

Financial Services Industry Legal Services in Banking, Finance and Capital Markets



Reff & Associates is the correspondent law firm of Deloitte Romania, integrated with the Deloitte multi-disciplinary advisory practice and affiliated to a network of law firms and legal departments working with Deloitte all over the world. The professionals working with Reff & Associates have significant experience in high level transactions, in which complex matters are addressed from cross-border and multi-disciplinary perspective. The multidisciplinary experience of legal professionals allows them to provide, together with other Deloitte professionals, a complete answer to the needs of their clients. They propose state of the art services relying not only on legal and regulatory expertise but also on the use of innovative processes. Their global and systematic approach allows the clients to integrate early in their strategy potential legal issues, thus anticipating and preventing legal risks and minimizing the disruption of business operations.

Our service lines:

- Banking & finance
- Capital markets
- Competition & EU law
- Corporate & commercial
- Employment
- Financial services industry regulatory
- Insolvency
- Litigation and SPA support
- Mergers & Acquisitions
- Public sector
- Real estate

More information is available at www.deloitte.com/ro/legal

Transaction Assistance

Over the last six years, Reff & Associates has been consistently involved in landmark finance deals in aggregate of hundreds of million EUR per year. The team brings to the benefit of our clients the experience accumulated in banking transactions exceeding EUR 2 billion in aggregate, including new money, refinancing and loan restructuring projects.

Finance deals

Transaction support (bilateral and syndicated loans, loan workouts, securitisation, sales of non performing loans)

Drafting / reviewing finance documents:

- Loan agreements, security documents, subordination agreements, other ancillary documents;
- Stand still agreements;
- Alternative restructuring documentation (e.g., in case of assets / share deals).

Negotiating the transaction documentation

We assist the client in meetings, conference calls, e-mail correspondence etc. regarding the loan agreement, security package and related agreements.

Loan agreement

Our professionals are experienced in drafting and negotiating the loan agreement in light of the applicable market best practices in Romania and also in consideration of the LMA Standard (standard loan documentation developed by the Loan Market Association), and aim to improve the loan documentation to the best interest of the client in various clauses.

Security documents

We are experienced in drafting and successfully negotiating the security documents in high level financial agreements. We seek to negotiate such documentation in a manner that would secure consistency between the loan agreement and the security documents as well as the legal security for the client.

Due diligence

Borrower due diligence

- Corporate due diligence;
- Property title check (including title insurance);
- Other collateral origination documents (e.g., pledged lease agreements).

Legal opinions

We issue legal opinions on:

- Validity and enforceability of the contemplated transaction and underlying documents under Romanian law;
- Impact of insolvency versus secured creditors rights;
- Alternative restructuring options (take-over of the borrower / borrower's assets);
- Transfer of loans.

Sample finance deals credentials

<p>Legal advisor in</p> <p>Syndicated loan refinancing</p> <p>Borrower: large Romanian company Lender: Syndicate of banks</p> <p>Over EUR 70 million</p> <p>2011 Romania</p>	<p>Legal advisor in</p> <p>Financing of the Colosseum shopping center in Bucharest</p> <p>Borrower: Nova Imobiliare Lender: Bank of Cyprus</p> <p>EUR: 50 million</p> <p>2010 - 2011 Romania</p>
<p>Legal advisor in</p> <p>Financing of existing debt of three companies owning retail parks in Romania</p> <p>Borrower: New Europe Property Investments plc Lender: KBC</p> <p>EUR: 113 million</p> <p>2009 - 2010 Romania</p>	<p>Legal advisor in</p> <p>Restructuring of multiple bilateral bank loans</p> <p>Borrower: Large retail / real estate company Lender: 6 banks operating in Romania</p> <p>Ongoing / data confidential</p> <p>Over EUR 100 million</p> <p>2010 Romania</p>
<p>Legal advisor in</p> <p>Restructuring of several loan agreements</p> <p>Borrower: Romanian group of companies Lender: Bank operating in Romania</p> <p>Ongoing / data confidential</p> <p>EUR: 180 million</p> <p>2009 - 2010 Romania</p>	<p>Legal advisor in</p> <p>Restructuring of several loan agreements</p> <p>Borrower: Romanian group of companies Lender: Banks operating in Romania</p> <p>Completed / data confidential</p> <p>EUR: 45 million</p> <p>2009 - 2010 Romania</p>
<p>Ongoing assistance</p> <p>Remedies in case of defaulting loans, enforcement of loan and security documents, take-over of assets / borrowers, stand still agreements, moratorium ("concordat") and dealing with bank's rights in borrowers (pre) / insolvency</p> <p>Lender: European banks operating in Romania</p> <p>2009 - 2010 Romania</p>	<p>Legal opinion on</p> <p>Cross border assignment of mortgage loans portfolio</p> <p>Client: European mortgage bank</p> <p>Data confidential</p> <p>2009 Romania</p>

