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Peruvian M&A legislation and procedure

Jose Antonio Olaechea
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Business combinations

The most widely adopted business organizations involved in M&A transactions in Peru are the corporation and the limited liability corporation (LLC). The two have in common that each shareholder or partner has a limited liability up to the amount of his or her contribution.

The corporation can take three forms: a closely held corporation, a publicly held corporation or a standard corporation. The latter results when the corporation does not comply with any of the requirements established for the closely or openly held corporation.

A closely held corporation must have no more than 20 shareholders, its shares are not registered in the stock market public registry, the establishment of a board of directors is optional, and the shareholders have a preemptive right in respect of share transfers.

An openly held corporation will be considered as such if any of the following requirements are met:

- the corporation has made a public offer of its shares, or of liabilities convertible into shares;
- the corporation has more than 750 shareholders;
- more than 35% of the corporation's capital belongs to 175 or more shareholders, none of whom holds more than 5% of the shares or two for 1,000 of the capital, resulting in an ownership of capital of 0.2%;
- the corporation is incorporated as openly held; or
- all the shareholders with voting rights unanimously resolve to become an openly held corporation.

The articles of incorporation and bylaws cannot contain clauses restricting the free transferability of shares or any other type of restriction on the free negotiability of the stock, nor clauses giving a shareholder or company a preferential right to acquire shares when these are transferred.

Limited liability companies have capital divided into participations of equal value, which are accumulative and indivisible and cannot be represented by shares of stock. The total number of partners cannot be more than 20. Partners are not personally liable for the company's obligations.

Mergers

Peruvian law (Law No 26887 – the General Companies Law) (the GCL) provides for two forms of merger. The merger can be an *inte-*

gration, which implies the merger of two or more companies to constitute a new company, involving the extinction of the legal personality of the incorporated companies and the transfer, in whole, of all their assets and liabilities to the new company. Alternatively, the merger can be by *absorption*, which implies the absorption of one or more companies by an existing company involving the extinction of the legal personality of the absorbed company or companies. The absorbing company assumes, in whole, the assets and liabilities of the absorbed companies. In both cases the shareholders or partners of the companies extinguished by the merger receive shares or participations as shareholders or partners of the new company or of the absorbing company, as the case may be.

The GCL requires the management bodies of each of the companies participating in the merger, following the affirmative vote of the majority of its members, to draw up a merger agreement project. The project should contain the information required by the GCL (namely, the method of carrying out the merger, the valuation criteria used to determine the exchange ratio among the corresponding shares or participations of the companies participating in the merger, among other things).

Spin-off entails the transfer of all or part of the company's assets to one or more companies already in existence or formed for that purpose. If all of the company's assets are transferred the company will thereafter be extinguished. If only a part of the assets is transferred, the spin-off company is not extinguished but it must reduce its capital. Spin-off transactions are subject to similar rules as are applied to mergers, including the right of the shareholders to withdraw, the right of the creditors to oppose the spin-off, the registration of the spin-off at the commercial registry, and a spin-off agreement project.

Acquisitions

Purchases of shares are regulated by the GCL unless the shares are quoted on a stock exchange. In that event, the transfer of shares exceeding certain ownership percentages is also subject to certain rules contained in the Securities Market Law (Legislative Decree 861 and its amendments) which regulates takeover bids for a significant stake (known as OPA). This amended rule states that individuals or legal entities intending to acquire or increase directly or indirectly, in a single transaction or in several transactions, a significant stake in a company that has at least one class of stocks with voting rights listed with an exchange, shall make a takeover bid addressed to the holders of stocks with voting rights and of other securities which may confer voting right in such company.

The scope of the concepts of a *significant stake*, and of an increase in a *significant stake*, was firstly defined in Conasev Resolution no 630-1997-EF/94.10, which ruled tender offers.

