

# Global Infrastructure



Mayer Brown's Global Infrastructure practice has successfully executed complex, award-winning infrastructure projects around the globe. Whether advising on the financing and development of greenfield assets or the financing, acquisition or leasing of existing assets, our experience and resources have proven the key to getting the deal done.



# GLOBAL INFRASTRUCTURE

There is a growing need around the globe to develop new infrastructure projects and improve deteriorating infrastructure assets. To do so, governments are increasingly seeking private investment for the construction of new projects and for long term concessions of existing assets. At the same time, the rapid expansion of infrastructure funds has meant that the capital available for investment infrastructure has grown dramatically.

Mayer Brown's Global Infrastructure practice comprises attorneys in the Americas, Europe and Asia who advise on the full range of infrastructure transactions. We help clients with the financing and development of new infrastructure projects, as well as on the financing, acquisition or leasing of existing infrastructure assets. We also advise on the formation of the infrastructure funds that invest in these assets.

We offer experienced teams that have worked on some of the largest and most important infrastructure projects in the world. These include the first major US privatization transactions, the \$5.2 billion expansion of the Panama Canal and the award-winning Suzhou Industrial Park water project in China.

A thorough understanding of the infrastructure market, combined with a substantial track record, makes Mayer

Brown the first-choice law firm for the industry's most significant players. Named North American Infrastructure Law Firm of the Year in 2009 by *Infrastructure Investor Magazine*, many of our projects have earned "Deal of the Year" honors from prominent industry publications.

- **Denver FasTracks (US)** – North American Transport Deal of the Year 2010
- **Huascacocha-Rímac Water (Peru)** – Latin American Water Deal of the Year 2010
- **Paiton 3 (Indonesia)** – Asian Project Finance Deal of the Year 2009
- **São Paulo Rodoanel (Brazil)** – Transport Deal of the Year 2009
- **São Paulo Metro Line IV (Brazil)** – Latin American Infrastructure Deal of the Year 2008

- **Panama Canal Expansion (Panama)** – Project Finance Deal of the Year 2008
- **Aerodom (Dominican Republic)** – Latin American Acquisition Deal of the Year 2008
- **Lima Airport Partners (Peru)** – Latin American Project Bond Deal of the Year 2007
- **Northwest Parkway (US)** – North American Transport Deal of the Year 2007
- **Indiana Toll Road (US)** – North American Transport Deal of the Year 2006
- **Suzhou Industrial Park (China)** – Infrastructure Deal of the Year 2006
- **Chicago Skyway (US)** – North American Deal of the Year 2004

### Broad Infrastructure Experience, International Project Scope

Our Global Infrastructure group brings together experienced attorneys from the firm's finance, funds, corporate, tax and government practices to provide clients with integrated teams across our international network. This global reach is supplemented by a well-established network of relationships with law firms around the world, which enables us to work effectively wherever a project may be located.

### DEVELOPING NEW INFRASTRUCTURE PROJECTS

Our Global Projects practice has advised on award-winning and innovative infrastructure projects around the world. Our clients include developers, sponsors, investors, contractors and operators as well as commercial and investment banks, international financial institutions, export credit agencies, rating agencies and government and public agencies.

We offer the depth of knowledge and resources required to advise on any phase of the financing, development or operation of major projects. We regularly assist clients in developing the financial structures that drive infrastructure investment, whether through senior and subordinated lending, equity investments, securitization or leveraged lease transactions.

We also have extensive experience in procurement, and the preparation and negotiation of the design, construction and other agreements necessary to ensure a well-run project and an appropriate allocation of risk. We advise clients on securing the necessary permits and government approvals, responding to land use issues such as compatibility of infrastructure projects with local land uses, implementing successful environmental compliance, advising on historic preservation issues, developing effective government and public relations strategies and, where necessary, advocating changes in local law.

### FINANCING, ACQUIRING AND LEASING EXISTING ASSETS

In addition to our work on the development of new projects, we have an extensive practice advising bidding consortia, lenders and governments on the financing, acquisition, leasing and privatization of existing assets.

We have been active in public-private partnership (PPP) projects around the globe over many years. In the United States, Mayer Brown is the leading firm in private investment in existing infrastructure assets, having advised on most of the major US transactions completed to date. We were counsel on trail-blazing transactions for the Chicago Skyway, the Indiana Toll Road, the Northwest Parkway (Colorado) and the Chicago Downtown Public Parking

System. Our experience representing bidders includes the first toll road projects proposed in North Carolina and Mississippi and the proposal for the first privatization of a major US port.

Our strength in privatization and other public sector infrastructure projects is based in part on our strong government transactions practice. Our regular representation of public sector clients, and private sector clients interacting with governmental entities, gives us an in depth understanding of the distinct issues that are involved when contracting with a governmental entity, as well as the skills needed to complete large scale government transactions.

#### INVESTING IN INFRASTRUCTURE

Investment funds are playing an increasingly important role in the infrastructure sector. Our Global Private Equity and Investment Fund practices are consistently among the most highly rated in the legal profession and we are a market leader in all aspects of infrastructure funds.

We advise on the structuring, formation, fundraising and closing of regional and global infrastructure funds on behalf of both sponsors and major investors. Our representation of prospective investors in this rapidly growing asset class gives us detailed knowledge of current market practice, which further enhances the service we provide.

Recent work includes advising on the formation of UBS Global Asset Management's flagship OECD focused infrastructure fund, the UBS International Infrastructure Fund, and the formation of Global Infrastructure Partners, a \$5.6 billion infrastructure fund sponsored by Credit Suisse and General Electric. We also represent Macquarie Infrastructure Partners.

