank of Nova Scotia, as administrative agent, and a syndicate of lenders in connection with the establishment and subsequent increases and other amendments to credit facilities to CHC Helicopter Corporation and its subsidiaries to assist in financing their ongoing operations as the largest commercial helicopter operator in the world, a deal which is valued at \$315 million.

Leading lawyers

Ken Atlas
Glen Bowman
Ron Bozzer
Joanne Foot
James Mathers

Key contact partners

James Mathers
Benoît Provost
William Robertson

Davies Ward Phillips & Vineberg

Davies Ward Phillips & Vineberg has had yet another strong year in the bank lending world, with 35 lawyers in its banking practice, including project finance transactions. Scott Hyman makes it onto the firm's list of leading lawyers for the first time this year, as a result of consistent recognition by peers of his reputation as being an active and effective player in the market in recent years.

In one standout mandate, Davies Ward Phillips & Vineberg represented Davies represented BCE in relation to its \$6.32 billion repurchase of SBC's 20% interest in Bell Canada, which involved negotiating a \$3.3 billion bridge loan made available to BCE by a syndicate of banks. Davies Ward also acted for the Bank of Montreal and BMO Nesbitt Burns when they provided a \$330 million bank facility for the financing of the cash portion

of Macquarie Senior Care's acquisition of the long-term care, retirement home and related businesses of Leisureworld.

Another acquisition finance highlight saw the firm advise Brascan in the equity financing, bridge loan and asset-based facility for the \$1.2 billion acquisition of Weyerhaeuser's British Columbia coastal business. The firm also advised Bank of Montreal, National Bank of Canada, Merrill Lynch Capital of Canada and the Toronto-Dominion Bank in connection with a credit facility made available to Metro to allow Metro to acquire all of the issued and outstanding shares of A&P Canada from the Great Atlantic & Pacific Tea Company, for C\$1.7 billion.

Leading lawyers

Scott Hyman
Carol Pennycook
Jay Swartz

Key contact partners

Sylvain Cossette
Carol Pennycook
Jay Swartz

Fasken Martineau DuMoulin

Fasken Martineau DuMoulin has had an impressive year in banking, and the firm's team continues to be well-respected in the market. One peer asserted that the exclusion of partner John Torrey from the firm's "leading lawyers" list last year was "a real omission," while another referred to Torrey's work as "excellent." Jonathan Levin is also thought to be "impressive," and he and colleagues Robert Elliott, Eric Belli-Bivar and Xeno Martis appear in *Euromoney's Guide to the World's Leading Banking Lawyers*.

The firm's recent experience includes acting for a syndicate of lenders agented by The Bank of Nova Scotia in connection with the \$1.5 billion financing of Goldcorp, representing Cedar Fair in its C\$1.9 billion acquisition financing of Canada's Wonderland, and advising Georgia Pacific in connection with a C\$15.5 billion acquisition financing by Koch Industries. Other matters included guiding Dexia Credit through the C\$3.5 billion establishment of its Canadian local branch and commercial paper programme and counseling a syndicate of lenders co-led by National Bank Financial and Citigroup with respect to the \$1.1 billion-worth of North American financing of Bombardier and its subsidiaries. Other clients of the firm include Toronto-Dominion Bank, Desjardins Financial Group and National Bank.

Leading lawyers

Eric Belli-Bivar
Robert Elliott
Jonathan Levin
Xeno Martis
John Torrey

Key contact partners

Robert Elliott
Jon Holmstrom
Robert McDowell

Fraser Milner Casgrain

Although the loss of leading partner Jeff Barnes to rival firm Heenan Blaikie in 2006 has caused some in the market to question the firm's ability to maintain momentum, for the time being at least Fraser Milner Casgrain's status as a quality financial services firm remains intact, and the firm has continued to be active in the Canadian banking world this past year.

In November 2005 the firm provided advice to Petro-Canada in connection with the amendment and extension of its existing C\$2 billion credit facilities and also acted for the agent and senior lenders in the project financing of St Leon wind farm, which involved C\$73.3 million in senior credit facilities and C\$71 million in subordinated debt facilities for the construction and operation of the project, which is said to be the first of its kind in

Manitoba. Also in November 2005, Fraser Milner Casgrain represented Shaw Communications in its C\$450 million note issue, which was made in both Canada and the US pursuant to the Canada/US multijurisdictional disclosure system, reportedly the largest debt offering ever completed by a non-investment grade issuer in Canada.

In 2006, Fraser Milner Casgrain advised Corus Entertainment in the refinancing of its C\$600 million senior secured credit facilities. Other matters on which the firm advised in 2005-2006 included acting as Canadian counsel for UFJ Bank Canada in the financing of its merger with Bank of Tokyo-Mitsubishi as part of the worldwide merger of the two Japanese banks and various acquisition and spin off financings for JPMorgan Chase. Other clients of the firm include Bank of Montreal, HSBC Canada, Deutsche Bank and ABN Amro.

Key contact partners

Bill Jenkins
Peter Murphy
Ross Walker

Goodmans

Goodmans continues to provide exceptional banking advice and has had an active year, particularly with regard to the recently prevalent domains of private equity groups and income trusts in the Canadian market.

In 2005, for example, Goodmans was engaged to represent Oncap, the private equity subsidiary of Onex, in connection with various private equity investments and their related financings in the acquisition of Washington Inventory Service by Western Inventory Service, an Oncap portfolio company. The firm also advised Acadian Timber Income Fund in connection with a C\$42 million credit facility provided by CIBC World Markets and RBC Capital Markets, in combination with an initial public offering (IPO) of C\$84.5 million in January 2006.

Goodmans also represented Brookfield Bridge Lending Fund in connection with \$187.5 million and C\$90 million loans to Western Forest Products and also acted for a syndicate of lenders, led by Royal Bank of Canada and The Bank of Nova Scotia, for the provision of credit facilities of C\$111 million to, and as part of the IPO of, Resolve Business Outsourcing Income Fund.

In other work, the firm acted as Canadian counsel to Colony Capital with respect to a \$2.675 billion syndicated debt financing, the proceeds of which will be used to partially fund the \$3.303 billion acquisition by Colony Capital and Kingdom Hotels of Fairmont Hotels & Resorts and to refinance Fairmont's existing credit facilities, a transaction that, at the time of writing, looks set to be one of the largest debt financings of 2006 in the Canadian market.

Other clients of the firm include the Toronto-Dominion Bank, Ontario Teachers' Pension Plan Board, National Bank of Canada, Laurus Master Fund and Amaranth Advisors, among a host of others. Department head, Jean Anderson appears in *Euromoney's Guide to the World's Leading Banking Lawyers*.

Leading lawyer

Jean Anderson

Key contact partners

Jean Anderson
Jeffrey Citron
David Nadler
Celia Rhea

McCarthy Tétrault

Headed up by veteran banking lawyer Barry Ryan, who peers praised as “top rate” and a “very talented guy”, McCarthy Tétrault’s financial services practice has continued to flourish since last year. New additions Richard Higa and Edward Ra, who were recruited from McMillan Binch Mendelsohn in 2006, as well as Dirk Rueter, who came to the firm in 2006 from Blake Cassels & Graydon, have significantly strengthened an already solid practice, while the group continues to boast impressive clients, such as Bank of Nova Scotia, TD Bank and GE Capital Equipment.

In bank lending, McCarthy Tétrault’s 2005-2006 highlights included the firm’s representation of Canadian Imperial Bank of Commerce (CIBC) in its capacity as sole lead arranger, book-runner and administrative agent for Abitibi-Consolidated Inc. and Abitibi-Consolidated Company of Canada’s renewal of their credit facilities with a new C\$700 million credit facility in August 2005, as well as the completion in January 2006 of Corus Entertainment’s C\$800 million refinancing, in which the firm was counsel to Corus. Other representative transactions included the C\$675 million refinancing of Neverco’s bank debt in June of 2005 and the C\$400 million Cross-Border Financing Project, in which the firm advised TD Bank and Caisse.

The firm’s regulatory transactions featured a first-time representation of Royal Bank and RBC Capital Trust in connection with RBC Capital Trust’s \$1.2 billion Offering, which was said to be the largest issue of innovative Tier I capital by a Canadian financial institution. McCarthy Tétrault also advised major financial institutions in three separate transactions involving issues of perpetual preferred shares in 2005, acting as counsel to Scotiabank in its C\$300 million preferred share offering, SunLife Financial for its C\$325 million issuance of preferred shares, Series 2 and TD Bank in connection with its C\$425 million issuance of preferred shares, Series O.

Leading lawyers

Gordon Baird
Stephen Clark
Steve Furlow
Richard Higa
Linda Pieterston
Joel Scholer
Henry Wiercinski

Key contact partners

J Michel Deschamps
Byran Gibson
J Michael McIntosh
Barry Ryan

McMillan Binch Mendelsohn

Since the merger of McMillan Binch and Mendelsohn GP in May 2005, McMillan Binch Mendelsohn has maintained its solid banking practice, and continues to act for both domestic and international financial institutions and borrowers across the gamut of financing transactions. Despite the loss of star lawyer Richard Higa to McCarthy Tétrault in February 2006, the firm has advised on some substantial transactions over the last year, working on behalf of key clients such as the Royal Bank of Canada, HSBC Bank Canada and JP Morgan Chase Bank. Senior financial services partner William Woloshyn and chair of the partners’ board Max Mendelsohn are both considered experts in the field by Euromoney’s *Guide to the World’s Leading Banking Lawyers*. Notable additions to the group of over 30 lawyers include former banker Chris Bennett, who joined the firm in April 2006.

Most recently, in 2006, McMillan Binch Mendelsohn was retained by Bank of Nova Scotia in connection with a senior syndicated credit facility and a subordinated bridge loan facility to finance Stile Acquisition’s purchase of Masonite International in a transaction valued at \$3.1 billion.

Leading lawyers

Max Mendelsohn
William Woloshyn

Key contact partners

Andrew Kent
Peter Willis
William Woloshyn

Ogilvy Renault

Despite comments from peers indicating that the firm’s banking practice has declined slightly over the last several years, Ogilvy Renault remains in the top tier in both bank lending and financial services regulation for 2007, based on its presence on some of the most prestigious Canadian deals of 2005-2006, as well as its consistently exceptional lawyers. James Riley, chair of the firm’s Toronto office, is said to have “a wide range of knowledge in a variety of areas” and, along with Jim Christie of Blake Cassels & Graydon, was described by one prominent peer as “top drawer,” an accolade which is reinforced by his standing as an expert lawyer in Euromoney’s 2005 *Guide to the World’s Leading Banking Lawyers*. Riley’s colleagues Charles Boivin and Jaques Demers share this distinction, and also come highly recommended. Under the wing of such seasoned professionals, rising stars such as David Amato and Sandra Nissan, both associates in the banking group, are working their way up quickly, Nissan being described by one partner as “a very capable and competent young lawyer with broad lending experience.” Ogilvy Renault has a total of 34 partners and seven associates in its banking group.

In 2005, Ogilvy Renault was retained by a syndicate of lenders, led by Bank of America and Deutsche Bank Trust Company Americas, as agents, in connection with the \$6.6 billion acquisition of all worldwide operations of Toys R Us and its subsidiaries, a transaction which closed in July 2005. Shortly thereafter, in August 2005, the firm acted as Canadian counsel to the lenders to Tui, and as counsel to Citigroup in connection with Canadian merger and acquisitions matters in Tui’s highly publicized acquisition of CP Ships, a transaction that was valued at \$2.1 billion. Ogilvy Renault also worked on a \$1.3 billion credit facility for Nortel Networks, which closed in February 2006 and was valued at \$1.275 billion, and was engaged as counsel for the syndicate of lenders led by Royal Bank of Canada and Morgan Stanley, in connection with Inco’s ongoing acquisition of all of the outstanding common shares of Falconbridge, a friendly takeover bid which is currently valued at over \$4.8 billion.

