
Corporate Finance

EXPERTISE & EXPERIENCE



a better perspective...

RECOGNITION



Global Law Experts

Conybeare Solicitors - Oil & Gas Law Firm of the Year in England – 2014.



Chambers Global 2014

Steven is recognised as a Leader for his Corporate and Mergers & Acquisitions practice in the United Kingdom, Central & Eastern Europe as well as Hungary.



Chambers Europe 2014

Steven Conybeare joins the rankings of Chambers Europe 2014...thanks to excellent market feedback, particularly centred on his commercial understanding... and CEE regional experience. He is experienced, flexible and with a very good attention to detail.



Corporate Intl

Editor's Choice Oil & Gas Law Firm of the Year 2014 Hungary & England.



Acquisition International

Steven Conybeare is recognised as a leading adviser in 2014 by Acquisition International Magazine.



ACQ5 – Law Awards 2013

Conybeare Solicitors is recognised as the UK Boutique Law Firm of the Year 2013 by ACQ5.



Legal Experts 2011

Recognised as an expert in Corporate/M&A.



Legal 500 - The clients' guide to the best law firms

Recommended M&A Lawyer (2009 & 2010): responsive and professional.



Legal 500 - The clients' guide to the best law firms

Recommended Oil & Gas Lawyer (2009 & 2010): extremely capable.



PLC Which Lawyer

Recommended Corporate/M&A (2009 & 2010): endorsed.

Corporate Finance



The Corporate Finance expertise of Conybeare Solicitors is regularly relied upon by clients who appreciate a premium legal advisory service based on an exacting standard of technical expertise combined with a realistic grasp of economic reality and a healthy dose of business acumen. Their growing reputation often sees them working alongside or in place of international or large law firms on both domestic and cross-border transactions.

OVERVIEW

Our Corporate Finance practice is primarily a transaction advisory service focussing on Mergers & Acquisitions, Private Equity & Venture Capital investments and Joint Ventures for businesses, their owners and management.

We work for a wide range of clients, whether buyer, seller or adviser, in and across a range of market sectors on transactions, whether simple or complex, big or small, domestic or international. In all cases, we have a pragmatic hands-on and commercial approach to understanding your objectives, helping you to successfully negotiate and then document transactions. We help clients get the deal done on terms which they require, but above all, within the necessary time frame and on budget.

We provide expert advice on relevant aspects of English law and related EU legislation. We work with leading lawyers in many jurisdictions to ensure that our expertise is supplemented by local expertise as and when required. At the end of the day, it means that we give you clear, concise & practical advice.

Our expertise covers the full range of corporate finance transactions from drafting and reviewing confidentiality agreements, non-disclosure agreements (NDA) and term sheets, to reviewing contracts and legal documents, preparing data rooms and undertaking legal due diligence, and assisting in negotiations, providing legal risk assessments, drafting and negotiating sale and purchase contracts, investment agreements, shareholder agreements and above all project managing the whole process from start to a successful finish.

CORPORATE FINANCE

M&A

We have acted on numerous M&A transactions, both domestic and cross-border, and so we are familiar with the processes and procedures which are typically followed, and we know how to ensure that transactions are not de-railed due to petty mindedness or point-scoring between lawyers.

We undertake legal due diligence of targets and assist clients prepare data rooms in readiness for sale or investment. We are proactive in project managing the transaction to ensure that key tasks and responsibilities are assigned at the outset and regularly monitored and managed throughout the process, concluding not when the contracts have been signed, but when all the necessary obligations have been completed.

Clients who regularly undertake or work on M&A transactions are well aware of the sometimes intense pressures which build up during the course of a transaction. These pressures can stem from lengthy and complex negotiations, unexpected results or discoveries, complicated and cumbersome legal documentation or simple time pressures to conclude the deal. We know what happens and we can handle the resulting pressures to ensure a successful outcome for our client.

We advise on the buying and selling of companies by way of a share purchase or sale, whether for a 100% change of ownership or a majority or minority interest. We advise both companies and individuals on their acquisition or disposal of business assets & liabilities. These transactions cover simple sales or purchases to the more complex group re-organisation.

We act for both management teams and private equity providers on management buy-out/buy-in transactions, which are often tense and sensitive transactions. We have experience of the different options available to you, so we can help you understand what is required and when.