Recently, Conasev Resolution no 009-2006-EF/94.10, which came into force on May 3 2006, amends this concept. It has established that a *significant stake* consists of any direct or indirect ownership of stocks with voting rights that represents a percentage of 25% or more of the capital of a company that has at least one type of stock with voting rights registered on a stock exchange. Likewise, it will consider a significant stake the possibility that a person or group of persons, without having direct or indirect ownership, exercises voting rights of stocks that represents a percentage equal or greater to 25% of the capital stock of a company, or that the acquirer has the quantity of shares or the political rights in a sufficient quantity to (i) remove or appoint the majority of directors, or (ii) amend the bylaws.

The new Conasev Resolution states that there is an obligation to make a takeover bid when:

- the transfer is onerous;
- the company subject to the OPA has at least one class of stocks with voting rights, or these are susceptible to grant voting rights;
- the transfer may result in the acquirer reaching or exceeding an interest of 25%, 50% or 60% in the capital stock of the company, subject to the OPA, or that the acquisition is made for a quantity of shares or has the political rights in a proportion to remove or appoint the majority of directors or amend the bylaws; and,
- the company subject to the OPA is not included in any of the hypothesis of Article 10 of the new resolution (that is, acquisition of ADRs, GDRs or similar securities) unless the holder exercises the voting rights of the underlying shares or requests the delivery of said shares or exercises first refusal rights, among others.

This new Conasev Resolution has established that the OPAs purpose is to guarantee that when an acquisition or increase of a significant stake occurs, all the shareholders can participate in the control premium that can be offered.

Antitrust regulations

In contrast with other countries, Peruvian antitrust law has not established control laws for the approval of mergers and acquisitions, or any other form of corporate grouping, with the exception of transactions in the electricity sector.

Banking and capital markets

Recommended firms

Tier 1

Estudio Ehecopar
Miranda & Amado Abogados
Muñiz Ramírez Pérez-Taiman & Luna Victoria
Rodrigo Elías & Medrano Abogados

Tier 2

Estudio Olaechea
Hernández & Cía Abogados
Payet Rey Cauvi
Rebaza & Alcázar Abogados
Rubio Leguía Normand & Asociados

Tier 3

Estudio Aurelio García Sayan
Estudio Grau
Rosseló Abogados

Mergers and acquisitions

Recommended firms

Tier 1

Estudio Ehecopar
Muñiz Ramírez Pérez-Taiman & Luna Victoria
Rodrigo Elías & Medrano Abogados

Tier 2

Estudio Grau
Estudio Olaechea
Hernández & Cía Abogados
Miranda & Amado Abogados
Payet Rey Cauvi
Rebaza & Alcázar Abogados
Rubio Leguía Normand & Asociados

Project finance

Recommended firms

Tier 1

Estudio Ehecopar
Muñiz Ramírez Pérez-Taiman & Luna Victoria
Rodrigo Elías & Medrano Abogados

Tier 2

Estudio Aurelio García Sayan
Estudio Olaechea
Miranda & Amado Abogados
Payet Rey Cauvi
Rubio Leguía Normand & Asociados

Estudio Aurelio García Sayan

2006 is a presidential election year in Peru, and there is split opinion on the affect this has had on the market. The consensus believed that there would be a slowdown in activity, however, as the year has progressed, a difference in viewpoints has emerged. Some firms have not noticed a significant downturn in business, while others complain of reduced investment, especially in project finance.

Twenty-lawyer outfit Estudio Aurelio García Sayan falls into the former camp, and has had an especially good year in banking and finance work. So far in 2006, it has advised Minera Yanacocha in a \$100 million loan from a Banco de Crédito del Perú-led syndicate and acted for the International Finance Corporation on a \$29 million unsecured loan to Mibanco. This has solidified the foundations of a growing banking practice that has threatened to make an impact for some years now. Indeed, in 2005 Estudio Aurelio García Sayan advised Grupo Crédito in the creation of a new pension fund administrator called Prima, and previous clients have included Volcán Compañía Minera, the Inter-American Development Bank and HSBC.