<p>Legal advisor in</p> <p>Promissory note based financing</p> <p>Borrower: Romstrade S.R.L. Lender: Credit Suisse</p> <p>EUR: 140 million</p> <p>2009 Romania</p>	<p>Legal advisor in</p> <p>Financing of luxury residential development project in Poiana Brasov Romania</p> <p>Borrower: INR Management Lender: BCR</p> <p>Data confidential</p> <p>2009 Romania</p>	<p>Legal advisor in</p> <p>Real estate financing</p> <p>Lender: German real estate bank Borrower: German real estate fund</p> <p>Over EUR: 70 million</p> <p>2008 - 2009 Romania</p>
<p>Legal advisor in</p> <p>Office space refinancing</p> <p>Lender: Westdeutsche ImmobilienBank AG Borrower: Creativ Invest</p> <p>EUR: 48 million</p> <p>2008 Romania</p>	<p>Legal advisor in</p> <p>Several loan transactions in Romania</p> <p>Lender: Bank of Cyprus Borrower: Romanian real estate developers</p> <p>Over EUR: 100 million</p> <p>2008 Romania</p>	<p>Legal advisor in</p> <p>Refinancing of acquisitions of real estate portfolios</p> <p>Borrower: Real estate funds Lender: European banks operating in Romania</p> <p>Over EUR 33 million</p> <p>2007 - 2008 Romania</p>
<p>Legal advisor in</p> <p>Cross border loan – LMA standard documentation</p> <p>Borrower: Grand Marriott Hotel Lender: Bank of Cyprus</p> <p>EUR: 110 million</p> <p>2007 Romania</p>	<p>Legal advisor in</p> <p>Syndicated loan</p> <p>Lender: Syndicate of banks Borrower: Fildas</p> <p>EUR: 80 million</p> <p>2007 Romania</p>	<p>Legal advisor in</p> <p>Syndicated loan</p> <p>Lender: Syndicate of banks Borrower: A&D Pharma</p> <p>EUR: 100 million</p> <p>2006 Romania</p>
<p>Legal advisor in</p> <p>Cross border asset finance transaction</p> <p>Borrower: Romanian group of companies Lender: European bank Transaction not completed / data confidential EUR: 150 million</p> <p>2006 Romania</p>	<p>Legal advisor in</p> <p>Negotiating EBRD loan documentation</p> <p>Borrower: Romanian food and beverages company Lender: EBRD Transaction not completed / data confidential EUR: 250 million</p> <p>2006 Romania</p>	<p>Legal advisor in</p> <p>The USD 40 million leveraged management buyout (the first LMBO in Romania)</p> <p>Lender: Citibank Company: Luxten Lighting Company</p> <p>2004 Romania</p>

M&A deals in financial services industry

Structuring

Analysis and validation of the proposed transaction structure, particularly in less straight-forward deals; identification of risks, design or confirmation of a certain approach, advice on legal aspects to be taken into account; cooperation with tax colleagues ensures validation and optimization of structure from both perspectives

Pre-contractual documentation

Letter of intent, memorandum of understanding, term sheet: review of the business proposal initiated by the client and advising on the structure proposed in the letter of intent; legal assistance in negotiating and concluding this more precise and detailed document, in which parties may assume binding obligations and commit on various aspects.