We know what happens and we can handle the resulting pressures to ensure a successful outcome for our client.

We advise foreign companies, mainly from Central Europe, on their strategic investment into the UK. We are able to advise on and structure appropriate vehicles to assist them gain a foothold in the UK market place, and where appropriate we work with offshore tax & fiduciary service providers to optimise investment structures.

CORPORATE FINANCE

JOINT VENTURES

We advise on domestic and international joint ventures (JV) in which 2 or more enterprises join together to form a new business (unincorporated joint venture) or a new company (incorporated joint venture) to undertake a joint enterprise. We have advised on these different types of JV structures both domestically and internationally, where we work together with independent local counsel.

JVs require special consideration because they are formed for a particular objective and each party needs appropriate safeguards...

JVs require special consideration because they are formed for a particular objective and each party needs appropriate safeguards. In a 2 party JV, each party usually contributes to operations and shares in revenues on an equal basis (50:50), but this is not a pre-requisite and majority/minority JVs are also common – these too require special care and attention to ensure a fair and balanced outcome where the minority party is properly and adequately secured.

We have significant expertise and experience in establishing JV companies, drafting relevant documentation such as shareholder or operating agreements, service contracts and bespoke articles of association for

the JV company, particularly relating to technology products and the Oil & Gas industry.

INVESTMENTS

Private equity and venture capital generally refer to an equity investment in a company in which the equity is not tradable on a stock market. Such investments are generally high risk investments as the companies seeking finance are either at a relatively early stage of development and/or developing a new untested product or service. The attraction for investors is the potential for above average returns. For investee companies it is sometimes the missing piece of the jigsaw puzzle to allow them to succeed.

A particular area of expertise we have developed over many years relate to so-called tax efficient investments, usually in the form of Enterprise Investment Schemes (EIS) and Venture Capital Trusts (VCT). There are beneficial tax reliefs available to certain individuals who make qualifying investments in certain companies. For private companies, we advise on numerous EIS and VCT investment transactions. We are familiar with the legal requirements imposed on companies, and in conjunction with external tax advisers, we can help to structure transactions to comply with the legislation.

CORPORATE FINANCE

We work for both investors and investee companies, operating across a range of business sectors, with a particular emphasis on early-stage investments. Over the years, we have been involved with a number of investment transactions; large and small, simple and complex, quick and protracted. Our expertise and experience allows us to provide a prompt and efficient service to ensure that our clients remain in the driving seat, without succumbing to the inevitable pressures which arise during the course of transactions.

Our experience means that we understand the issues which investors and investees face, particularly those relating to the ceding of control by founder shareholders to investors. We help clients, whether investor or investee, achieve a balanced appreciation and understanding of their respective obligations and commitments on issues ranging from appropriate investor protections, anti-dilution mechanisms, management control and exit procedures & strategies. At the end of the day, we provide a commercial, practical and robust analysis of the transaction to ensure that our clients achieve their goals.

We know how to resolve difficulties and how to overcome apparent stumbling blocks. We work with our clients to negotiate a successful outcome. We are familiar with the negotiations which invariably take place to conclude a term sheet for an in-

vestment as well as the negotiations which follow when the time comes to document it. We regularly draft, negotiate and review investment agreements, subscription & shareholder agreements, and associated legal documentation.

FINANCE

We have experience in acting for both lenders and borrowers on all types of lending, from a simple overdraft facility, short term bridging loans, long term loans, bonds and debentures.

Our experience means that we understand the issues which investors and investees face...

We have acted for lending institutions, banks, venture capital and private equity providers. These clients have required precise and effective documentation to ensure that their loans are properly protected whether or not this includes taking security. Equally, borrowers must ensure that they understand the terms of the loan, what they can and cannot do, and what the consequences are for failing to comply with those terms.

Sometimes it is too easy to get carried away by the prospect of the deal. We help you to review the commercial terms to ensure that you are getting the deal you want and need.

◆ EXPERTISE ◆

CORPORATE FINANCE

We are familiar with the specialist terms, definitions and phrases and we can draft and/or review documents quickly, efficiently and effectively. Security is an important aspect of lending, as it provides lenders

We have experience in acting for both lenders and borrowers on all types of lending.

with a fallback position in the event of non-repayment. Security can take different forms and can be taken over many kinds of assets, ranging from a debenture over a company, a mortgage of property, a charge over equities, a personal guarantee or indeed a charge over cash.