The firm is especially renowned for its work in the energy and minor sector, and the head of this department, José Miguel Morales, was recently rewarded in his appointment as chairman of the Confederation of Private Business Association. More importantly, the reputation of the department attracts many top-drawer project finance instructions. For example, it was recently hired by Compañía Eléctrica El Platanal to advise on the syndicated financing of a hydroelectric plant near Cañete.

In mining work, the firm advised the Amerada Hess Corporation in the execution of licence contracts for the exploration and production of hydrocarbons in the jungle areas of Loreto, worth an estimated \$106 million.

Estudio Aurelio García Sayan remains the only Peruvian member of international law firm network Meritas and it is still a member of the American Chamber of Commerce.

Leading lawyer

Luis Gastañeta Alayza

Estudio Echecopar

According to one international client "Echecopar is indeed one of the leading law firms in Peru". This is not a fresh opinion, for Echecopar has long been recognized as a firm of great quality and experience in all areas of financial law. This is why it has the pulling power to attract clients such as Merrill Lynch, Deutsche Bank, BBVA, ABN Amro and the Peruvian government. Clients are left impressed with "no complaints at all;" a multinational bank said that it has "never even thought of changing firms" due to the "very good work at Echecopar".

Estudio Echecopar is not intending to relax in its strong market position though. It has increased by three new associates this year, but its most important new addition arrived in January 2006 in the shape of Gonzalo Ortiz de Zevallos, who joined as a new partner. He has been brought in to head up the firm's focus on corporate finance, and has experience of launching similar practices at Arthur Andersen and Ernst & Young. This is a deliberate attempt to expand beyond the role of a typical law firm, and offer financial analysis and financial modelling capabilities in the coming years.

In the meantime, the 16 partners and 29 associates can celebrate Echecopar's promotion to the top flight in M&A. This completes top tier status for the firm in all three Peruvian rankings, and was achieved by its presence in some high profile transactions, including three large ones in the summer of 2005. Most notably, it was Peruvian counsel to Bristol Myers Squibb in the \$660 million sale of its North American consumer medicines division to Novartis. Just before this, Echecopar also advised Telefónica Móviles on its \$45 million acquisition of Bellsouth, and represented Banco Wiese in the sale of its \$3.2 million shareholding in Volcan Cía Minera to Trafigura Beheer. More recently, May 2006 saw the firm work with Parque Arauco in its share acquisition of a mall operating company.

The banking department has been equally busy over the past 12 months. It advised Banco de Crédito and the International Finance Corporation in the granting of multi-million dollar loans. Most notably, though, it represented Ambev Peru in its \$100 million loan from BBVA Continental. The department, including the "very competent" Javier Castro Salinos, is also expanding its involvement in regulatory advice on derivatives. Clients this year have included Lehman Brothers, CSFB, Ernst & Young and the Lima Stock Exchange.

In capital markets, the Echecopar has had a fantastic year. Most impressively, in June 2005 it advised Citibank in Southern Peru Copper Corporation's international private offering of \$600 million notes due 2035 and \$200 million notes due 2015. Of the other notable deals, one stands out in particular. Corporación Andina de Fomento hired Echecopar to advise it on its private offering of \$150 million notes that were subsequently listed on the Lima stock exchange. Structured finance work, meanwhile,

included representing Deutsche Bank in the \$20 billion Peruvian registration of structured debt instruments.

Echecopar remains a member of legal network the Bomchil Group. It is also in association with Spanish firm Echecopar Abogados.

Leading lawyers

Ismael Noya de la Piedra
Javier Castro Salinos

Key contact partners

Jorge Ossio
Ismael Noya de la Piedra
Javier Castro Salinos

Estudio Olaechea

Estudio Olaechea consists of seven partners and 26 associates, and makes its debut appearance on the *IFLR1000* rankings this year after consistently positive recommendations from the market. One client said that "Estudio Olaechea is a great firm to work with" before adding that it had "great technical competence". In particular, name partner José Antonio Olaechea is described as "very good".