The firm’s banking team also advised on the regulatory aspects of the Inco-Falconbridge deal, working closely with the lenders in structuring and negotiating commitments to finance the cash portion of the acquisition, a task that was carried out by Ruth Wahl, Adrienne Oliver, Barry Segal, Terry Dobbins and Pierre Dagenais. The firm also regularly acts for Royal Bank of Canada on all of its regulatory matters, and has counselled the bank on a number of issues in the past year, including a regulatory audit for corporate governance matters for a foreign-owned bank subsidiary, the indirect acquisition of a significant interest in a foreign bank subsidiary and the invest-

ment powers of Canadian chartered banks in related industries, among others.

Leading lawyers

Charles Boivin
Jaques Demers
Brian Kelsall
Kevin Morley
James Riley

Key contact partners

Jaques Demers
Marc Duquette
Andrew Fleming
Kevin Morley
James Riley

Osler Hoskin & Harcourt

Osler Hoskin & Harcourt moves up to tier one for both bank lending and financial services regulation this year, thanks to a combination of the firm's exceptional work on some key deals, impressive feedback from top players in the market and a legal team comprised of highly-recommended and respected professionals. Laurie Barrett, senior partner in the firm's business law department and chair of the financial services national practice group, is consistently described as "excellent," along with her colleague and fellow partner in the business law department, Mike Matheson, whose star is said to be rapidly rising. Partner Peter Milligan also comes highly recommended by clients. For these reasons and more, peers almost across the board agreed that it was time for the firm to be recognized as one of the top banking competitors in the Canadian market.

In lending matters, Osler Hoskin & Harcourt was engaged to represent CanWest Income Fund in a transaction which proved to be one of the largest Canadian income funds ever completed, in connection with a C\$1 billion senior credit facility, a deal which closed in October 2005. In another groundbreaking transaction, the firm advised RBC Dominion Securities on the public offering by Golden Credit Card Trust of C\$1,146,000,000 4.047% credit card receivables-backed senior notes, series 2005-1 and C\$54 million of 4.567% credit card receivables-backed subordinated notes, series 2005-1, which was cited as the largest ABS credit card transaction of 2005. The firm also served as counsel to Eastman Kodak Company and Kodak Graphic Communications Canada for a \$2.7 billion senior secured credit facility with a syndicate of lenders. Earlier in 2005, the firm acted for Bank of America, as administrative agent for a syndicate of lenders, in connection with the international senior secured financing of GEAC Computer Corporation, a global enterprise software company. More recently, the firm represented Tricap Management, as provider of the revolving term loan facility for the highly-publicized emergence of Stelco from its court-supervised restructuring.

Regulatory matters for which the firm acted included the 2006 joint venture between Royal Bank and Dexia Spa, respecting institutional trust and custody, on which the firm advised Royal Bank of Canada, as well as the November 2005 C\$2.3 billion acquisition by JPMorgan Chase Bank of the credit card portfolio of Sears Canada. Osler Hoskin & Harcourt also represented TD Bank in the C\$1.5 billion acquisition of TD Waterhouse USA by Ameritrade, and was retained as counsel to Barclays for a transaction involving the formation of new iUnits ETFs and significant changes to existing iUnits ETFs by Barclays Global Investors Canada.

Leading lawyers

Laurie Barrett
Michael Matheson
Peter Milligan

Key contact partners

Laurie Barrett
John Black
Linda Currie

Stikeman Elliott

With a banking practice that one competitor dubbed "excellent" and core clients such as Canadian Imperial Bank of Commerce (CIBC), TD Securities and RBC Dominion Securities, Stikeman Elliott remains a force to be reckoned with in Canada's banking market. The firm boasts several of the top banking lawyers in Canada, including Michael Allen, Roderick Barrett and Brian Rose, all of whom are ranked as experts by Euromoney's *Guide to the World's Leading Banking Lawyers*.

Stikeman Elliott has participated in some large bank lending transactions this past year. In one notable highlight of 2006, the firm represented a syndicate of financial institutions led by CIT Business Credit Canada in connection with the pre-filing of a C\$350 million secured credit facility, as well as a C\$425 million secured debtor-in-possession financing provided to Stelco in relation to its filing for protection under the Companies' Creditors Arrangement Act. Stikeman Elliott also acted as Canadian counsel to BNP Paribas and Royal Bank of Scotland Group, as arrangers, and Calyon as co-arranger, in connection with the December 2005 \$2.9 billion fleet bridge loan facilities financing of the acquisition of Hertz by Clayton Dubilier & Rice, the Carlyle Group and Merrill Lynch Global Private Equity from Ford. The firm also advised Abitibi Consolidated in connection with a secured C\$700 million refinancing by a syndicate of banks led by Canadian Imperial Bank of Commerce.

On the regulatory side, meanwhile, Stikeman Elliott advised Fortis Bank in connection with the regulatory aspects of its acquisition of certain Canadian assets of Duke Energy and provided advice to Macquarie Bank regarding its acquisition of certain Canadian infrastructure assets.

Leading lawyers

Michael Allen
Roderick Barrett
Peter Hamilton
Brian Rose

Key contact partners

Michael Allen
Glenn Cameron
Peter Hamilton
Jean Lamothe

Torys

Despite the fact that Torys was accidentally omitted from the 2006 bank lending rankings, the firm has consistently remained a force to contend with in the Canadian banking market, and clearly deserves a place in tier two for lending work, along with its top tier placement in financial services regulation. Blair Keefe, head of the firm's financial institutions group, is said to be highly qualified and comes recommended as a leading lawyer by many of his peers, while clients such as Sun Life Financial Services of Canada, TD Bank Financial Group, Royal Bank of Canada and Bank of Montreal are a testament to the firm's strong standing in the Canadian banking world. Much of the firm's lending work has been driven by the development of income funds and private equity transactions in the past year, and the group continues to grow at a steady rate.

Torys' key lending deals for 2005-2006 included the February 2006 C\$942 million Sithe/Goreway co-generation project financing, for which the firm acted as counsel to the Toronto-Dominion Bank and Royal Bank of Canada, as lead arrangers. Torys was also retained as counsel to a purchasing consortium of Clayton Dubilier & Rice, The Carlyle Group and Merrill Lynch for the Hertz Corporation's syndicated credit facilities and asset-based loan facility, valued at \$1.6 billion (bank facility) and \$2.9 billion (ABL facility), and a C\$1.2 bil-

lion transaction involving syndicated credit facilities for Bell Globemedia in December 2005.

In the realm of financial services regulation, the firm represented Sears Canada in the November 2005 C\$2.3 billion sale of its credit and financial services operations to JPMorgan Chase Bank, and also advised GMAC in General Motors' \$13 billion sale of a majority interest in GMAC Commercial Holding to an investor group, which included Kohlberg Kravis Roberts (KKR), Five Mile Capital Partners and Goldman Sachs Capital Partners. Torys also guided the underwriters (BMO Nesbitt Burns, TD Securities, CIBC World Markets, RBC Dominion Securities and Scotia Capital) through the closing of a C\$500 million public securitization transaction by Gloucester Credit Card Trust and MBNA Canada Bank in March 2006, and at the time of writing was engaged as counsel to Stone Point Capital in the Canadian aspects of the acquisition of Axa globally, a deal which is valued at €120 million and is scheduled to close in January 2007.

Leading lawyers

James Baillie
Adam Delean
Michael Feldman
Blair Keefe

Key contact partners

Adam Delean
Michael Feldman
Blair Keefe
Paul Kennedy

Capital markets

Recommended firms

Tier 1

Davies Ward Phillips & Vineberg
Osler Hoskin & Harcourt
Stikeman Elliott
Torys

Tier 2

Blake Cassels & Graydon
Goodmans
McCarthy Tétrault

Tier 3

Fasken Martineau DuMoulin
Ogilvy Renault

Tier 4

Bennett Jones
Borden Ladner Gervais
Fraser Milner Casgrain
Gowling Lafleur Henderson
McMillan Binch Mendelsohn

Davies Ward Phillips & Vineberg

Davies Ward Phillips & Vineberg jumps into tier one this year, based on virtually unanimous sentiment from peers and clients regarding its role in the Canadian capital markets. One peer commented that the firm has a "strong debt practice and is consistently good," while another indicated that it was one of only a handful of Canadian firms capable enough in this realm to recommend business to in a conflict. With nearly 100 lawyers work-

ing on capital markets transactions, including stars such as Patricia Olasker and Shawn McReynolds, both of whom come highly recommended, as well as notable additions such as David Brown, who served as chairman and chief executive officer of the Ontario Securities Commission from 1998 to 2005, and partners Alex Brown and Kevin West, both of whom also joined the firm in 2005, Davies Ward Phillips & Vineberg has become a capital markets powerhouse.

The firm represents virtually all categories of clients in structured finance transactions, and works with Canadian and foreign issuers, investment bankers and other capital markets participants with respect to domestic, cross-border, and foreign financings.

One notable transaction of 2005 involved the firm's representation of Citigroup and a syndicate of banks in the \$2.5 billion credit financing offered by Novelis, and of the initial purchasers in the \$1.4 billion issuance of senior notes, as part of Alcan's spin-off of its aluminium rolled products business. In another key deal, Davies Ward Phillips & Vineberg acted for the underwriters in connection with Canada Housing Trust No 1, a special purpose securitization trust advised by Canada Mortgage and Housing, in which the trust issued C\$4.95 billion-worth of Canada mortgage bonds.

In 2006, the firm guided Canada's Tim Hortons through Wendy's C\$600 million initial public offering (IPO) of the Tim Hortons coffee and donut chain, and was retained by Bell Canada Enterprises in connection with the IPO of Telesat. Davies Ward Phillips & Vineberg also advised the government of Ontario on its IPO of Teranet, the province's electronic land registry system.

Leading lawyers

William Ainley
Michael Clifford
Shawn McReynolds
Patricia Olasker
Carol Pennycook
Jay Swartz

Key contact partners

William Ainley
Maryse Bertrand
Shawn McReynolds

Osler Hoskin & Harcourt

With the recruitment of partners Janice Buckingham, Rob Desbarats, Noralee Bradley and Robert Lehodey from Bennett Jones, along with Kevin Cramer from Jones Day in 2005, Osler Hoskin & Harcourt's capital markets group has added some considerable talent to an already-solid group over the last year. Senior partner Jean Fraser is also said to be "truly outstanding" and is recognized in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*, and Mark DesLauriers and Doug Marshall were also recommended as leading lawyers by several of their peers.

It is the combination of skilled professionals such as these, and top-notch clients, including Goldman Sachs, Scotia Capital Markets, CIBC World Markets, Amex Bank Of Canada and the Greater Toronto Airports Authority, that substantiates the firm's place in tier one, and its continuing reputation in the Canadian market as having a "very active, strong capital markets practice."

On the equity side, Osler Hoskin & Harcourt advised the issuer and CanWest Global Communications in CanWest MediaWorks Income Fund's C\$550 million initial public offering (IPO) of Units, said to be the second largest income trust IPO in Canadian history. In December 2005, the firm also acted for Genuity Capital Markets, BMO Nesbitt Burns, Desjardins

Securities, National Bank Financial and TD Securities in connection with Miranda Technologies' IPO and secondary offering of shares, which was reported as the largest Canadian technology IPO in the past five years.

In debt matters, Osler Hoskin & Harcourt was retained as counsel to American Express Canada Credit and American Express Credit as guarantor, in connection with American Express Canada Credit's C\$3.5 billion medium-term note (MTN) programme and a drawdown of C\$300 million notes thereunder in October 2005. The firm also guided the Greater Toronto Airports Authority through its establishment of a C\$2.5 billion MTN programme and issuances of notes totaling \$1.2 billion in October 2005. More recently, Osler Hoskin & Harcourt represented JP Morgan Chase in connection with an issue of C\$850 million subordinated notes.