◆ EXPERTISE ◆

CORPORATE FINANCE

EXPERIENCE

◆ **M&A – Oil & Gas – Sale of E&P Company** / UK and Romania

We acted for our English Oil & Gas client company on the pre-sale restructuring of its Romanian exploration and production subsidiary company and its consequential sale by way of a share sale and purchase to a Romanian buyer.

◆ **M&A – Oil & Gas – Sale of E&P Company** / Hungary and Austria

We acted for our Austrian client company on the sale of its 100% holding in a Hungarian exploration and production subsidiary holding a current hydrocarbon exploration license along with 5 hydrocarbon production licenses by way of a share sale and purchase for a cash consideration of EUR 20m and a work program of EUR 10m. The transaction was negotiated, documented and completed within a short time period.

◆ **M&A – Oil & Gas – Call Option Agreement** / Hungary and Serbia

We acted for our Hungarian client on the granting of a call option to the leading oil company in Serbia (a subsidiary of Gazprom Neft) to acquire a 50% stake in an exploration subsidiary operating in Hungary. The call option structure was deployed to facilitate the ability of the parties to take into account EU competition law issues relating to the joint venture and additional hydrocarbon exploration licenses to be held by the joint operating company.

◆ **M&A – Oil & Gas – Purchase of Oil Field Service Companies** / HU, Bahamas & USA

We acted as local legal counsel for our private equity client and their principal US legal counsel in connection with its purchase of 100% of the ownership in a Hungarian based drilling company and a Hungarian based seismic acquisition company. We undertook a legal due diligence in relation to both companies and provided ancillary legal thereon. The purchase was a cash transaction supported by loan notes secured on a Hungarian based drilling rig.

◆ **M&A – Oil & Gas – Unconventional Assets** / USA, France, Hungary

We acted as special counsel to our Hungarian client, whose parent is a NASDAQ listed oil & gas exploration company, in respect of the sale of its unconventional assets located in France to a significant independent oil & gas company. The sale formed part of a related transaction for the division of oil & gas properties/assets held in USA. There was significant time pressure to allow the transaction documentation to be negotiated, agreed and finalised across all jurisdictions. Deal value up to USD 130m.

◆ **M&A – Oil & Gas – Producing Assets** / USA, France, Canada, Hungary

We acted as special counsel to our Hungarian client, whose parent is a NASDAQ listed oil & gas exploration company, in respect of the sale of its French subsidiary's producing assets in France to a Canadian independent exploration and production company. The deal value was USD 85m.

◆ EXPERTISE ◆

CORPORATE FINANCE

◆ **M&A – Oil & Gas – Farm-in** / Romania and Spain

We acted as special English counsel to our Romanian associate whose Spanish major oil and gas client negotiated and executed a farm-in agreement as well as an AIPN joint operating agreement with a leading national oil and gas company, in respect of 4 exploration blocks in Romania. The deal value was USD 50m.

◆ **M&A – Oil & Gas – Farm-in** / Romania, Austria and Australia

We acted as special English counsel to our Austrian client in connection with their acquisition of a 50% participating interest in a Romanian exploration license from the Australian license holder.

◆ **M&A – Real Estate – 5 star hotel** / Hungary / Israel / Dubai

We acted for our publicly listed client on the sale of its prestigious 5 star hotel in Budapest to a Dubai based conglomerate by way of a share sale and purchase for a cash consideration and assumption of secured bank debt. The transaction was negotiated, documented and completed within a short time period.

◆ **M&A – Oil & Gas** / Hungary / Netherlands

We acted for our client on the buy-out of its minority joint venture partner for a cash consideration and an assumption of debt. In addition, the purchase price consideration was structured with a success-fee payment based on consequential potential farm-out by our client. The transaction was negotiated, documented and completed within a short time period.

◆ **M&A – Share Buy-Back** / London, UK

We acted for our private company client on its buy-back, financed out of distributable profits, of a significant minority shareholder. The buy-back involved the negotiation and execution of a share purchase contract as well as a number of corporate resolutions as well as close liaison with the company's accountants.

