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Samia Rabia



François Brouxel



Pierre Metzler

The letter of the law

ACQ's Phil Grainger speaks to Samia Rabia, François Brouxel and Pierre Metzler, corporate partners at Wildgen, Partners in Law.

Wildgen, Partners in Law, whose origins go back to the 1920's, is today one of the largest law firms in Luxembourg.

Since the 1980's, it centred its activity on business and financial law and has undergone a significant development together with the upsurge in the Luxembourg financial market. Pierre Metzler co-heads the Corporate Department with François Brouxel and specializes also in financial law, high-net-worth individuals and litigation. He is regularly involved in files dealing with mergers and acquisitions, banking and insurance advisory services, and corporate litigation. François Brouxel specializes in corporate and financial law and is involved in files dealing with mergers and acquisitions, banking and insurance advisory services, estate planning and corporate litigation.

Samia Rabia's principal areas of expertise are corporate law, cross-border mergers and acquisitions, joint ventures, re-restructurings, real estate and general corporate law. Her experience in tax and funds law allows her to have a global overview for every transaction. She also has much experience advising on her clients for the most appropriate vehicle to suit their needs. They are all members of the board of directors of several companies.

Pierre: "Most of Wildgen's activity comes from investors who invest throughout the world using a Luxembourg-based holding and financing vehicle and who are attracted to Luxembourg for its legal flexibility and tax optimisation."

"Last year saw a great deal of cross-border activity in Luxembourg. However as in many countries, the end of the year was marked by a slowdown caused by tighter credit conditions. There is a Luxembourg dichotomy in international deal-making: first, foreign investors are likely to be attracted to acquisitions in the manufacturing, banking or insurance and reinsurance sector and second, despite a relative decline in recent years, Luxembourg companies have also proved to be attractive targets for foreign private equity firms."

Samia: "I think globalisation has had a great effect on the way legal advisors work today. Lawyers must be ready to respond to their clients' international need much more so than before. It is essential that lawyers maintain an international network of contacts on whom they can rely and structure into a deal where appropriate. This phenomenon can also be seen at a European level with European lawyers now being able to advise other than in their home jurisdiction resulting in a freer and more competitive market."

François: "We recently advised and implemented a US\$4bn transaction for a world-leading agribusiness company, committed to sustainable agriculture through

innovative research and technology. My team assisted the company in the transfer of the treasury operations carried out in Luxembourg by four Luxembourg subsidiaries to the Dutch subsidiaries. In addition, the team advises and assists Luxembourg subsidiaries of this world-leading agribusiness company in their daily management."

Samia: "Last year, we were instructed to advise in respect of the acquisition of the Max Bahr Holzhandlung GmbH & Co. KG real estate portfolio by the European Real Estate Fund with finance provided by ABN Amro. The background of the transaction was the acquisition of an important chain of building supplies and DIY stores of Max Bahr by its competitor Praktiker Bau- und Heimwerkermärkte Holding AG for €0.8bn."

We assisted with the implementation of the Luxembourg acquisition structure steps. Within the tight time frame our lawyers worked often day and night to ensure the final closings ran smoothly.

"Our task was the setting up of a Luxembourg corporate structure and the implementation of the financial structure i.e. scrutinizing the funding from third party lender as well as conducting internal funding through shareholder loans and capital contribution. We also advised and assisted the client in the entire refinancing process including the release of all securities and the taking of the new securities. Currently we advise and assist the client in the selling process of Luxembourg vehicles."

"Our firm has been in Luxembourg for a long time and has a strong local presence. This combined with our international outlook and development allows us effectively to compete in the marketplace. Not only do we have collaborators from varied legal jurisdictions and traditions throughout Europe but we are also working with Chinese and Middle-Eastern lawyers. It is true that clients prefer initially to deal with a legal adviser from their own culture and this is something we recognize."

Pierre: "The end of 2007 was marked by a slowdown of the activity. In the last months there has been more caution and banks are not granting the kind of loans they granted a year ago. Luxembourg depends on developments in other markets but investors know that Luxembourg is a very stable jurisdiction and offers legislative flexibility. Luxembourg's status as the world's second biggest investment fund location and the biggest in Europe remains a powerful magnet for international capital."

Samia: "As Pierre has said, we have to recognize that there has been a global credit-crunch and banks are being more prudent before lending money. We are, however, not despondent. In the coming 12 months we hope to make global players aware of the advantages that Luxembourg has to offer as well as concentrating on emerging markets." **ACQ**

DETAILS

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