Due diligence and analysis

Thorough investigation of the legal affairs of the target, with emphasis on specific areas; different levels of details, from descriptive report to highlights of findings; analysis of findings and assessment of their impact of the transaction; design and implementation of solutions to findings, including revisiting the deal structure; distinct, multi-disciplinary approach integrating finance, tax and legal analysis within the business logic of the transaction.

Share/asset purchase agreement

Preparation, negotiation and conclusion of the purchase documentation addressing the issues identified during the due diligence process and accommodating efficiently the agreed structure; process implies negotiation of both business and legal matters.

Implementation

From fulfilling tax obligations related to the transaction to registering the transfer of shares, amending the articles of association of the target and registering such changes, competition law clearance, if economic concentration is created through the acquisition, other regulators clearance (National Bank of Romania, Insurance Supervisory Commission, Securities Commission)

Others

Each transaction is different, and while experience with similar deals is a major advantage, one should expect that each acquisition will raise specific legal issues, which need to be considered in the context of that particular transaction.

Sample financial industry M&A deal credentials

<p>Legal counsel to</p> <p>European financial group</p> <p>on corporate reorganization, isolation and disposal of leasing activity, structuring the conversion of bank into branch</p>	<p>Legal counsel to</p> <p>Large European bank</p> <p>Due diligence on Motoractive (Romanian leasing company).</p>
<p>Legal counsel to</p> <p>Large European bank</p> <p>Due diligence on Domenia Credit (Romanian mortgage lending company)</p>	<p>Legal counsel to</p> <p>Large European bank</p> <p>Due diligence on one of the largest Romanian consumer credit companies</p>
<p>Legal counsel to</p> <p>Large European bank</p> <p>Acted as a legal adviser during the due-diligence process and SPA assistance in acquisition of a Romanian bank</p>	<p>Legal counsel to</p> <p>ATE Bank</p> <p>Buy- side legal assistance in connection to Mindbank S.A. Acted as a legal advisor during the three separate, complex processes of acquisition of shares from hundreds of shareholders</p> <p>EUR: 70 million</p>
<p>Legal counsel to</p> <p>Italian bank</p> <p>Legal assistance in relation to a due-diligence process with respect to a Romanian bank</p>	<p>Legal counsel to</p> <p>French insurance company</p> <p>Due diligence on two Romanian insurance companies</p>

Regulatory Assistance for Banks and Non Banking Financial Institutions

Regulatory assistance to various financial institutions (banks, non-banking financial institutions) on various matters, including without limitation:

Ongoing assistance with respect to the specific legal and regulatory requirements applicable to banks / non banking financial institutions operating in Romania, in relation to matters such as:

- Organization and functioning under Romanian law;
- Review or redrafting of finance documentation for the perspective of Romanian law and international best practices;
- Corporate governance;
- Capital adequacy;
- Consumer lending legislation compliance;
- Other relevant issues (e.g., reporting obligations to regulators).

Development of new financial products

Representation in front of the regulators (National Bank of Romania, Insurance Supervisory Commission, Securities Commission etc)

Sample regulatory credentials

<p>Coordinated the re-drafting of the Romanian Mortgage Lending law (mortgage origination and assignment of mortgage loan portfolios)</p>	<p>Legal counsel to</p> <p>Several banks and non-banking institutions</p> <p>Legal opinions on : Stock option plans, Private banking services, Outsourcing, KYC compliance, Licensing matters, Dealing with sanctions applied by the National Bank.</p>
<p>Legal counsel to</p> <p>Foreign consumer credit company</p> <p>Loan documentation review for Romanian law compliance and enforceability purpose</p>	<p>Legal counsel to</p> <p>Foreign mortgage lending company</p> <p>Legal and regulatory assistance in relation to: - Setting-up a mortgage lending company - Cross-border lending</p>
<p>Legal counsel to</p> <p>Branch of a foreign bank in Romania</p> <p>Structuring lending operations in order to optimise local minimum reserves requirements and taxation</p>	<p>Legal counsel to</p> <p>Large Romanian leasing company</p> <p>Spin-off of financial leasing operations</p>

Capital Markets Assistance

Our professionals have gained substantial expertise in assisting clients in all matters related to capital markets, whether for investors, issuers, stock brokers, investment funds or asset management companies in the following areas:

a. Initial public offerings (IPO) including:

(i) Pre-IPO phase:

- Implementation of corporate governance structures;
- Establishing group structures;
- Amending corporate documentation for compliance purposes in line with capital market requirements;
- Legal due diligence - assessment and remedy of potential risks.