◆ **M&A – Oil & Gas** / Hungary

We led and managed a team of Hungarian lawyers who acted for a NASDAQ listed oil & gas company on the sale of its European subsidiary focussed on exploration and production in Hungary, which was a complex transaction covering a variety of assets from producible wells, exploration licenses, natural gas pipelines, joint operating agreements and production licenses.

◆ **M&A – Real Estate Holding Companies** / Hungary / Cyprus / Czech Republic / Holland

We managed a team of Hungarian lawyers who were local counsel to a leading Czech law firm on the legal due diligence of a number of Hungarian and offshore companies owning a prestigious office development let to the Hungarian State on behalf of a quasi-institutional property investor.

◆ EXPERTISE ◆

CORPORATE FINANCE

◆ **M&A – Residential Real Estate** / Hungary / Cyprus

We advised a privately held private equity company from Cyprus in its legal due diligence investigations and subsequent negotiations for the acquisition of a number of companies which owned a variety of residential development projects and property portfolios in Budapest.

◆ **M&A – Residential Property Development** / UK

We acted for a private company on its share buy-back of a significant equity holding from its institutional investor 3i plc via an off-market share purchase, which involved negotiations with shareholders and the drafting of a share purchase contract and associated board and shareholder resolutions and documents.

◆ **M&A – Mixed Use Real Estate Development** / Hungary / Israel

We led and managed a team of Hungarian lawyers as local counsel on the extensive due diligence (legal, tax and financial) on a prominent Budapest city centre mixed use (hotel, office and commercial) real estate development project as well as ongoing transactional advisory support.

◆ **Venture Capital Trust – Composite Valve Technology** / UK

We acted for a UK company on a series of fundraisings it undertook from a UK based venture capital trust (VCT) for the continued development and production of composite valves for use in a variety of industries, including offshore marine environments. The transactions were complex arrangements due to the need to comply with venture capital trust legislation requirements, resulting in an extended number of different share classes with different rights attaching to each class.

◆ **Venture Capital Trust – Independent Book Publisher** / UK

We acted for a high-end UK publishing company on its raising of venture capital investment to provide it with working capital from a specialist venture capital investor along with private investors seeking Enterprise Investment Scheme (EIS) tax reliefs.

◆ **Private Equity – Specialist Manufacturer** / Hungary / USA / Netherlands

We advised a team of Hungarian lawyers on the successful global business purchase by a pre-eminent US private equity firm of a leading Hungarian manufacturer of precision tools and its operational facilities and European sales and distribution arrangements.

◆ **Private Equity – Ecological Water Treatment Company** / Hungary

We acted for a private Hungarian company on a highly complex private equity investment by a US managed offshore hedge fund and an Austrian managed Luxembourg based venture capital fund, which included a secured bridging loan facility, all of which transactions were governed by English law.

◆ EXPERTISE ◆

CORPORATE FINANCE

◆ **Private Equity** – Guernsey Investment Fund / Guernsey / Hungary / USA

We acted for an institutional Guernsey investment fund on the legal due diligence, negotiations and execution of a pre-IPO equity investment by it, alongside Russian institutional investors, in a US holding company of a leading CIS/CEE software development and licensing business.

◆ **Private Equity** – Private Investment Fund / UK / Hungary / Czech Republic

We advised the property investment managers on their proposed establishment of a private investment fund to undertake grocery retail investments in and across CEE including the formation of joint venture arrangements with London based quasi-institutional and private family office investors.

◆ **EIS Investment** – Film Financing / UK

We acted for a private limited company which raised finance from private investors who qualified under the Enterprise Investment Scheme (EIS) for tax reliefs. The work involved drafting a private placing memorandum and subsequent negotiations and execution of an EIS compliant shareholders agreement.

◆ **Finance** – Bank Loan / UK and Hungary

We assisted our Hungarian client in connection with the entry of a secured project development loan facility agreement with a UK corporate borrower and its Hungarian subsidiary.

◆ **Finance** – Oil & Gas / USA / Hungary

We assisted our NASDAQ listed client and their US special counsel on all Hungarian aspects of a partial group corporate restructuring as well as negotiations and execution of corporate security arrangements with the security agent on behalf of bondholders in relation to a USD100m senior notes placement.