Leading lawyers

Mark DesLauriers
Jean Fraser
Donald Ross

Key contact partners

Andrew Aziz
Mark DesLauriers
John Macfarlane
Chris Murray

Stikeman Elliott

Stikeman Elliott remains one of the top providers of capital markets advice in Canada, and the firm's securities group has extensive experience in debt financing transactions and equity offerings on both a domestic and cross-border basis. In 2005, Stikeman Elliott advised on a total of 58 equity offerings in Canada, substantially more than any other Canadian firm, and the team is equally skilled in representing both issuers and underwriters. From among the firm's impressive team, partner Joel Binder was described as being "at the top of the game" for capital markets work, and Simon Romano also came highly recommended. Partners Michael Allen, William Braithwaite, Jonathan Drance, Peter Hamilton, Brian Rose, Jeff Singer and Edward Waitzer all appear in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Last year, Stikeman Elliott worked on a broad range of debt deals, including euro and domestic MTN programmes, global note issues and maple bonds. One notable euro MTN programme involved the firm's representation of the arranger and dealers in a \$10 billion programme for Her Majesty in Right of Canada. In another significant transaction, Stikeman Elliott acted for the arranger and dealers again in Canada Mortgage and Housing's \$2 billion EMTN programme. The firm was also retained by the arranger and dealers in the Province of Ontario's C\$15 billion debt issuance programme, and provided advice in connection with the C\$300 million maple bond issue by the Inter-American Development Bank.

In equity matters, meanwhile, the firm acted for the underwriters, led by Scotia Capital and RBC Capital Markets, in CanWest Media Works Income Fund's C\$550 million initial public offering (IPO), the second largest income trust IPO in Canadian history. In two separate transactions for Air Canada's parent company, ACE Aviation Holdings, Stikeman Elliott guided the Aeroplane Income Fund through its C\$287.5 million IPO in June 2005 and provided advice to the Jazz Air Income Fund in relation to its C\$235 million IPO in February 2006. The firm was also retained by Bell Canada Enterprises (BCE) with respect to its conversion of Aliant's landline business into an income

trust, creating one of north America's largest regional telecom companies, valued at C\$8.5 billion.

Other capital markets clients of the firm include Yellow Pages Group, RBC Capital Markets, Bain Capital, the Toronto-Dominion Bank, HSBC and Scotia Capital.

Leading lawyers

Michael Allen
William Braithwaite
Jonathan Drance
Peter Hamilton
Simon Romano
Brian Rose
Jeff Singer
Edward Waitzer

Key contact partners

Joel Binder
James Davis
Jonathan Drance
Mihkel Voore

Torys

Torys sustains its tier one status this year with the help of star lawyers such as Phil Brown and James Scarlett, both of whom the market has recognized as being at the top of the game in capital markets and income trust work. Michael Feldman also comes highly recommended by his peers.

On the equity side, the firm worked on some complex, state-of-the-art income securities transactions, such as Royster-Clark's 2005 C\$325 million initial public offering (IPO) of Income Deposit Securities in Canada, a deal which distinguished Torys as the first Canadian firm ever to have acted as both Canadian and US counsel to the issuer in a cross-border income securities transaction. Torys also advised Primary Energy Recycling Corporation in relation to its C\$310 million IPO, note placement and credit facility in August 2005, and the same month represented New Flyer Industries and its New York private equity sponsor, Harvest Partners, in a C\$200 million IPO of income deposit securities. The firm also acted as Canadian counsel to the underwriting syndicate, co-led by Goldman Sachs and RBC Capital Markets, in relation to Tim Hortons' \$772 million IPO in Canada and the US in March 2006.

In debt matters, Petro-Canada engaged Torys to advise it in relation to its \$600 million offering of notes in May 2005. The firm also acted for General Motors Acceptance Corporation of Canada, along with Canadian Capital Auto Receivables Asset Trust (CCarat), in CCarat's C\$1 billion offering of notes and in relation to its loan agreement with an asset-backed commercial paper conduit in June 2005.

Torys is also well-equipped to handle structured finance and securitization transactions, and in 2005-2006 the firm advised President's Choice Bank and Loblaw's Companies in Eagle Credit Card Trust's C\$500 million public offering of asset-backed notes, and represented Xceed Mortgage in Xceed's C\$360 million public offering of mortgage-backed notes, secured by a pool of residential mortgages.

Leading lawyers

Philip Brown
Michael Feldman
Peter Jewett
Jamie Scarlett
John Tobin

Key contact partners

Philip Brown
David Chaikof
James Scarlett

Blake Cassels & Graydon

Despite the loss in February 2006 of distinguished partner, Dirk Rueter, who has been consistently ranked as an expert in Euromoney's *Guide to the World's Leading Structured Finance and Securitization Lawyers*, and partner Jennifer Tindale in June 2006, Blake Cassels & Graydon has maintained its strong reputation in the Canadian capital markets. Partner Jeff Glass comes abundantly recommended by his peers in the market, one peer dubbing him "a very good guy who has been doing a lot of great underwriter work." With the recruitment of partners William Fung, who has been noted as a "rising star" by competitors, and Leslie Ann Johnson, both formerly of Fraser Milner Casgrain, as well as 49 partners and 54 associates working on capital markets transactions nationally, the firm remains influential in this domain, boasting long-time clients such as Aliant, the leading telephone, wireless and Internet service provider in Atlantic Canada.

In 2005, Blake Cassels & Graydon advised on the establishment of a C\$350 million MTN programme for Aliant Telecom. At the time of writing, the firm was representing Aliant in its successful negotiations with Bell Canada Enterprises (BCE) to form a consolidated income trust combining Bell Canada's Ontario and Québec wireline operations with those of Aliant, which will result in the formation of one of the largest regional telecommunications service providers in North America.

In other matters, Blake Cassels & Graydon acted for issuer and underwriter clients on more than 20 structured product offerings (including fund of fund transactions), raising more than C\$2.7 billion in gross proceeds. Included in this total were 19 initial public offerings, the largest of which was the C\$740-million IPO by Acuity Focused Total Return Trust. The firm also advised issuer and underwriter clients on a number of income trust offerings during the year, including the representation of the Canexus Income Fund on its C\$300 million IPO and Trinidad Energy Services Income Trust on two financings worth a total of C\$280 million.

Finally, the firm advised Citigroup Finance Canada on the renewal of its C\$8 billion MTN programme (guaranteed by Citigroup), one of the largest prospectus filings ever done in Canada.

Leading lawyers

Martin Fingerhut
Pat Finnerty
Jeff Glass
David Jackson
Jeff Lloyd

Key contact partners

Ross Bentley
Pat Finnerty
Brock Gibson

Goodmans

Goodmans is known for having a top income fund practice, which leaders in the market acknowledge to be "the most robust area in terms of capital markets in Canada for the last two to three years." Partner Stephen Pincus has become a pioneer in this area, and was recognized by peers as being "dominant in income trusts" on the back of his recent deal flow, which this past year has included some impressive deals.

In June 2006, for example, a team of Goodmans lawyers led by Pincus assisted CI Financial in relation to its reorganization into CI Financial Income Fund, said to be Canada's largest business income fund and the largest conversion to date in the business income fund sector as of June 2006, with a market capital-

ization of over C\$8.5 billion. Last year was also a good one for follow-on offerings, as evidenced by the firm's representation of Atlantic Power, in connection with the completion of a private placement of 7.5 million income participating securities (IPs) to Caisse de Dépôt et Placement du Québec, a transaction which represented one of the first follow-on offerings for an income securities issuer and the first time a liquidity right was exercised by the sponsor to sell down their ownership interest.

In cross-border income securities IPOs, meanwhile, the firm advised the underwriting syndicate in relation to the completion of the Royster-Clark Group's C\$325 million IPO in Canada of income deposit securities, the sixth cross-border income securities deal using the IDS structure.

In debt matters, the firm acted for the agents (CIBC World Markets, RBC Dominion Securities and BMO Nesbitt Burns) in completing the renewal of Wells Fargo Financial Canada's C\$7 billion Canadian MTN programme in January 2006 and also counseled the underwriting syndicate led by Desjardins Securities with respect to First Capital Realty's public offering of C\$100 million convertible unsecured subordinated debentures in December 2005.

Other matters for which the firm was engaged included advising Morneau Sobeco Income Fund in the completion of its IPO of trust units for gross proceeds of C\$200 million, the proceeds of which were used to acquire an indirect 72.7% interest in Morneau Sobeco, and counseling Gluskin Sheff & Associates in the completion of its IPO of subordinate voting shares, for gross proceeds to the selling shareholders of \$133.2 million. Other capital markets clients of the firm include Clairvest Group, Medical Facilities, Reichmann International Development and GTCR Golder Rauner. Partners Paul Goldman, Stephen Halperin, Jonathan Lampe and Stephen Pincus are all ranked in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Leading lawyers

Paul Goldman
Stephen Halperin
Jonathan Lampe
Stephen Pincus

Key contact partners

Paul Goldman
Stephen Halperin
Jonathan Lampe
Stephen Pincus

McCarthy Tétrault

McCarthy Tétrault acquired some considerable expertise in the capital markets sphere in 2006, with hires such as Richard Higa and Edward Ra from McMillan Binch Mendelsohn, as well as Dirk Rueter, formerly of Blake Cassels & Graydon, who is ranked as an expert in Euromoney's *Guide to the World's Leading Structured Finance and Securitization Lawyers*. These additions are complemented by veterans such as Barry Ryan, who enjoys a top-notch reputation in the market, as well as up-and-comers in the vein of David Woollcombe, who one peer noted as having "a nice book of business." Peers also indicated that the firm has been doing more capital markets work on the whole lately, and might be on the its way up in the rankings in years to come.

In September 2005, McCarthy Tétrault guided RBC Capital Markets through the completion of Aéroports de Montréal's C\$300 million bond issue, and in the same month, Winnipeg Airports Authority issued C\$250 million-worth of bonds, in relation to which the firm was retained to represent Canadian Imperial Bank of Commerce. More recently, McCarthy Tétrault acted for National Bank of Canada in the renewal of its \$5 bil-

lion EMTN programme in March 2006, and acted for Wells Fargo Financial Canada in connection with the renewal of its C\$7 billion MTN programme.

Structured finance and securitization matters for the year included the firm's advice on two separate issues involving Ford Credit Canada. In the first, McCarthy Tétrault acted for a syndicate of investment banks whose conduits financed the special purpose trust for the C\$3.3 billion lease securitization of Canadian Road Leasing, a special purpose subsidiary of Ford Credit Canada. In a subsequent transaction, the firm advised Ford Canada in connection with a C\$1.2 billion whole loan sale to a special purpose subsidiary of a US investment bank. McCarthy Tétrault also represented Algonquin Credit Card Trust and Capital One Bank (Canada Branch) in the completion of a C\$500 million initial public offering of notes in October 2005. Most recently, in April 2006, the firm served as counsel to the Real Estate Asset Liquidity Trust, the Royal Bank of Canada, the Royal Trust of Canada and Royal Trust in connection with the completion of a C\$373 million public CMBS securitization.

Meanwhile, the firm has also acted on some major equity deals in the past 12 months. For example, it represented Royal Bank of Canada and RBC Capital Trust in connection with RBC Capital Trust's C\$1.2 billion initial public offering in October 2005, acted on behalf of Crescent Point Energy Trust in connection with a treasury offering to fund the purchase of certain oil and gas assets valued at C\$220 million, and acted for Duke Energy Income Fund in relation to its C\$140 million initial public offering in January 2006. Most recently, McCarthy Tétrault served as counsel to Constellation Software in connection with its C\$80 million initial public offering in June 2006.