(ii) IPO phase:

- Assisting the issuers in remedying the risks identified;
- Drafting the legal component of the IPO prospectuses;
- Representing the client in front of the Romanian Securities Commission;
- Assisting the issuers in view of completion of listing requirements.

b. Takeover offers and squeeze-out procedures:

- Assisting offerors in buy-side due diligence;
- Drafting legal components of the offering document;
- Assisting the offerors in relation with the target company and Securities Commission;
- Assisting issuers in observing various legal requirements during squeeze-out procedures.

c. Ongoing securities compliance – assisting various issuers of regulated entities (i.e. asset management companies, brokers, investment funds) in matters pertaining to:

- Market abuse (Insider trading/ market manipulation);
- Price stabilization activities;
- Ongoing securities compliance issues;
- Share buy-backs and stock option plans.

Securities credentials of our attorneys

<p>Legal counsel to</p> <p>Bank of Cyprus</p> <p>In relation to alleged insider trading and market manipulation</p>	<p>Legal counsel to</p> <p>New Europe Property Investments PLC</p> <p>Providing support in relation to listing on the Bucharest Stock Exchange</p>	<p>Legal counsel to</p> <p>Romanian National Securities Commission (CNVM)</p> <p>Drafting the securities regulations for securitisation and mortgage bonds</p>
<p>Legal counsel to</p> <p>New Europe Property Investments plc</p> <p>Legal assistance on admission on the AIM market in London</p>	<p>Legal counsel to</p> <p>Romanian company operating in IT industry</p> <p>Acting as a legal advisor of the issuer during the pre - IPO</p>	<p>Legal counsel to</p> <p>Romanian company operating in IT industry</p> <p>Advising on structuring and implementing a stock option plan within a company listed on Bucharest Stock Exchange (including drafting of the preliminary prospectus and related documentation and representation in front of the National Securities Commission)</p>
<p>Legal counsel to</p> <p>Several multinational companies</p> <p>Legal assistance on cross- border Stock Option Plan</p>	<p>Legal counsel to</p> <p>Large international financial services groups</p> <p>Legal assistance on securities regulations Advised on securities regulations for selling offshore investment funds units in Romania</p>	<p>Legal counsel to</p> <p>Romanian property and real estate developer</p> <p>Assistance for authorization of a preliminary prospectus</p>
<p>Legal counsel to</p> <p>Romanian construction company</p> <p>Pre- IPO assistance, including assistance for the establishment of a group company, drafting of the prospectus and representation in front of the Romanian Securities Commission</p>	<p>Legal counsel to</p> <p>Romanian subsidiary of foreign leasing company</p> <p>Assistance during the performance of a bonds IPO</p>	<p>Coordinated the privatisation of six companies through public offerings on Romanian OTC market (RASDAQ)</p>

What do the clients say about Reff & Associates

The 2011 edition of Legal 500 Europe, Middle East & Africa ranks Reff & Associates alongside leading law firms, and particularly recommends its lawyers for their expertise in Banking & Finance. As quoted in the said Legal 500 edition, the clients appreciate Reff & Associates' banking & finance team for the *“ability to handle complex work to tight deadlines.”*

“The bank, thanks to the continuous support of its external advisors, is pleased to be part of this new, significant development for the city of Bucharest.”

(2011, Client quote in relation to Reff & Associates assistance in a EUR 50 million real estate finance deal)

The most reputable Romanian business newspaper Ziarul Financiar nominates Reff & Associates at the Annual Gala Awards under the category *“Most important transaction of the year 2010 in the banking sector.”*

“Outstanding legal support throughout in an efficient and rigorous style. Exceptional display of dedication and knowledge of securities law and international best practices and jurisprudence, both at Romania and EU level”

(2011, Client quote in relation to successful assistance in a market abuse case)

“We appreciate the level of professionalism and commitment from the banking & finance team in Reff & Associates, which represented our interests in the deal both from the perspective of Romanian law and international best practices.”