Without doubt Olaechea's highlight of the year came in October 2005, when he led advice to SAB Miller in the acquisition of the main beer company in Peru and its subsidiaries in a global deal worth \$7.8 billion. This has definitely raised the profile of the firm, which was already riding high after advising BellSouth in the Peruvian aspect of its \$5.8 billion sale to Telefónica Móviles last year. More recently, Estudio Olaechea counselled Sudamericana de Vapores in the acquisition of controlling shares by a main maritime transportation company.

Estudio Olaechea is the Peruvian member firm of Club de Abogados Iberoamericana, Lex Mundi and the International Network of Boutique Law Firms. At the time of writing, the firm was advising Caterpillar as main commercial creditors in Cosapi's \$13 million restructuring plan, and is also leading the creditors' committee.

Leading lawyer

José Antonio Olaechea

Key contact partner

José Antonio Olaechea

Hernández & Cía Abogados

After five years of being merged with the Estudio Rosselló group, the firm amicably broke away in March 2006 under the moniker of Hernández & Cía Abogados. There are now 24 lawyers at the firm that has full corporate and financial capabilities as well as offering other services, including intellectual property, mining, energy and telecommunications.

Hernández & Cía Abogados has already carved a reputation worthy of a tier-two ranking in banking, capital markets and in M&A. Part of this is because the firm has hit the ground running with roles on some hefty transactions. However, the biggest contributing factor is that the firm has kept a core of important lawyers, and the experience that comes along with them, from Hernández & Rosselló Abogados. Naturally, name partner Juan Luis Hernández is part of this and he has led the team in some impressive work, both pre- and post demerger. This has been especially the case in debt capital markets. At the turn of 2006, Hernández provided advice to Banco de Crédito del Perú as arranger of the first programme of corporate bonds and other debt instruments to be issued by Pluspetrol Camisea (\$250 million). At a similar time, he oversaw the firm's representation of Corporación Financiera de Desarrollo in its \$15 million second issuance of corporate bonds. May 2006 saw the new firm prove

its worth by counselling Compass Group in the \$12 million placement of its third investment fund in Peru.

Hernández has also played a leading role in securitization matters over the past 12 months. One of his largest pre de-merger clients was BNP Paribas Argentina. Two separate securitizations for this client were valued at \$126.8 million and \$107.15 million. Other multi-million dollar securitization clients have included Municipalidad Metropolitana de Lima and Banco de Crédito del Perú.

Since its separation from the Rosseló Group, Hernández & Cía Abogados has been most active in M&A. It started in April by advising Procter & Gamble in the process of merging its Peruvian subsidiary with Gillette del Perú after the global acquisition of Gillette worldwide. This was followed by counselling Sidercorp through the takeover of part of its stake in Siderperú by Proinversión and the sale of the rest of its stake. Most recently, in June 2006, Hernández & Cía Abogados advised Whirlpool Chile and Whirlpool Argentina in the acquisition of assets from Electric City. The same month saw the firm hired by Canal N, Peru's principal cable news channel, in a spin-off to reorganize its patrimonial situation.

Leading lawyer

Juan Luis Hernández

Key contact partner

Juan Luis Hernández

Miranda & Amado Abogados

Miranda & Amado Abogados has had a fantastic year that has been recognised by its promotion to tier one in banking and capital markets, due to its impressive presence in multiple large transactions. More importantly, the 15-partner, 19-associate firm commands tremendous respect from the market. For example, one client noted that "Miranda & Amado has excellent technical skills in its team of lawyers ... we will keep working with them."

There have been two standout transactions for the banking department this year. First, it advised Energía de Sur in relation to a \$100 million syndicated loan under New York law to finance operations in Peru. This was followed in November 2005 by the firm's representation of Etevensa, an Endesa subsidiary, in \$170 million-worth of financial leases and a syndicated loan to finance the conversion and construction of two combine cycle turbines.

However, the capital markets division has also been active and aggressive in the past 12 months, epitomized by the hiring of three new associates to increase the firm's ability to handle more work. In equity, Miranda & Amado advised Enersur on the first public sale offer of an electricity company, whereby a 16% stake was sold for (\$70 million). On the debt side, the firm's presence has been stronger still, winning roles advising BBVA Banco Continental on its \$100 million bond issue and representing Cahua in relation to an issue of \$60 million corporate bonds. Most impressively, it was called upon by Duke Energy to handle a \$150 million bond issue in mid-2005.