Leading lawyers

Garth Girvan
Graham Gow
Jonathan Grant
Richard Higa
Dirk Rueter
Barry Ryan
Richard Shaw
Rene Sorell

Key contacts

Richard Balfour
Michel Deschamps
Pierre-Denis Leroux
Marc MacMullin
Barry Ryan

Ogilvy Renault

Ogilvy Renault has had an active year in the capital markets arena, with a continuing emphasis on debt work. The firm's impressive list of clients includes financial institutions such as Merrill Lynch Capital Markets, Merrill Lynch Canada, TD Securities and the Royal Bank of Canada. There are 18 lawyers focused on capital markets work at Ogilvy Renault, and former managing partner of the Toronto office, Andrew Fleming, is ranked as an expert in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Debt highlights for the past 18 months include the firm's representation of the Royal Bank of Canada in its \$14 billion euro debt issuance programme, as well as a \$2 billion euro commercial paper programme, in which Ogilvy Renault served as counsel to the Canadian Wheat Board. The firm also advised Canada Housing Trust No 1 (guaranteed by Canada Mortgage and Housing) in relation to its C\$4.35 billion global bond offer, and was retained by TD North America for its \$1.5 billion reverse hybrid issue.

On the equity side, meanwhile, Ogilvy Renault served as Canadian counsel to the underwriters in Telesat's ongoing spin-off, and as Canadian and US counsel to the issuer for Quebecor Media's \$1 billion-worth of tender offers in September 2005 and January 2006. The firm also acted as Canadian counsel to the agents (Merrill Lynch) in relation to the renewal of the Province of Quebec's \$3 billion series A MTN programme in December 2005.

Leading lawyers

Jacques Demers
Andrew Fleming
Jim Riley

Key contact partners

Renaud Coulombe
Andrew Fleming
Richard Sutin

Bennett Jones

Bennett Jones has almost 70 partners in its corporate and commercial department, four of which (Bruce Barker, Alan Bell, John MacNeil and David Spencer) are named in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*. Thus, despite the recent losses of partners Robert Lehodey, Noralee Bradley and William Rice, the firm remains a dynamic force in the capital markets sphere. Clients of the group include Pengrowth Energy Trust, Nexen and Canadian Oil Sands Trust.

The firm advised the issuer, EnCana, in connection with its C\$1 billion offering of medium-term notes and represented Nexen in its C\$1.5 billion offering of common shares, senior debt securities and subordinated debt securities, via a short-form base shelf. In one notable structured finance transaction of 2005, Bennett Jones also guided Great-West Life Assurance through its C\$243 million financing, which was secured by seven properties across Canada.

Leading lawyers

Bruce Barker
Alan Bell
John MacNeil
David Spencer

Key contact partners

Grant Haynen
Jeffrey Kerbel
John Kousiniotis

Borden Ladner Gervais

With 67 partners and 41 associates dedicated to capital markets work across offices in Calgary, Montreal, Ottawa, Toronto, Vancouver and the Waterloo region, Borden Ladner Gervais is able to provide a broad range of capital markets advice on debt and equity matters as well as income trusts and structured funds. Partners Francis Allen and William Sirett appear in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*, and Toronto leader of the securities and capital markets department, Paul Mingay, was singled out by competitors as "a very strong lawyer who has had a good run over the past two years." The group also recruited one new partner, Philippe Tardiff, from Lang Michener in January 2006.

In equity matters, Borden Ladner Gervais advised Precision Drilling and Precision Drilling Trust in its conversion to an income trust structure, a transaction that was valued at C\$6.7 billion. The firm also represented Oil Sands Sector Fund and its manager, Markland Street Asset Management, in connection with its IPO of C\$400 million-worth of trust units, and acted for Miranda Technologies in the completion of a C\$141 million IPO and secondary offering, marking Canada's largest high-tech IPO in five years.

On the debt side, meanwhile, Goodmans was retained by Canada Mortgage and Housing as special counsel to the issuer, Canada Housing Trust No 1, in connection with its C\$5.5 billion public offering, and in September 2005 counseled the underwriters, led by RBC Capital, in connection with Cameco's debenture offering by prospectus following the spin-off of its gold mining assets with the C\$253.2 million initial public and secondary offering of Centerra Gold. Goodmans also guided the dealers, led by BMO Nesbitt Burns, in Bell Canada Enterprises' renewal of its \$1 billion MTN programme. Other clients for which the firm acted over the past year include UE Waterheater, Genuity, Chartwell Seniors Housing REIT and Scotia.

Leading lawyers

Francis Allen
Paul Mingay
William Sirett

Key contact partners

Francis Allen
Derrick Armstrong
William Sirett

Fraser Milner Casgrain

Despite the loss of leading capital markets lawyer Jeff Barnes to Heenan Blaikie in 2006, Fraser Milner Casgrain has remained active in the capital markets domain.

In 2005, the firm was engaged for Aéroports de Montréal to advise it on its issue of C\$300 million series G revenue bonds by way of private placement, and in 2006 advised the underwriters, RBC Dominion Securities, with respect to an initial offering by way of private placement by an airport service provider of \$65 million amortizing bonds. The firm also acted for BMO Nesbitt Burns Equity Partners and Caisse de Depot et Placement du Quebec as the purchasers of C\$90 million-worth of senior subordinated notes of GardaWorld Security, in regard to a series of business acquisitions, and acted for the underwriters, Versant Partners and GMP Securities, for a new issue by Transition Therapeutics of C\$10.7 million of common shares.

Key contact partners

Bill Jenkins
Michael Melanson
Vitale Santoro

Gowling Lafleur Henderson

Despite some hesitation by peers regarding the firm's reputation for capital markets work, Gowling Lafleur Henderson maintains its tier four status this year, and continues to boast renowned professionals, such as Connie Sugiyama in the firm's Toronto office and John Burns, who appears in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*, in Calgary.

In 2006, the firm represented NAV Canada in developing a new borrowing programme in connection with the company's sale of two series of five- and ten-year notes for a total of C\$700 million. Gowling Lafleur Henderson also advised the underwriters – CIBC World Markets, RBC Capital Markets, TD Securities and Macquarie North America – in Winnipeg Airports Authority's C\$250 million initial offering of debt securities.

The firm also acted for Hydro Ottawa in connection with the completion of its initial offering of debt securities, which included a C\$200 million markets financing, related C\$350 million credit facility and C\$38 million debt-to-equity conversion. Finally, Gowling Lafleur Henderson was retained by the Mattamy Group to advise on its \$200 million term loan B

financing, said to be the first of its kind by a Canadian real estate developer.

Leading lawyers

John Burns
Constance Sugiyama

Key contact partners

John Burns
Leonard Serafini
Constance Sugiyama

McMillan Binch Mendelsohn

McMillan Binch Mendelsohn's debt products and securities & public markets groups specialize in the full range of capital markets transactions, including public equity and debt offerings, government finance, private placements and investment fund and structured product offerings. More than one year into the merger between McMillan Binch and Mendelsohn GP, McMillan Binch Mendelsohn has gained considerable ground in the capital markets sphere, and several competitors have suggested that it might be on its way up in the years to come.

Debt work for 2005-2006 was plentiful, and the firm has been engaged by clients such as CIT Financial, JP Morgan Chase, HSBC Bank Canada, Royal Bank of Canada and the Bank of Nova Scotia. In one exceptional mandate of 2005, the firm was retained by Honda Canada Finance in connection with its ongoing debt capital markets programme, including the renewal of a \$9 billion euro MTN programme by way of base prospectus, the issue of up to C\$2 billion in commercial paper by way of information memorandum, and the issue of C\$800 million in debentures by way of private placement. The programme also involved the securitization of C\$900 million in retail auto lease receivables and C\$400 million in retail auto-loan receivables.

Equity representations, meanwhile, include the firm's role advising ING Canada regarding the establishment of a C\$1 billion universal shelf prospectus offering programme, and various other matters for clients including Merrill Lynch Canada.

McMillan Binch partner Andy Kent is considered particularly effective in the capital markets sphere, and is ranked in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Leading lawyer

Andrew Kent

Key contact partners

Sean Farrell
Margaret McNee
Peter Willis

Insolvency and restructuring

Recommended firms

Tier 1

Goodmans

Tier 2

Bennett Jones

Blake Cassels & Graydon

McMillan Binch Mendelsohn

Ogilvy Renault

Osler Hoskin & Harcourt

Stikeman Elliott

ThorntonGroutFinnigan

Tier 3

Borden Ladner Gervais

Davies Ward Phillips & Vineberg

Fasken Martineau DuMoulin

Fraser Milner Casgrain

Gowling Lafleur Henderson

McCarthy Tétrault

Torys

Goodmans

Although some in the market expressed doubt as to whether Goodmans will continue to perform as singularly as it has in the past on insolvency and restructuring matters since the departure of Geoffrey Morawetz to the Ontario Superior Court of Justice in 2005, the firm remains in a class of its own this year, and the team continues to receive standout feedback from peers. Jay Carfagnini, head of the corporate restructuring department, was cast as “the best insolvency lawyer in the country” by one competitor, and another asserted that “he never thinks in a cookie-cutter way; he has enough imagination to see new ways for resolving sticky situations.” Rob Chadwick also received considerable praise from peers, and was described as “very active and effective,” “a tour-de-force,” and “creative and smart,” among other comments. Of Fred Myers, one peer observed that “he gets to good solutions” while another remarked that “he is very strong, capable and qualified.” Carfagnini, Chadwick and Gale Rubenstein are all mentioned in *Euromoney’s Guide to the World’s Leading Insolvency and Restructuring Lawyers*.

Goodmans has once again been involved in some of the most high-profile insolvency and restructuring cases of the past year, acting for clients such as Calpine Canada, Iovate Health Sciences, KPMG and Onex. In one case that was ongoing at the time of writing, the firm was engaged by MuscleTech Research and Development and its subsidiaries as debtors in MuscleTech’s Companies’ Creditors Arrangement Act (CCAA) proceedings, one of the first Canadian cross-border cases to test the ancillary relief provisions under the newly-enacted Chapter 15 of the US Bankruptcy Code. In another significant cross-border restructuring, Goodmans was commissioned by Calpine Canada as counsel in its CCAA proceedings and filing under Chapter 11 of the US Bankruptcy Code, valued at C\$14 billion.

The firm also advised The Ontario Pension Benefits Guarantee Fund and the Province of Ontario in connection with the high-profile C\$3 billion restructuring of Stelco, and continued to represent the senior noteholder committee with respect to the CCAA proceedings of Cable Satisfaction International, a

Canadian company whose biggest asset is its indirect wholly-owned subsidiary, Cabovisao, an operating company in Portugal. Finally, in May 2006, Goodmans acted as Canadian counsel to Kaiser Aluminum in its Chapter 11 and CCAA proceedings, which involved C\$3 billion-worth of debt.

Leading lawyers

Jay Carfagnini

Robert Chadwick

Fred Myers

Gale Rubenstein

Key contact partners

Jay Carfagnini

Robert Chadwick

Gale Rubenstein

Bennett Jones

Bennett Jones remains one of the top firms for insolvency and restructuring work in Canada, especially in relation to its representation of public and private bondholders, high-yield investors and secondary market investors, as well as foreign lenders. The firm is also strong in cross-border matters, and has participated in many of the biggest deals of the past year. From the team, Richard Orzy enjoys a fabulous reputation in the market, and has been ranked in *Euromoney’s Guide to the World’s Leading Insolvency and Restructuring Lawyers* and *The Best of the Best 2004*.