◆ **Finance** – Oil & Gas – Pre-paid oil swap transaction / UK / France / Hungary

We assisted our US listed client company, in conjunction with its primary English and French legal advisers on all Hungarian aspects of the proposed financing arrangements to be implemented by Deutsche Bank relating to a USD65m financing, which involved reviewing and commenting on ISDA Swap Transaction documentation as well as Hungarian corporate law issues.

◆ **Finance** – Invoice Discounting / UK

We acted for a private financing company on its arrangements relating to an invoice discounting agreement with an international recruitment company which involved drafting a bespoke factoring agreement and related security agreements and registering the same at Companies House.

◆ **Finance – Loan Agreement** / UK

We negotiated, reviewed and drafted secured and unsecured loan agreements and promissory notes for both borrowers and lenders, including complex bridge financing agreements, security documents, including personal guarantees to be given by the directors of private companies, legal charges taken over shares, debentures, mortgages, floating charges as well as fixed charges over assets, as well as undertaking extensive legal due diligence reviews of bank financing documentation.

◆ **Joint Venture – Oil & Gas – Joint Operating Company** / Hungary and Serbia

We acted for our Hungarian Oil & Gas client company on the successful implementation of an incorporated joint venture with the Serbian national Oil & Gas company for hydrocarbon exploration and production in Hungary. The transaction documents required negotiation and execution of a joint venture agreement, an operator services agreement, loan facility agreements and ancillary agreements.

◆ **Joint Venture – Oil & Gas** / Hungary / Serbia

We acted for our Hungarian E&P client company in connection with expanding its joint venture agreement with the leading oil company in Serbia (a subsidiary of Gazprom Neft) by the addition of an additional exploration license and the subsequent incorporation of that joint venture to create a joint operating company (JOC).

◆ **Joint Venture – Oil & Gas** / Hungary / Serbia

We assisted our Hungarian client during lengthy complex negotiations relating to a joint venture agreement with the leading oil company in Serbia in relation to an unincorporated joint venture relating to the exploration and production of hydrocarbons in Hungary, but which had to take into account a number of EU and non-EU rules and regulations relating to cross-border cash-flows and receipts.

◆ **Joint Venture – Oil & Gas** / Hungary / Central Europe

We assisted our client during negotiations relating to an incorporated joint venture with a major Hungarian oil & gas company in relation to the exploration and production of hydrocarbons in Hungary.

◆ **Joint Venture – Oil & Gas** / Hungary / Netherlands

We worked with our Hungarian upstream client in relation to the negotiation, drafting and subsequent execution of a joint venture with a private Dutch company with oil & gas interests in Hungary and surrounding jurisdictions.

◆ **Joint Venture – Premium Cooperage** / [Hungary](#) / [USA](#) / [France](#)

We advised a team of Hungarian lawyers whose client was the US owner of Hungarian operation in a complex incorporated joint venture with a prestigious French family-owned cooperage concerning the sourcing of Hungarian oak, the manufacture and worldwide distribution of premium oak casks, involving a master joint venture agreement and ancillary financing and distribution agreements.

◆ **Joint Venture – Proprietary Software** / [UK](#)

We acted on the negotiation and preparation of a joint venture shareholders' agreement for an incorporated joint venture relating to proprietary software used under license by global banks in their back office administration for the storage and retrieval of settlements and where the joint venture company was appointed as the exclusive UK reseller.

◆ **Joint Venture – Software Development** / [UK](#)

We acted for one of Britain's largest garment decoration specialists and helped them to negotiate and execute an incorporated joint venture with a software development company for the design, development and subsequent commercial exploitation of bespoke cloud-based commercial production software for use in the textile and printed garment industry by customers worldwide.

◆ **Joint Venture – Oil & Gas – Joint Operating Company** / [Austria](#) / [Hungary](#)

We acted for a Hungarian oil & gas company on its incorporated 50/50 joint venture arrangement (JOC) with another Hungarian major in respect of proposed hydrocarbon exploration in the Hungarian/Croatian border areas



UK Office

3rd Floor, Clearwater House
4-7 Manchester Street
London W1U 3AE

Tel.: +44 (0) 870 753 0925

law@conybeare.com

CEE Office

4th Floor
Szent István tér 11/b
Budapest 1051

Tel: +36 1 577 9936

law@conybeare.com

www.conybeare.com