Clients are particularly complimentary of the "very good experience" held by Juan Luis Avendaño, who has been heavily involved in securitizations recently. On two occasions he has led advice to Standard Chartered Bank, as arranger of \$100 million and \$280 million DPR securitizations, where Banco de Crédito del Perú has been the originator.

In M&A, 2006 has shown an increase in workload for Miranda & Amado. At the turn of the year it advised Grupo Gloria on its hostile takeover of the largest Peruvian sugar cane producer, Empresa Agroindustrial Casa Grande, valued at \$30

million in cash and a debt assumption of \$100 million. At the time of writing the firm was representing Egedel in the merger by way of absorption of Eterrensa, which will result in the largest electricity generation company in Peru.

Miranda & Amado is now a member of Affintas, which is a Latin American alliance of lawyers. It accepted the network's invitation to join as a founding firm and formally became a member in March 2006 at a meeting in Madrid.

Leading lawyers

José Daniel Amado

Luis Marcelo De-Bernardis

Muñiz Ramírez Pérez-Taiman & Luna Victoria

Muñiz Ramírez Pérez-Taiman & Luna Victoria has the largest legal presence in Peru. Four new associates have joined the firm this year which takes the total to 22 partners and 74 associates in Lima. The Pacific Rim Advisory Council member has broader horizons than the Peruvian capital city though, and has 26 associates across offices in Arequipa, Trujillo, Ica and Chincha.

In last year's *IFLR1000* the market expressed concern over potential upset to Muñiz Ramírez's strong banking arm following Albert Forsyth Solari's departure in May 2005 to set up on his own. But market commentators were wrong to be cautious – Muñiz Ramírez has had another stellar banking year despite the loss of such an important partner. Bank lending has again proved to be an excellent revenue stream for the firm. The most significant transaction to close is also the most recent. In March 2006, Muñiz Ramírez represented Citibank del Perú, Citileasing and Banco de Crédito del Perú in the syndicated \$56 million financing via financial leasing to Globeleq Perú. This transaction just shaded the firm's Peruvian counsel to Standard Bank and Saxon Services del Perú regarding a \$55 million loan. At the time of writing, the firm was advising Banco Continental on a \$41 million loan to Red Eléctrica del Sur. In regulatory work, the banking department has recently completed a due diligence review of compliance rules for Citibank del Perú.

Securitizations have proved a fruitful source of work for Muñiz Ramírez over the past 12 months. The most important of these came at the end of 2005, when the firm advised the Hunt Oil Company of Perú in the \$150 million securitization of future flows derived from participation in the Camisea project. This was followed by advice to Inmuebles Panamericana on the \$30 million securitization of lease agreements. Most recently, the firm represented Citibank del Perú as structuring agent in the \$75 million securitization of municipal toll road fees in February 2006. Citibank del Perú has also proved an important client in debt capital markets. In the last quarter of 2005, Muñiz Ramírez advised it as structuring agent in Duke Energy Egenor's \$150 million bond issue. At a similar time, the firm represented the same client in relation to the structuring of a corporate bond programme valued at \$200 million in December 2005.

In M&A, Muñiz Ramírez was hired by an offshore structure that represents the property in a Peruvian group of companies in relation to its sale of a 50% interest to US Capitals. It also counselled Inmuebles Panamericana, the company that operates Mega Plaza, in the \$13.275 million sale of a 45% shareholding to Parque Arauco. On the purchaser side, meanwhile, the firm advised Pesquera Exalmar on its \$14 million acquisition of a fishmeal plant and four vessels, through the takeover of a 100% par-

ticipation in Pesquera Cabo Peña and the assignment of the leasing agreements.