This past year, Bennett Jones acted for the senior bondholders in connection with C\$3 billion-worth of debt tied to Stelco’s noteworthy restructuring. In another significant matter, the firm represented the noteholders of Parmalat Dairy & Bakery (Canada) with respect to C\$420 million-worth of total note debt in Parmalat Canada’s restructuring in August 2005. And at the time of writing, Bennett Jones was also engaged for the noteholders of Ivaco in connection with Ivaco’s cross-border restructuring proceedings for total claims of C\$2 billion.

Other clients of the firm include DDJ Capital Management, ING Insurance of Canada, Davidson Kempner Partners, Longacre Management, Prudential Insurance of America, Owl Creek Asset Management, Wachovia and various bondholders.

Leading lawyers

Frank Dearlove

Richard Orzy

Kevin Zych

Key contact partners

Frank Dearlove

Richard Orzy

Blake Cassels & Graydon

Blake Cassels & Graydon continues to provide excellent advice on many of the largest bankruptcy and restructuring filings in Canada. Co-chair of the firm’s national restructuring and insolvency group, Kevin McElcheran, was described by one peer as a “very good lawyer” and “a great person to recommend work to in a conflict.” Partners Steven Weisz, Pamela Huff and Bill Kaplan also have reputations as leading lawyers in the field. Clients of the firm include Canadian Imperial Bank of Commerce (CIBC), GE Capital, Pricewaterhouse Coopers, General Chemical Canada and CIT Group.

In November 2005, Blake Cassels & Graydon acted for the debtor in the insolvency proceedings of General Chemical Canada and also represented one of the exit lenders, GE Capital, in the high-profile C\$2 billion Stelco filing of 2006. At the time of writing, Blake Cassels & Graydon was engaged for the debtor in the Chapter 11 case of auto parts manufacturer, Delphi Corporation, and for the trustees of Calpine Commercial Trust in Calpine Canada Group of Companies’ filing under the Companies’ Creditors Arrangement Act.

Leading lawyers

Susan Grundy
 Pamela Huff
 William Kaplan
 Kevin McElcheran
 Steven Weisz

Key contact partners

Susan Grundy
 Pamela Huff
 Kevin McElcheran
 Steven Weisz

McMillan Binch Mendelsohn

McMillan Binch Mendelsohn has continued to prove its general reputation as a fierce competitor in the Canadian insolvency world this past year. Practice leader Max Mendelsohn has a stellar reputation, and was dubbed “the king of insolvency in Quebec” by one peer. Chair of debt products and restructuring Andrew Kent, meanwhile, is also well-respected, and was described by one competitor as “a very strong lawyer.” Both Mendelsohn and Kent also appear in Euromoney’s *Guide to the World’s Leading Insolvency and Restructuring Lawyers*. Partner Alex Macfarlane has also been said to be “moving up quickly” in the insolvency world.

In 2005-2006, McMillan Binch Mendelsohn continued to advise the Province of Quebec in connection with the Companies’ Creditors Arrangement Act (CCAA) restructuring of JTI Macdonald, and also represented the Pliant Corporation as lead Canadian counsel regarding its US bankruptcy filing and related ancillary proceedings in Canada. McMillan Binch Mendelsohn also acted for Appaloosa Sunrise and various other clients in the C\$3.2 billion CCAA restructuring of Stelco.

Additional clients for which the firm has recently been engaged include PricewaterhouseCoopers, Royal Bank of Canada, Bank of Nova Scotia and RSM Richter.

Leading lawyers

Jeff Gollob
 Andrew Kent
 Max Mendelsohn

Key contact partners

Jeff Gollob
 Andrew Kent
 Max Mendelsohn

Ogilvy Renault

Ogilvy Renault’s insolvency and restructuring practice includes a total of 22 lawyers with a broad range of experience in the field. Partners Derrick Tay and Tony Reyes are considered prominent figures in the market, and rising star Mario Forte, is said to be “well-rounded” and “quickly making a name for himself”. Clients of the firm include The Catalyst Capital Group, Lazard, Deloitte & Touche, PricewaterhouseCoopers and RSM Richter.

In 2005, Ogilvy Renault participated in some premier bankruptcy and restructuring filings. The firm advised several companies in their applications for protection under the Companies’ Creditors Arrangement Act (CCAA), including Ravelston Corporation and Jetsgo Corporation, and also acted as counsel to the monitor in SAAN Stores’ restructuring of its 223 junior department stores in Canada under the CCAA. Ogilvy Renault also represented GMAC in a hearing before the Supreme Court of Canada in 2006, regarding the jurisdiction of the bankruptcy court, the liability of interim receivers and the effect of bankruptcy on labour relations and collective agreements.

Leading lawyers

Mario Forte
 Tony Reyes
 Derrick Tay

Key contact partners

Mario Forte
 Louis Gouin
 Derrick Tay

Osler Hoskin & Harcourt

A firm that was characterized by one competitor as being “a juggernaut across the board,” Osler Hoskin & Harcourt continues to deliver superior advice in all areas of practice, including insolvency and restructuring. With offices in Toronto, Montreal, Ottawa, Calgary and New York, the firm is able to draw on the expertise of 34 skilled practitioners nationally and was involved in many of the chief filings of 2005-2006. Partners Steven Golick and Edward Sellers were consistently recommended as leading lawyers and both were singled out by one peer as being “top-notch.” Sellers and Golick also appear in Euromoney’s *Guide to the World’s Leading Insolvency and Restructuring Lawyers*, along with partner Rupert Chartrand.

In 2005-2006, the firm represented Tricap Management, as equity sponsor and bridge loan provider, in connection with the famed Stelco restructuring, and also provided advice to US Steel on its bid for Stelco. The Osler Hoskin & Harcourt team also acted for the Greater Toronto Airports Authority (GTAA) in connection with the CCAA restructuring and bankruptcy of Jetsgo, and GTAA’s joint appeals before the Supreme Court of Canada in the bankruptcies of Inter-Canadien and Canada 3000.

Elsewhere, the firm advised RSM Richter in relation to its ongoing role as interim receiver and monitor in the C\$250 million CCAA restructuring proceedings of Cable Satisfaction International and the restructuring and refinancing of its operating subsidiary, Cabovisao-Televisao por Cabo, Portugal’s second largest cable television provider. Osler Hoskin & Harcourt also counseled Androscoggin Energy in conjunction with its Chapter 11 proceedings and the disposition of certain gas supply contracts, which were ultimately sold by auction for \$114 million. This matter was significant in advancing the development of law regarding the definition to be given to *eligible financial contracts* for the purposes of section 11.1 of the CCAA.

Leading lawyers

Rupert Chartrand
 Steven Golick
 Edward Sellers

Key contact partners

Steven Golick
 Edward Sellers

Stikeman Elliott

Considered a “first class firm” by many of its competitors, Stikeman Elliott has had another active year in the insolvency and restructuring department. Peers in the market had a wealth of compliments for the team, dubbing partner David Byers “an excellent insolvency lawyer” and partner Sean Dunphy “top rate.” Patrick O’Kelly was also mentioned as a leading lawyer in the field, and Liz Pillon and Ashley Taylor were described as up-and-comers with “great potential” who are “confident and decent to deal with.” The firm lays claim to clients such as Air Canada, Ernst & Young, PricewaterhouseCoopers, KPMG and CIT Business Credit Canada.

In one standout deal, Stikeman Elliott acted for the trustee, Wilmington Trust, in relation to \$650 million-worth of bonds in connection with the Canadian/US cross-border insolvency filing of Calpine. The firm also provided advice to CIT Business Credit Canada, as agent, in relation to its role as provider of a debtor-in-possession (Dip) financing and C\$650 million exit financing to Stelco for its CCAA proceedings. Other matters included the firm’s engagement by Bell Canada Enterprises in the continuing proceedings arising from the insolvency of its former subsidiary and \$125 million Dip facility, as well as its guidance to KPMG,

as court appointed monitor, in AT&T Canada's C\$5 billion restructuring under the CCAA.

Leading lawyers

David Byers
Sean Dunphy

Key contacts

David Byers
Sean Dunphy
Stephen Raicek

ThorntonGroutFinnigan

ThorntonGroutFinnigan maintains its reputation as a well-respected insolvency and litigation boutique in Toronto, with a broad range of focused experience in all areas of insolvency and restructuring. Co-founder of the firm, Robert Thornton, is ranked in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers* and one peer commented that he "thinks creatively, is business-oriented and solution-oriented." Co-founder James Grout is likewise considered to be "very good", and partner Grant Moffat was characterized by one competitor as "extremely capable." Kyla Mahar and Greg Azeff were also mentioned as promising up-and-comers.

In 2006, ThorntonGroutFinnigan advised Ernst & Young in connection with claims totalling C\$3 billion in the restructuring of Stelco, one of the most complex restructurings in Canadian history. The firm also represented KPMG as receiver and trustee in the receivership and bankruptcy of Portus, in connection with investments totalling C\$800 million, and acted for an *ad hoc* committee of ULC 2 bondholders in the cross-border restructuring of Calpine, for claims in excess of C\$3 billion. Finally, the firm was again retained by KPMG as monitor with respect to investments of C\$400 million in the receivership of Northshield. The firm was also engaged over the past year by clients such as GE Capital Aviation Services, General Motors and Royal Bank of Canada.

Leading lawyers

James Grout
Robert Thornton

Key contact partners

James Grout
Grant Moffat
Robert Thornton

Borden Ladner Gervais

Borden Ladner Gervais makes its first appearance in the rankings for insolvency and restructuring this year, as a result of consistently positive feedback from clients and peers regarding its active role in the market, as well as the quality of its team. The firm has offices in Calgary, Montreal, Ottawa, Toronto, Vancouver, and the Waterloo region, with a total of 34 partners and 11 associates working on insolvency matters nationally. Among the most highly recommended are Michael MacNaughton and Patrick McCarthy, who are ranked in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers*. The firm also acquired some new talent in partners Ken Atlas and Glen Bowman, both of whom joined from Heenan Blaikie in September 2005.

At the time of writing, Borden Ladner was engaged in several high-profile insolvency and restructuring cases. First, the firm was acting as counsel to JTI-MacDonald, a Canadian tobacco manufacturer that filed for protection under the CCAA as a result of a total of C\$10 billion in unliquidated tax claims imposed by the government of Quebec and others. Borden Ladner Gervais also represented Ernst & Young, as court-appointed monitor, in connection with the widely-followed

Chapter 11 filing of Calpine in December of 2005, and for Ernst & Young again as court-appointed liquidator of the funds related to the Quebec Securities Commission's application to place the Norbourg and Evolution Funds mutual funds under court control. Finally, in May 2006, the firm advised Bank of Montreal, Laurentian Bank of Canada and GE, as senior lenders and Dip lenders, in the CCAA proceedings of Roman.

Other insolvency and restructuring clients for which the firm has acted include Bank of Montreal, Bank of Nova Scotia and PricewaterhouseCoopers.

Leading lawyers

Michael MacNaughton
Patrick McCarthy

Key contact partners

Marc Duchesne
Michael MacNaughton
Patrick McCarthy

Davies Ward Phillips & Vineberg

Davies Ward Phillips & Vineberg takes an interdisciplinary approach to dealing with businesses in financial difficulty, drawing upon the firm's financing, securities, tax, commercial real estate and litigation expertise. Among the members of a solid team, Jay Swartz, who is ranked in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers*, is considered particularly effective. Natasha MacParland, who joined the firm as a partner in 2005, was also singled out as "exceptional". Alain Gaul, formerly chief of staff for Québec's minister for sustainable development, the environment and parks, also joined the team in 2005.