(2009, Client quote in relation to a EUR 140 million cross-border promissory notes deal)

“We praise Reff & Associates for their qualitative and sustained professional support they have provided for almost six months.”

(2009, Client quote in relation to a EUR 75 million real estate finance deal)



Reff & Associates Banking & Finance and Capital Markets Contacts



Andrei Burz Pinzaru - Legal Services Partner

Tel : +40 21 207 52 05

Email : aburzpinzaru@deloittece.com

Andrei Burz-Pinzaru is a Tax & Legal Partner in Deloitte Romania. Financial Services Industry leader of Deloitte Romania and Head of the Banking & Finance legal practice in Reff & Associates, the correspondent law firm of Deloitte Romania. Chair of Deloitte EMEA Banking & Finance legal service line. He has about 14 years advisory experience in banking, capital markets and M&A (including three years investment banking background), and has been working with Deloitte since 2002.

Relevant Project Experience

Banking: worked (lenders' or borrowers' side) on loan and security documentation in bilateral / syndicated loans, project finance, real estate finance, one LMBO, debt restructuring & loan workouts, in aggregate value of several billions EUR.

Capital Markets: Advised on local and cross-border stock option plans, takeovers, pre-IPO preparation, squeeze-out and de-listings, price stabilisation, market abuse (insider trading/ market manipulation) cases. For three years acted as executive manager of a securities firm and coordinated the privatization of six companies through SPOs on Romanian OTC market (RASDAQ).

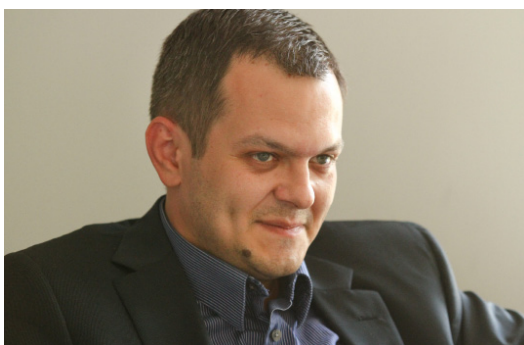
Financial industry regulations: assisted banks, insurance companies, fund management companies, publicly traded companies on financial/ securities regulatory matters; Contributor to the drafting of Romanian Mortgage Lending Law, Mortgage Bonds and Securitisation laws. Assisted Romanian Securities Commission (CNVM) in drafting the securities regulations for securitisation instruments and mortgage bonds.

M&A: assisted (buy-side / sell-side) in M&A deals in various industries (due diligence & SPA support). In financial services industry assisted on acquisitions of banks, insurance companies, non-banking financial institutions

Other information

Publications: "Mortgages in transition economies - the legal framework for mortgages and mortgage securities" - EBRD report (contributor); "Developing the Romanian Mortgage Market" - report cited in World Bank's Working Paper 45/2004 (contributor); "Romania Debt Market Assessment" - USAID report (co-author); "Tax gross-up clauses in cross-border loan agreements" - Curierul fiscal (co-author).

As quoted in the 2011 edition of *Legal 500 Europe, Middle East & Africa*, clients report that Andrei Burz-Pinzaru is "not only an excellent banking lawyer, but a true business adviser, with a good understanding of both borrowers and lenders angles, which is always very helpful in loan transactional work".



Leontin Trifa - Managing Associate

Tel : +40 21 207 53 13
Email : ltrifa@deloittece.com

Leontin specializes in Romanian finance and securities laws and regulations. Prior to joining Reff & Associates, he worked as Deputy Director for an investment bank, member of an international banking group. He has a law degree from the University of Bucharest and is member of the Bucharest Bar Association. Leo participated in numerous trainings on Prospectus Directive, Securitization and Asset Backed Securities and Project Finance.