Despite the market being slow in Peru this year, commentators have suggested that Muñiz Ramírez should move to the top tier for project finance. This is chiefly due to the firm's excellent client list, which includes Tecgas, Pluspetrol Peru Corporation, Hunt Oil, Techint and Transportadora de Gas del Perú. In addition, Sergio Oquendo is particularly well respected by the market in this arena. This combination of factors means the firm is exceedingly well placed should the market come alive.

Leading lawyers

Jorge Muñiz Ziches
Mauricio Olaya
Sergio Oquendo
Jorge Pérez-Taiman

Payet Rey Cauvi

2006 marked Payet Rey Cauvi's first decade in the Peruvian market. The firm is now has six partners and 22 associates working out of its office in Lima. It continues to collaborate with outstanding Spanish firm Uría Menéndez, and enjoys membership of the World Law Group.

Last year, it was noticed that Payet Rey Cauvi was beginning to make an impact on the M&A market, and this year the firm is knocking on the door of tier one. In terms of deals, most notably, the well-respected José Antonio Payet headed a team that advised Grupo Santo Domingo in the sale of its regional breweries to SAB Miller for a global price of \$7.8 billion. After this, the firm represented BBVA Banco Continental as the structuring bank in SAB Miller's \$478 million acquisition of Grupo Cisneros's minority stake in Cervecerías Peruanas Backus y Johnston. Lastly, Payet Rey Cauvi advised SAB Miller in relation to its \$363 million open offer for up to 100% of the rest of the target.

Other M&A transactions saw the firm counsel Grupo Endesa in the \$730 million merger of two of its Peruvian generators, act for Southern Copper Corporation in its \$4.2 billion merger with Minera México, and guide the Bank of Nova Scotia through the \$600 million acquisition of a majority stake in Banco Wiese and Banco Sudamericano. With regard to the latter of these deals, at the time of writing Payet Rey Cauvi was working on the subsequent \$500 million merger of both targets.

The corporate finance department continues to prove its worth in the Peruvian markets too. On the domestic front, it acted on behalf of Red Energía del Perú in an amendment to a local bond issuance programme to allow further expansion activities. However, Eduardo Vega handled what was arguably the firm's most impressive transaction this year, when he served as local counsel to the Southern Copper Corporation in its \$937 million SEC-registered secondary stock offering and in its issue of \$800 million-worth of Rule 144A notes.

In banking, Payet Rey Cauvi maintains an impressive client list that includes Goldman Sachs, BNP Paribas, Morgan Stanley, Banco Santander and Bank of America. This year, the firm has focused on regulatory work, and has recently represented AC Capitales, AFP Integra, the Association of Peruvian Insurance Companies and Pacífico Peruano Suiza Compañía e Seguros y Reaseguros on regulatory matters. Also noteworthy was Payet Rey Cauvi's advice to ING Wealth Management on the incorporation and registry of a mutual fund manager and in the launch of a mutual fund focused on long-term debt securities.

The firm continues to shine at project finance despite the relative deceleration in activity in Peru this year. However, the firm picked up a role acting for Banco de Crédito in relation to the \$247 million financing of Constructora Norberto Odebrecht's Olmos irrigation project, and at the time of writing, Payet Rey Cauvi was advising foreign investors on the development of a \$285 million energy generation project and on a \$150 million mining project.

Leading lawyers

José Antonio Payet
Eduardo Vega

Key contact partners

Juan José Cauvi
José Antonio Payet
Eduardo Vega

Rebaza & Alcázar Abogados

Rebaza & Alcázar Abogados can celebrate its second anniversary in Peru with the news that it has consolidated its position in the *IFLR1000* rankings. After its debut last year, the firm has secured its place in tier two for banking & capital markets and M&A. Admittedly it is still a young firm, but in the past 12 months Rebaza & Alcázar has continued to grow, and now houses 21 lawyers. The firm's aggressive eye for young talent has manifested itself in the hire of Alexandra Orbezo and Ricardo Cardenas as new associates. In addition, the firm has been proud to announce the incorporation of insolvency expert Gonzalo De Las Casas and his team into the fold. Naturally, this is the reason for the name change from Rebaza & Alcázar in the summer of 2006. The firm will be hoping that this addition to the team will improve its already growing reputation.