Last year, the firm acted for Eaux Vives Harricana (a subsidiary of Parmalat Canada) in its CCAA restructuring, and guided Metso Paper, a big creditor of Papiers Gaspésia, through Papiers Gaspésia's restructuring under the CCAA. Davies Ward Phillips & Vineberg also represented Ivaco, a prominent Canadian steel company, and several of its subsidiaries in CCAA proceedings, including the C\$375 million sale of the assets of the Ivaco companies to Heico.

Elsewhere, the firm's insolvency team also provided crucial advice and support to the court-appointed monitor, RSM Richter, in the successful restructuring of Le Groupe Les Ailes de la Mode, and counselled various creditors of Jetsgo in connection with the Jetsgo bankruptcy filing.

Leading lawyers

Barbara Boake
Natasha MacParland
Jay Swartz

Key contact partners

Berl Nadler
Hillel Rosen
Jay Swartz

Fasken Martineau DuMoulin

Of the 13 partners and 12 associates dedicated to insolvency and restructuring work at Fasken Martineau DuMoulin, partners Michael Fitch, Sheryl Seigel, David Baird (who was recruited from Torys in June 2006), John Grieve and Jonathan Levin are all considered exceptional, and appear in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers*. Levin is particularly respected by his competitors, one peer commenting that "he's everywhere and he has a really fabulous practice." This robust team spans offices in Toronto, Montreal, Vancouver, Calgary and Quebec City, and features clients such as PricewaterhouseCoopers, National Bank of Canada, Ernst & Young and Bank of Nova Scotia.

In December 2005, Fasken Martineau DuMoulin completed its role as counsel to the debtor, A&B Sound, in its CCAA proceedings, a deal involving C\$40 million-worth of debt. At the time of writing, meanwhile, the firm was involved in several major ongoing transactions, including the C\$25 million liquidation of New Skeena Forest Products, a major pulp mill in British Columbia, in which the firm acted for the CCAA monitor PricewaterhouseCoopers and Ernst & Young as bankruptcy trustee and court-appointed receiver, and the representation of the National Bank of Canada and La Caisse Central Desjardins as secured and unsecured creditors in Ivaco and Ifastgroupe's commercial restructuring under the CCAA.

The firm also advised Moneris Solutions in Jetsgo's bankruptcy proceedings, which was valued at a total of C\$40 million in debt, and was retained as counsel to the unsecured creditors committee in Calpine's prominent CCAA restructuring.

Leading lawyers

David Baird
Michael Fitch
John Grieve
Edmond Lamek
Jonathan Levin
Sheryl Siegel

Key contact partners

John Grieve
Edmond Lamek
Alain Riendeau

Fraser Milner Casgrain

Fraser Milner Casgrain has a respectable Canadian insolvency practice which features some of the top professionals in the field, including Dan Dowdall, Douglas Knowles and Ken Nielsen, all of whom are ranked in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers*.

Last year, Fraser Milner Casgrain's insolvency and workout group represented PricewaterhouseCoopers as the court-appointed receiver of two contaminated former silver mine sites in the Yukon Territory. The firm also advised KPMG as court-appointed monitor in the CCAA proceedings of A&B Sound, and continued to act as representative counsel on behalf of around 26,000 investors in the Portus Group, a securities firm put into receivership by the Ontario Securities Commission in March 2005. Fraser Milner Casgrain was also retained by the debtor, Hunjan, in its attempt at reorganization under the CCAA and US Bankruptcy Code.

Leading lawyers

Dan Dowdall
Douglas Knowles
Shayne Kukulowicz
Ken Nielsen

Key contact partner

Douglas Knowles

Gowling Lafleur Henderson

With a total of 47 lawyers focused on insolvency matters, and offices in Montreal, Ottawa, Toronto, Hamilton, the Waterloo region, Calgary, Vancouver and Moscow, Gowling Lafleur Henderson has one of the largest restructuring and insolvency groups in Canada. The group has developed a large creditors' practice over the years, and also acts for debtors, monitors, trustees and receivers.

Last year the firm was involved as counsel to Canadian Imperial Bank of Commerce (CIBC), and also acted for a syndicate of Canadian banks in the sale of a subsidiary business, in connection with Stelco's renowned restructuring. Gowling

Lafleur Henderson also provided advice to CIBC as secured creditor in two separate CCAA proceedings, undertaken by Hunjan in Canada, the US and China, and by the Packaging Group in Canada.

The firm also represented Nav Canada in the Supreme Court of Canada in its claim against aircraft lessors for unpaid navigation charges in the amount of \$7.5 million, following the bankruptcy of Canada 3000 in 2001.

Leading lawyer

Robin Walker

Key contact partners

David Cohen
Denis St-Onge
Robin Walker

McCarthy Tétrault

McCarthy Tétrault has had a huge year in insolvency and restructuring, chiefly due to the firm's engagement as counsel to Stelco in its widely-publicized, ultimately successful restructuring. The Stelco matter was significant for its size and complexity, as well as several ground-breaking court decisions that arose out of the case. The final execution of the restructuring involved C\$975 million of new credit facilities, a C\$150 million unsecured term loan, the issue of C\$275 million of secured notes and more than C\$135 million of new equity, the restructuring of C\$1.4 billion of pension funding obligations and a concurrent corporate reorganization involving the restructuring of Stelco into nine separate business units owned by nine new limited partnerships. Stelco also sold six of its operating subsidiaries and the assets of other discontinued operations pursuant to a court-supervised sale process involving several separate sale transactions for net proceeds to Stelco well in excess of C\$100 million.

In other matters, the firm acted for Gaspesia Papers in its restructuring (under the CCAA) of a C\$765 million paper mill project in Gaspé, Québec, and also represented the Canadian subsidiaries of Calpine in their Canadian CCAA proceedings, a transaction valued at over C\$1 billion.

McCarthy Tétrault's bankruptcy and restructuring group includes stand-outs such as Larry Robinson and Terence Dolan, who are both ranked in Euromoney's *Guide to the World's Leading Insolvency and Restructuring Lawyers*, as well as James Gage and Barbara Boake, who was described by one peer as "extremely capable."

Leading lawyers

Michael Barrack
Barbara Boake
Michel Deschamps
James Gage
Larry Robinson

Key contact partners

Philippe Bélanger
James Gage
Larry Robinson
Sylvain Vauclair

Torys

Torys remains on the map as a quality provider of insolvency and restructuring advice in Canada. The group tends to shy away from traditional insolvency work, instead favouring larger corporate cleanups and refinancings. With senior practitioners and solid teams in both Canada and the US the firm has strong cross-border capabilities, and clients include public corporations such as Saskatchewan Wheat Pool, Honeywell International and Algoma Steel, investment funds and firms such as Tricap Restructuring Fund, Amaranth Capital and Morgan Stanley, and banks such as Toronto-Dominion Bank.

Last year Torys advised Western Forest Products in its recapitalization transactions, and also represented Saskatchewan Wheat Pool in connection with the completion of its bond refinancing and equity issue, as well as its debt-for-equity exchange and restructurings. The firm also acted for Morgan Stanley in its CCAA purchase of Parmalat Canada's Quebec subsidiary, Eaux Vives Harricana. Additionally, Torys counseled Honeywell International in the insolvency proceedings of Calpine, and advised the income trust, Heating Oil Partners, in its cross-border restructuring proceedings. Other clients for which Torys was retained include Tricap Restructuring Fund and United Airlines.

Leading lawyers

Scott Bomhof
Tony DeMarinis
Michael Rotsztain

Key contact partners

Scott Bomhof
Tony DeMarinis
Michael Rotsztain

Mergers and acquisitions

Recommended firms

Tier 1

Davies Ward Phillips & Vineberg
Osler Hoskin & Harcourt
Stikeman Elliott
Torys

Tier 2

Bennett Jones
Blake Cassels & Graydon
Goodmans
McCarthy Tétrault
Ogilvy Renault

Tier 3

Borden Ladner Gervais
Burnet Duckworth & Palmer
Fasken Martineau DuMoulin
Fraser Milner Casgrain
Macleod Dixon

Davies Ward Phillips & Vineberg

Davies Ward Phillips & Vineberg maintains its tier one position in the Canadian mergers and acquisitions market, having played key roles in many of the major transactions of 2005-2006. With over 85 lawyers in the M&A group, including new additions Kevin West and Alex Moore, both of whom joined the firm in 2005, Davies Ward Phillips & Vineberg remains a force to contend with in this realm. Partners William Ainley, Bill Gula and Vincent Mercier continue to be recognized as leading by their peers.

At the time of writing, Davies Ward Phillips & Vineberg was representing Xstrata in its unsolicited all cash offer for Falconbridge, in anticipation of creating the world's fourth-largest mining company. Xstrata is offering C\$59 per share for the 80% of Falconbridge that it does not yet own, making it the largest all-cash offer in Canadian history. The firm also acted for Xstrata in its initial C\$2.04 billion acquisition of 20% of the outstanding common shares of Falconbridge. In January 2006,

Davies Ward Phillips & Vineberg advised Barrick Gold in its successful \$10.2 billion acquisition of Placer Dome, representing the largest-ever completed unsolicited takeover bid in Canadian history.

In other matters, Davies Ward Phillips & Vineberg was lead counsel to PetroKazakhstan in its widely-publicized \$4.18 billion acquisition by China National Petroleum, and also guided Kinder Morgan through the financing of its C\$6.9 billion acquisition of Terasen in another major Canadian deal of 2005. Finally, the firm was retained by Onex in its C\$1.5 billion acquisition through Mid-Western Aircraft Systems of the Wichita/Tulsa Division of Boeing Commercial Airplanes from Boeing.

Leading lawyers

William Ainley
Bill Gula
Vincent Mercier

Key contact partners

Peter Mendell
Kevin Thomson

Osler Hoskin & Harcourt

With 65 partners and 75 associates working on mergers and acquisitions matters, and a general reputation in the market as having "a really great group," Osler Hoskin & Harcourt remains one of the top mergers and acquisitions firms in Canada this year. The firm played key roles in many of the most prominent Canadian transactions of 2005 and 2006, and added a total of seven highly-qualified partners to its team nationally. Veterans of the firm are also well-respected, including firm co-chair Brian Levitt, who was heralded by one peer as "an unbelievable deal lawyer" and "truly outstanding." Donald Ross also comes highly recommended by peers, and of Clay Horner, one competitor said that "there should be relatively universal acknowledgment that he is one of the leaders of the pack." Top clients include Inco, Thyssen Krup Steel and the TD Bank Financial Group.

Among the year's plethora of impressive highlights, the firm advised Placer Dome in the \$10.4 billion acquisition of Placer Dome by Barrick Gold, which was reported as the largest-ever unsolicited Canadian transaction to date. Osler Hoskin & Harcourt also counseled Inco in its highly-publicized C\$19 billion takeover bid for Falconbridge, which was the largest such transaction ever negotiated in Canada at press time, and also provided advice on Inco's response to a C\$17.8 billion unsolicited takeover bid by Teck Cominco.

In international matters, Osler Hoskin & Harcourt acted for China National Petroleum in connection with the completion of its \$4.18 billion acquisition of PetroKazakhstan, which was the largest foreign acquisition ever by a Chinese company. The firm also represented TD Bank Financial Group in the Toronto-Dominion Bank's \$2.9 billion sale of TD Waterhouse USA to Ameritrade Holding and its subsequent \$60 million acquisition of Ameritrade Canada.

Leading lawyers

Mark DesLauriers
Jean Fraser
Clay Horner
Robert Lehodey
Brian Levitt
Donald Ross

Key contact partners

Don Gilchrist
Brian Levitt
Linda Robinson

Stikeman Elliott

Stikeman Elliott has had a superb year in mergers and acquisitions, and remains at the top of the charts as a result of the firm's performance on some of the largest and most complex deals of the last year, as well as excellent feedback from the market in general. Of the 37 partners dedicated to mergers and acquisitions work nationally, Jonathan Drance was singled out as "a very smart cookie", "a real standout" and "a fabulous deal lawyer" by several of his peers. Pierre Raymond was also described as "an excellent guy," and Edward Waitzer was said to be a "trusted advisor to a number of clients." Marvin Yontef, Bill Brathwaite, Brian Pukier, Simon Romano and Mihkel Voore also received considerable recognition by the market as leading mergers and acquisitions lawyers.