Debt advisory experience: negotiated in approx EUR 800 million deals (both lender and borrower side) loan and security documents in syndicated / bilateral loan agreements, project finance, real estate acquisition finance, debt restructuring. Capital market experience: assisted various entities during the performance of initial public offerings or takeover offers, securities compliance matters, insider dealing and price stabilization. He participated in the multidisciplinary team drafting for the Romanian Securities Commission the securitization and mortgage bonds regulations.



Simina Mut - Managing Associate

Tel : +40 21 207 52 69
Email : smut@deloittece.com

Simina is an attorney at law, member of the Bucharest Bar and has been a member of the Reff & Associates team since 2005. She had significant exposure to international and European law aspects further to legal studies in Paris and Geneva. She also participated in several trainings on loan and security documentation and holds an asset backed securities certificate awarded by the New York Institute of Finance.

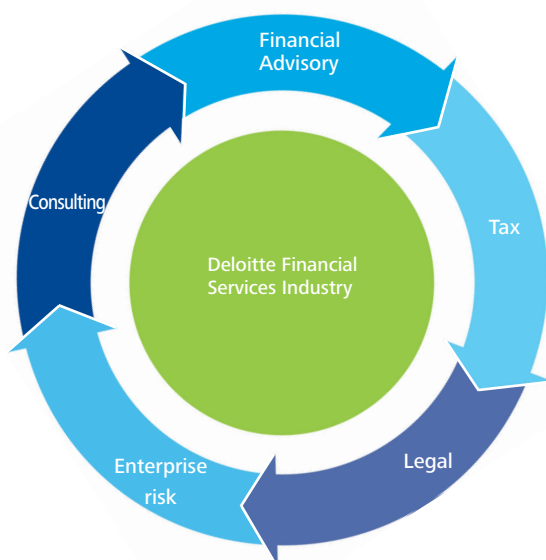
She specializes in secured lending, being involved in drafting and negotiating complex loan and security packages in high level cross-border financial agreements, syndicated loans, corporate and real estate finance (on both lender and borrower side) in transactions worth over EUR 1 billion. She participated in the multidisciplinary team drafting for the Romanian Securities Commission the securitization and mortgage bonds regulations.

A multidisciplinary approach for the benefit of our clients

Reff & Associates Banking, Finance and Capital Markets team is part of Deloitte Romania Financial Services Industry Group.

In our view, the financial, tax and legal aspects of most projects are necessarily linked and generally require extensive communication between advisers. Sometimes, when different financial, tax and legal consultants are used, communication is made more difficult and resources and synergies are not always properly used. Deloitte believes strongly that an integrated finance, tax and legal practice provides the most added value to our clients. Using multi-disciplinary teams ensures that all proposals are validated from finance, tax and legal angles from the earliest stages of the process, so that no time and resources are allotted to irrelevant courses of action. With a multi-disciplinary team of professionals having worked closely for several years, communication is direct and efficient, to the benefit of the client.

Whenever needed, the Banking, Finance & Capital Markets team of Reff & Associates works closely together with the Deloitte Tax, Financial Advisory, Risk Services and Management Consulting teams and leverages the power of Deloitte global network and multidisciplinary approach to the benefit of the clients.



Key contacts in Deloitte Romania Financial Services Industry Group

George Mucibabici

Chairman Deloitte Romania
+40 21 207 52 55
gmucibabici@deloittece.com

Andrei Burz Pinzaru

Legal Services Partner, FSI Leader Deloitte Romania
+40 21 207 52 05
aburzpinzaru@deloittece.com

Hein van Dam

Financial Advisory Services Partner
+40 21 207 52 30
hvandam@deloittece.com

Petr Pruner

Audit Partner
+40 21 207 54 50
ppruner@deloittece.com

Dan Badin

Tax Partner
+40 21 207 53 92
dbadin@deloittece.com

Andrei Ionescu

Enterprise Risk Services Director
+40 21 207 54 85
aionescu@deloittece.com

Doina Patrubani

Management Consulting Director
+40 21 207 98 35
dopatrubani@deloittece.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/ro/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.