Rebaza & Alcázar is gradually establishing a reputation for itself in M&A. Activity this year has confirmed this, and two transactions stand out in particular. In October 2005, the firm advised the Alexandra Group as purchaser in relation to the acquisition of Aqua, and more recently it acted for Conductores y Cables del Perú in the \$25 million takeover of Ceper. Both transactions were conducted by the tight unit of Alberto Rebaza, Juan José Cárdenas and Felipe Boisset.

Capital markets is also becoming somewhat of a speciality for Rebaza & Alcázar. The summer of 2005 saw it complete its advice to JP Morgan and UBS Investment Bank in the Republic of Peru's high-profile \$750 million global bond issue. Among the year's other highlights, Cyrano hired Rebaza & Alcázar to advise it on the \$19.3 million creation of the Solius Fund, and more recently, the firm represented Tiendas Efe in relation to its \$4 million issue of commercial paper.

Naturally, Rebaza & Alcázar Abogados is also visible in the banking market, and wins frequent roles on some top-drawer work. The most significant of these from the past year arrived in May 2006, when the firm counselled the International Finance Corporation (IFC) in relation to the \$15 million financing of AgroKasa. Other notable deals have seen the firm advise Latin American Challenge Investment Funds and Global Microfinance Facility in loans worth \$1 million and \$2.7 million respectively, and act for Fondo MiVivienda regarding a \$5 million transaction in February 2006.

Leading lawyers

Rafael Alcázar
Gonalo De La Casas
Alberto Rebaza

Key contact partners

Rafael Alcázar
Juan José Cárdenas
Alberto Rebaza

Rodrigo Elías & Medrano Abogados

Rodrigo Elías & Medrano Abogados has retained the honour of having a clean sweep of top-tier appearances in the *IFLR1000* this year. The Interlaw and World Services Group member is now made up of 25 partners and 39 associates, giving it one of the biggest presences in Peru.

After a relatively quiet time last year, banking work picked up for Rodrigo Elías in 2005 and 2006. In particular, three transactions stood out. In the fourth quarter of 2005, the firm advised on a \$100 million syndicated loan to Minera Barrick Misquichilca, and worked on a \$200 million financing to Sociedad Minera Cerro Verde for its sulphide expansion project. More recently, May 2006 saw the firm advise Banco de Crédito del Perú on a \$100 million syndicated loan to Minera Yanacocha. The banking department has also provided frequent regulatory advice to the likes of BNP Paribas.

Insolvency and restructuring has been fruitful for the firm too. On two separate occasions Rodrigo Elías has represented Cofaco on the acquisition and restructuring of \$26 million-worth of debt, and at the time of writing was representing the creditors' committee in the \$100 million restructuring of Sider Peru.

The M&A department at Rodrigo Elías is as strong as ever, and has been mandated to advise on some big-ticket deals over the past 12 months. The largest of these deals was the firm's advice to Repsol when it acquired \$325 million-worth of minority interests in Peru LNG and Camisea's field gas projects. Around the same time, the firm represented Trafigura Beheer in the commodity trader's \$100 million acquisition of a minor interest in a major mining company. Rodrigo Elías also landed choice mandates in the \$147 million merger of two of Peru's largest bottlers, as well as in Sociedad Minera Cerro Verde's \$443 million placement of stock to Phelps Dodge and Compañía de Minas Buenaventura.

In the capital markets, meanwhile, Rodrigo Elías acted for Empresa de Generacion Electrica Cahua in relation to its first issue under its bond issuance programme, valued at \$32 million, and advised Banco Continental in relation to Nazca's \$105 million structured bond issue. The capital markets practice can also boast JP Morgan, the IFC and Pluspetrol Camisea as clients.

Leading lawyers

Jean Paul Chabaneix
Luis Carlos Rodrigo Prado
Gino Sangalli

Key contact partners

Jean Paul Chabaneix
Julio Salas
Gino Sangalli