In November 2005 Stikeman Elliott acted as special counsel to Terasen in connection with the \$3.1 billion acquisition by Kinder Morgan, one of the largest US acquisitions ever in Canada. The firm also advised a consortium, led by Brookfield Properties, in the combined acquisition of O&Y Properties and O&Y Real Estate Investment Trust, which was valued at over C\$2.1 billion and which marked the largest real estate auction in Canadian history. Stikeman Elliott also represented the Yellow Pages Group in relation to its C\$436 million acquisition of Trader Media, and was subsequently retained by Yellow Pages in connection with its C\$760-million acquisition of Classified Media (Canada) Holdings, also known as Trader Canada. Finally, in January 2006, the firm guided Kingdom Hotels through its \$5.5 billion with Colony Capital for the acquisition of Fairmont Hotels. Stikeman Elliott also counselled Silverlake Partners in connection with the \$11 billion acquisition of SunGard Data Systems by a private equity consortium, which was awarded Americas M&A deal of the year for 2005 by Euromoney's *IFLR Magazine*.

Other clients for which Stikeman Elliott has been engaged include Air Canada, Torquest, CIBC World Markets and Ontario Teachers Pension.

Leading lawyers

William Brathwaite
Simon Romano
Edward Waitzer
Marvin Yontef

Key contact partners

William Brathwaite
John Leopold
Mihkel Voore

Bennett Jones

Bennett Jones has almost 70 partners in its corporate and commercial department, which has a solid focus on M&A work. Clients of the firm include the Toronto Stock Exchange Group, Chevron Canada Resources and Canadian Oil Sands Trust. Although Bennett Jones lost skilled practitioners Robert Lehodey and Noralee Bradley to Osler Hoskin & Harcourt last year, as well as William Rice, who was appointed new chair and CEO of the Alberta Securities Commission, the firm also gained some considerable talent in Michael Barrett, Peter Birkness and Gary Solway, all of whom joined Bennett Jones from Torys in 2006. The firm also hired Stephen Sibold, formerly Alberta Securities Commission Chair and CEO, in March 2006 and Kevin Lynch, formerly of Parlee McLaws.

In one prominent cross-border transaction of the past year, Bennett Jones acted for the Carlyle/Riverstone Global Energy and Power Fund in connection with its C\$1.5 billion purchase of substantially all of the natural gas storage business of EnCana. In

May 2006, the firm acted for BlackRock Ventures in the C\$2.4 billion takeover bid for BlackRock by Shell Canada, and in 2005, represented Deer Creek Energy in the acquisition of Deer Creek Energy by way of a takeover bid by Total E&P Canada for C\$1.6 billion.

Leading lawyer

Alan Bell

Key contact partners

Alan Bell
John MacNeil
C Perry Spitznagel

Blake Cassels & Graydon

Blake Cassels & Graydon has remained a powerhouse in the sphere of Canadian mergers and acquisitions over the past year. The firm lost two partners in 2006 – Dirk Rueter, who went to McCarthy Tétrault, and Jennifer Tindale, who joined Biovail – but gained some new talent in William Fung and Leslie Ann Johnson, both of whom were recruited from Fraser Milner Casgrain in June 2006. There are a total of 80 partners and 51 associates doing mergers and acquisitions work at Blake Cassels & Graydon, and the firm boasts solid, active groups in Toronto, Montreal, Ottawa, Calgary and Vancouver, as well as internationally in New York and Chicago.

Blake Cassels & Graydon's Toronto office acted as lead counsel for Tui in its acclaimed \$2.1 billion acquisition of CP Ships in 2005, and advised GlaxoSmithKline in its \$1.4 billion acquisition of ID Biomedical under the Business Corporations Act. Meanwhile, the firm's Ottawa office represented Lucent in Canada in connection with the \$14 billion merger of French company, Alcatel, with Lucent, and from the Calgary office, Blake Cassels & Graydon guided Kinder Morgan through its high-profile C\$6.9 billion acquisition of Terasen.

The firm also counselled SunGard on Canadian issues in the \$11 billion acquisition of SunGard Data Systems by a private equity consortium, said to be the largest buyout of 2005 and one of the largest ever, a transaction which won Euromoney's *International Financial Law Review's* Americas M&A deal of the year award for 2005.

Leading lawyers

Pat Finnerty
Brock Gibson
David Jackson

Key contact partners

J Rob Collins
Pat Finnerty
David Jackson
Craig Thorburn

Goodmans

The general reputation of Goodmans' mergers and acquisitions practice is, according to one competitor, that its lawyers are "smart and not needlessly confrontational", and are "heavy lifters when it comes to the technical side of things". Partners Stephen Halperin, Jonathan Lampe, Dale Lastman and Neill May are all featured in Euromoney's *Guide to the World's Leading Mergers and Acquisitions Lawyers*.

In 2006, Goodmans acted as Canadian transaction counsel for ATI Technologies in the \$5.4 billion acquisition by Advanced Micro Devices of ATI, which is expected to be completed in the fourth quarter of 2006. The firm also represented integrated enterprise content management solutions and network connectivity solutions provider, Hummingbird, in its proposed \$465 million acquisition by the Symphony Technology Group in May 2006. Goodmans also guided Colony Capital through its \$4.5

billion acquisition with Kingdom Hotels of Fairmont Hotels & Resorts in May 2006 and, in October 2005, acted for the special committee of O&Y Reit in the Brookfield consortium's combined acquisition of O&Y Properties and O&Y Real Estate Investment Trust, valued at over C\$2.1 billion.

Other clients the firm has advised include Royal Group Technologies, Vincor International and Hudson's Bay.

Leading lawyers

Stephen Halperin
Jonathan Lampe
Dale Lastman
Neill May

Key contact partners

Stephen Halperin
Jonathan Lampe
Dale Lastman
David Matlow

McCarthy Tétrault

McCarthy Tétrault has played strategic roles in many of the most prestigious mergers and acquisitions deals of the past 18 months, and was recognized by competitors in the market as having had an exceptionally active year that may indicate the firm is on its way up in this sphere. Additionally, the firm boasts a number of top-rate lawyers, including Gary Girvan, who was dubbed by one peer "an extremely capable guy who has had a very big year." Another peer proclaimed that "there is absolutely no doubt that Gary Girvan is one of the country's best M&A lawyers," and yet another asserted that there is relatively universal acknowledgement that, along with Osler's Clay Horner, "Girvan is leading the pack." Rene Sorrell is also highly acclaimed, and one competitor declared that he "is one of the brightest people you'll ever meet." Richard Balfour received plaudits from the market as well, one peer commenting that he "loves doing deals with him across the table." Up-and-comer David Woollcombe also received considerable recognition this year for his increasing involvement in M&A deals.

In 2005, McCarthy Tétrault acted as counsel to Falconbridge in connection with its C\$12.5 billion proposed combination with Inco, one of the highest profile Canadian deals of the year. The firm also advised Oil and Natural Gas in the acquisition of PetroKazakhstan by China Natural Petroleum, and represented the lenders in the acquisition of Terasen by Kinder Morgan in 2005. The firm also provided advice to Arca Investments in connection with the Brookfield Properties consortium's C\$2.1 billion combined acquisition of O&Y Properties and O&Y Real Estate Investment Trust. Finally, McCarthy Tétrault was retained as counsel to CP Ships for Tui's acquisition of 89% of common shares of CP Ships.

Leading lawyers

Richard Balfour
Byran Gibson
Garth Girvan
Rene Sorrell

Key contact partners

Blair Cowper-Smith
Garth Girvan
Graham Gow

Ogilvy Renault

A total of 45 lawyers handle mergers and acquisitions instructions at Ogilvy Renault, including Michael Lang, who one peer described as "a very, very good technical lawyer," and Norm Steinberg, hailed by one competitor as someone who is "tremendously talented technically," in addition to having "a very good way with people."

Over the past year the firm has acted in some noteworthy mergers and acquisitions transactions, including the representa-

tion of Yamana Gold in its acquisition of Desert Sun Mining in February 2006, and serving as lead counsel to Arcelor in connection with the C\$5.6 billion acquisition of Dofasco, a takeover bid which signified the next step in ongoing worldwide consolidation in the steel sector.

The firm also gave advice as Canadian counsel to the lenders in the high-profile \$2.1 billion acquisition of CP Ships by Tui in August 2005, and in the same month was engaged by Metro in the C\$1.7 billion acquisition of Great Atlantic and Pacific Tea.

Leading lawyers

Michael Lang
Norman Steinberg

Key contact partners

Terence Dobbin
Francis Legault
Norman Steinberg

Borden Ladner Gervais

Borden Ladner Gervais has had another respectable year in mergers and acquisitions, and its practice continues to grow and flourish. With offices in Calgary, Montréal, Ottawa, Toronto, Vancouver and the Waterloo region, the firm has close to 200 lawyers working on mergers and acquisitions matters nationwide.

Last year, the firm acted as Canadian counsel to Golden Gate Capital in its \$1 billion acquisition of Geac Computer, and advised the independent committee of the board of directors of Extencicare in connection with Extencicare's C\$1.7 billion reorganization, which consisted of a spin-off of Assisted Living Concepts and a conversion into a Real Estate Investment Trust (Reit), a matter which is expected to close by September 2006.

At the time of writing, Borden Ladner Gervais was also representing Service Corp International, as Canadian counsel, with respect to its acquisition of the Alderwoods Group, an enterprise estimated to generate over \$2.5 billion in annual revenue, and was engaged for Producers Oilfield Services in its acquisition by Mullen Group Income Fund, which has a combined value of over C\$2 billion.

Leading lawyer

Francis Allen

Key contact partners

Francis Allen
Derrick Armstrong
Bill Sirrett

Fraser Milner Casgrain

Fraser Milner Casgrain's corporate securities group, which includes mergers and acquisitions work, has been active in the last year despite the loss of leader Jeff Barnes to Heenan Blaikie in 2006. Partner Richard Scott, who was recently appointed managing partner of the New York office and divides his time between Toronto and New York, is considered a leading lawyer by peers.

In one outstanding instruction of 2005, Fraser Milner Casgrain advised Petro-Canada on two transactions relating to the Fort Hills oil sands project, projected to cost C\$5 billion. The firm's Calgary office also counseled Pogo in its friendly bid for Unocal's Northrock Resources, worth C\$1.8 billion. Lastly, the firm served as counsel to Epcor Utilities in its acquisition of Trans-Canada's interest in Epcor Power for \$426 million.

Key contact partners

Michael Melanson
John Sabine
Ralph Shay

Project finance

Recommended firms

Tier 1

Davies Ward Phillips & Vineberg
 McCarthy Tétrault
 Ogilvy Renault
 Osler Hoskin & Harcourt

Tier 2

Bennett Jones
 Blake Cassels & Graydon
 Fasken Martineau DuMoulin
 Stikeman Elliott
 Torys

Tier 3

Burnet Duckworth & Palmer
 Fraser Milner Casgrain
 Gowling Lafleur Henderson
 Macleod Dixon

Davies Ward Phillips & Vineberg

Despite occasional murmurings from the market questioning Davies Ward Phillips & Vineberg's continuing position as a market leader, the fact remains that the firm's project finance group still boasts some of the top practitioners in Canada, including Carol Pennycook, William Ainley, Robert Bauer and Jay Swartz, all of whom are ranked in Euromoney's *Guide to the World's Leading Project Finance Lawyers*.

Last year the firm advised Société Générale, Norddeutsche Landesbank Girozentrale and Bank of Ireland in connection with the entrance of Rav Project Management, InTransit British Columbia and the Greater Vancouver Transportation Authority into a long-term concession agreement for the design, construction, partial financing, operation and maintenance of a rapid transit line connecting downtown Vancouver with the City of Richmond and Vancouver International Airport. At an estimated C\$1.9 billion, the project is said to be the largest public-private partnership yet to be implemented in Canada, and the first rail public-private partnership in north America.

Davies Ward Phillips & Vineberg also advised the City of Toronto in the multi-billion dollar, three-government-level Toronto waterfront revitalization initiative, and acted for ABN Amro in the City of Miami's request for proposals process to construct and operate a vehicular tunnel under the Miami Harbour.

Leading lawyers

William Ainley
 Robert Bauer
 Carol Pennycook
 Jay Swartz

Key contact partners

Robert Bauer
 Nicholas Leblovic
 Pierre-Andre Themens

McCarthy Tétrault

McCarthy Tétrault has an "extraordinarily strong" financial services group, with 42 partners and 46 associates dedicated to project finance work. The firm's clients include Brookfield Power, Sun Life Assurance of Canada, Borealis Infrastructure Management and TD Securities. The team's top lawyers include David Lever, described as an "excellent lawyer in the area of energy" by one peer, and Marc Dorion, who was dubbed "number

one in Quebec" by another. One recent notable addition to the group is Mark Frewin, who came to the firm in January 2006 from Hunton & Williams in London.

Among a slew of deals from the past 18 months, McCarthy Tétrault represented Caisse de Dépôt et Placement du Québec in connection with the C\$1.9 billion Richmond Airport Vancouver rapid transit system (Ravco) project, said to be the largest public-private partnership yet to be implemented in Canada. The firm also acted as co-counsel to the lenders in the negotiation of project finance facilities for the Golden Ears Bridge project, which closed in March 2006 and was valued at C\$1.1 billion. Additionally, McCarthy Tétrault advised Siemens Canada in the C\$700-800 million Ottawa light rail project in October 2005, and counselled the lenders in relation to the C\$314 million Prince wind farm project.

Leading lawyers

Marc Dorion
 David Lever
 Richard Miner

Key contact partners

Michel Deschamps
 Bryan Gibson
 David Lever
 Barry Ryan

Ogilvy Renault

Ogilvy Renault has had a fantastic year in the project finance sector, with a particular emphasis on public-private partnerships, mining projects and international project financings. Of the 28 lawyers focused on project finance at the firm, Ella Plotkin was characterized by one of her peers as "terrific" and Jacques Demers and Brian Kelsall continue to be highly respected in the market. Clients of the firm include the Dubai Islamic Bank and Dubai World (Telecom Fund), CIBC World Markets, Manulife Financial Corporation and the International Finance Corporation. Ogilvy Renault also recently became the only Canadian firm to be appointed to ABN Amro's UK specialist panel for project finance, PPP and export credit agency-covered finance for all English law-governed transactions globally.

In December 2005, the firm acted as international project finance counsel to a syndicate of lenders in connection with the \$240 million project financing and €69 million bridge financing for the Las Cruces copper project in Seville, Spain. Ogilvy Renault also represented the International Finance Corporation with respect to its financing of the development and expansion of the port of Sokhna in Egypt, and counselled the lenders in the C\$186 million financing of the Erie Shores wind farm project by Erie Shores Wind Farm and its owner, Clean Power Income Fund. At the time of writing, the firm was also engaged as international project counsel for all lenders in the greenfield financing of ENCE's Eucalyptus Kraft Pulp production facility in M'Bopicuá, Uruguay.

Leading lawyers

Jacques Demers
 Brian Kelsall
 Ella Plotkin

Key contact partners

Brian Kelsall
 Ella Plotkin
 Nicholas Williams

Osler Hoskin & Harcourt

Osler Hoskin & Harcourt remains a premiere Canadian project finance firm, and partner Lorne Carson has been deemed an expert by Euromoney's *Guide to the World's Leading Project Finance Lawyers*. Additionally, both Clay Horner and Rocco Sebastiano received considerable praise from peers, one competi-

tor asserting that Sebastiano is “making a very good name for himself” in the market.

Last year, Osler Hoskin & Harcourt acted for Ontario Electricity Financial in the C\$186 million financing of the Erie Shores wind farm project. Later in 2005, the firm advised the Bank of Montreal in a C\$157 million financing of the Trans-Northern pipeline gas expansion, completing a private placement of C\$135 million-worth of senior unsecured debentures.

Oslers also counseled Enstar Financial in a C\$75 million loan to Mazeppa Processing Partnership in its Mazeppa and Gladys gas plants and natural gas pipelines, and represented the Canadian Opera House in a C\$54 million construction credit facility relating to the Four Seasons Centre for the Performing Arts (Toronto) by a group of lenders led by Bank of Nova Scotia.

Other clients for which the firm acted include Royal Bank of Canada, Hibernia Consortium and Terra Nova Consortium.

Leading lawyers

Lorne Carson
Clay Horner

Key contact partners

Lorne Carson
Eden Oliver
Rocco Sebastiano

Bennett Jones

Bennett Jones continues to be a formidable competitor in the energy sector, and several competitors indicated that the firm might be on its way up in the project finance world as a result of its increasingly superior reputation in this area. Peter Birkness, formerly of Torys, was a notable addition to the group in 2006, and Philip Backman and Paul Mantini both appear in Euromoney's *Guide to the World's Leading Project Finance Lawyers*. Mark Bain was also recommended by several of his peers for his impressive work with public-private partnerships.

In 2006, Bennett Jones advised MEG Energy in connection with an equity financing raising \$350 million and a subsequent debt financing, establishing \$750 million-worth of credit facilities for MEG's Christina Lake Regional Project, a transaction involving the first term loan B financing of its kind in the oil sands sector. The firm also acted for Air Canada in negotiating its latest acquisitions of Bombardier, Embraer and Boeing aircrafts, and for Shell Canada with respect to the C\$525 million refinancing of the Corridor pipeline system. Bennett Jones is also providing advice to Toronto Waterfront Revitalization regarding the development and redevelopment of 300 hectares of parks and public spaces along Toronto's waterfront.

Leading lawyers

Philip Backman
Paul Mantini

Key contact partners

Mark Bain
Bruce Barker
Paul Blundy

Blake Cassels & Graydon

Blake Cassels & Graydon is considered by one competitor to have a “strong general banking practice and great people,” as well as a premiere project finance practice, which is run as part of the firm's financial services group. From among the terrific team, Jim Christie was described by one peer as “one of the deans of banking law in Canada,” and Martin Fingerhut, John Teolis and Mike Harquail also come highly recommended. Clients include RBC Capital Markets, TD Securities, Lehman Brothers, Credit Suisse Securities (Canada) and Scotia Capital.

In one standout transaction of 2005, the firm acted for Sea to Sky Highway Investment in connection with the C\$600 million public-private partnership for the upgrade of the Sea to Sky Highway linking Vancouver and Whistler. Elsewhere, Blake Cassels & Graydon advised Canadian Hydro Developers in connection with a C\$106.5 million wind and hydro project financing, and acted for the Toronto-Dominion Bank, as agent, with respect to Opti Canada's C\$300 million oil sands development financing. More recently, in April 2006, the firm counselled Lehman Commercial Paper, as agent, in MEG Energy's \$750 million term loan B financing.

Leading lawyers

Jim Christie
Martin Fingerhut
Dan Fournier
Michael Harquail
John Teolis

Key contact partners

Dan Fournier
Michael Harquail
Jeffrey Merrick

Fraser Milner Casgrain

Fraser Milner Casgrain has a solid project finance practice and advises a range of clients from offices across Canada in Toronto, Montréal, Ottawa, Vancouver, Calgary and Edmonton. Douglas Younger heads up the firm's public-private partnership group, and partners William Jenkins and Peter Murphy are ranked in Euromoney's *Guide to the World's Leading Project Finance Lawyers*. The firm counts among its impressive list such names as BMO/National Bank of Canada, CIT Group Securities (Canada) and Province of British Columbia.

One major project for which the firm was retained as counsel to the government of British Columbia was the Sea-to-Sky Highway improvement project, intended to rehabilitate and improve the road linking Vancouver and Whistler and with a budget of \$471 million. Fraser Milner Casgrain provided legal advice on all aspects of the procurement process and DBFO arrangements, including the drafting of procurement documents, the concession agreement, the lenders' direct agreement and related project documents. The transaction, which closed in 2005, was awarded the Canadian Council for Public-Private Partnerships gold award for project financing. The firm also represented Bank of Montreal as administrative agent for a syndicate of senior lenders in the C\$144.3 million project financing of the St Leon Wind Energy Trust.

Fraser Milner Casgrain also provided advice to CIT Groups Securities (Canada) with respect to the contracted flying training and support programme at the Southport facility, a component of the Canadian Air Force's four-phase undergraduate pilot training programme, and also guided Aéroports de Montréal through the completion of a third debt offering consisting of a C\$300 million bond issue and C\$50 million increase in the airport's bank facility.

Leading lawyers

William Jenkins
Peter Murphy

Key contact partners

John Hurley
Colin McIver
Douglas Younger

Stikeman Elliott

Despite the loss of partner Alain Massicotte to Blake Cassels & Graydon last year, Stikeman Elliott's project finance group has kept busy, and the practice continues to grow thanks to the work

of partners such as Michael Allen and Erik Richer La Fleche, both of whom are named in Euromoney's *Guide to the World's Leading Project Finance Lawyers*. Partner Jason Kroft was also recognized by peers as up-and-coming, and one competitor noted that he had been "very impressive, [he did] a great job" on a recent deal they had worked on together.

In one significant transaction, Stikeman Elliott represented Sithe Energies as part of a specialized team of consultants involved in various aspects of commercial and financial arrangements to permit the development of two 875MW natural-gas fired power plants in Brampton (Goreway station) and Mississauga (Southdown station), a development that is among the largest project finance deals in Canada, valued at nearly C\$1 billion.

Among the year's other notable engagements, the firm acted for Bema Gold in relation to its \$425 million project finance deal to construct Kupol Mine, and advised Macquarie Bank, as designated lenders' counsel, in connection with the Golden Ears Bridge Project. Stikeman Elliott was also instructed to act as special counsel to Terasen Pipelines with respect to Kinder Morgan's \$3.1 billion bid, which represents one of the largest-ever US acquisitions in Canada.

Leading lawyers

Michael Allen
Peter Hamilton
Erik Richer La Fleche

Key contact partners

Jonathan Drance
Peter Hamilton
Erik Richer La Fleche

Torys

Torys has had another good run in the project finance sphere this year. Department head Johnathan Weisz has developed an impressive reputation in the market, and appears in Euromoney's *Guide to the World's Leading Project Finance Lawyers*. Nick Williams and Alison Lacy are also considered notable, one peer remarking that Lacy is "a good projects lawyer who has done international work and should be regarded highly."

In 2005, Torys represented Inmet Mining in relation to the \$320 million Inmet Las Cruces mine project, and served as counsel to Lièvre Power as borrower in connection with the C\$225 million Lièvre bond financing. Moving into 2006, meanwhile, the firm acted for the Toronto-Dominion Bank and Royal Bank of Canada as lead arrangers in the C\$942 million Sithe/Goreway cogeneration project financing, and counselled XL Capital Assurance (UK) as financial guarantor of the C\$1.1 billion Golden Ears Bridge project.

Other clients for which the firm has acted include RBC Dominion Securities and Brookfield Power.

Leading lawyer

Jonathan Weisz

Key contact partners

Paul Kennedy
Jonathan Weisz