## Notable Infrastructure Experience Around the Globe

### LATIN AMERICA

**Argentina Power.** We represented the Export-Import Bank of the United States in the restructuring of the approximately \$320 million Senior Secured Debt of Central Puerto, S.A., the largest electricity generating company in Buenos Aires. This transaction was one of the only successful restructurings of electricity generator debt following the Argentine fiscal crisis and the subsequent material changes in the regulatory scheme applicable to electrical power generation and distribution.

**Brazil Beltway.** We acted for the principal sponsor, Companhia de Concessões Rodoviárias, and the concessionaire, Concessionária do Rodoanel Oeste S.A. in connection with the \$ 1.5 billion long-term limited recourse project financing of the Mario Covas Ringroad in São Paulo, Brazil. This deal was named Transport Deal of the Year 2009 by *Project Finance International* magazine.

**Brazil Metro.** We represented the borrower, Concessionária da Linha 4 do Metrô de São Paulo S.A. (ViaQuatro), and the Brazilian concession company Companhia de Concessões Rodoviárias (CCR) as lead sponsor in connection with the long-term limited recourse financing for the São Paulo Metro Line 4 Project. The project is the first PPP project in Brazil to be financed in the international markets and was named *Project Finance* magazine Latin American Deal of the Year for 2008.

**Brazil Port.** We are acting for Empresa Brasileira de Terminais Portuários SA, a port operator and part of the Coimex Group, on all aspects relating to the financing of an expansion to the Port of Santos, Brazil, which is expected to be

the biggest multi-purpose port in Brazil once completed.

**Caribbean Airports.** We represented The Bank of Nova Scotia in connection with the financing of the acquisition by Advent International of Aeropuertos Dominicanos Siglo XXI, S.A., one of the largest airport operators in Central America and the Caribbean. This was the first LBO acquisition in the Dominican Republic. The transaction was named *Project Finance* magazine Latin American Acquisition Deal of the Year for 2008.

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“a great infrastructure practice in Latin America”

*Chambers Global 2009*

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**Mexico Airports.** We represented Aeroinvest in its acquisition of a majority interest in Grupo Aeroportuario del Centro Norte, which has a majority interest in the Mexican company that owns and operates 13 airports in central Mexico through long term concessions from the Mexican Government. We subsequently represented Aeroinvest in a three tranche Euro-Peso 144A debt offering for 2.5 billion pesos (US\$200 million) to refinance the acquisition.

**Mexico Power.** We represented Banco Santander and Banco Nacional de Obras y Servicios Públicos in the \$700 million, 300 MW Nuevo Pemex cogeneration facility in Tabasco, Mexico being developed by Spanish infrastructure company Abengoa in partnership with GE. Latin America Power Deal of the Year 2010 by *Project Finance* magazine.

**Mexico Toll Road.** We are representing Empresas ICA, SAB de CV on the joint venture with Goldman Sachs Infrastructure Partners, formed to

implement the winning bid for the first FARAC toll road concession.

**Panama Canal Expansion.** We represented the Panama Canal Authority (ACP) as procurement counsel with respect to the construction and associated works contracts related to the planned Panama Canal Expansion Program, a \$5.25 billion project which will be the largest of its kind since the canal opened in 1914. This was the *International Financial Law Review's* Project Finance Deal of the Year in 2009.

**Peru Airport.** We acted for Merrill Lynch in connection with the \$164.9 million refinancing and securitization of revenue flows from the Jorge Chávez International Airport in Lima, Peru. The project was named *Project Finance* magazine Latin American Project Bond Deal of the Year for 2007.

**Peru Highway.** We have advised the lenders on each of the three financing phases relating to the IIRSA Sur highway in Peru. This includes representing Merrill Lynch & Co., as issuer, arranger and initial purchaser, in a Rule 144A/Reg S \$1.2 billion offering of Pass-Through Notes supported by payments of the Government of Peru on CRPAOs issued to a consortium engaged to construct the highway. This transaction was named *Latin Finance* Infrastructure Deal of the Year 2007 and Best Structured Bond Deal of the Year 2007.

**Peru Water Infrastructure.** Advised Peruvian water concessionaire Empresa Peruana de Aguas (EPASA) in the financing of its Huascacocha-Rímac water infrastructure project. This was the first water infrastructure project financing in Peru. The deal won Latin American Water Deal of the Year 2010 by *Project Finance* magazine.

## NORTH AMERICA

**Chicago Skyway.** We acted as counsel for the City of Chicago in all aspects of the privatization, including development of legal structure, the auction process and financing of the Chicago Skyway through a long-term lease with a consortium of Cintra Concesiones de Infraestructuras de Transporte, SA and Macquarie Infrastructure Group for \$1.83 billion. This was the first privatization of an existing toll road or toll bridge in the United States. This project was named *Project Finance* magazine North American Transport Deal of the Year for 2004.

**Chicago Midway International Airport.** We are lead transaction counsel for the City of Chicago in the privatization of Midway Airport, which would be the first privatization of a major airport in the United States. Our work has included analysis, with the City's financial adviser, of a range of alternative structures to maximize value to the City and negotiation of the terms and conditions of a proposed long-term concession and lease agreement.

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“a deep bench of resources” for infrastructure projects that goes far beyond transportation and roads

*Chambers USA 2009*

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**Denver FasTracks Eagle P3.** We represented Barclays Capital and Bank of America/Merrill Lynch as underwriters in \$397 million sale of tax-exempt private activity bonds for the concession to Denver Transit Partners to design, build, finance, operate and maintain three new commuter rail lines and related transit infrastructure in metropolitan Denver. The project was the first transit project to utilize an

allocation of tax-exempt private activity bonds and was named North America Transportation Deal of the Year 2010 by *Project Finance* magazine.

**Indiana Toll Road.** We acted as co-counsel for the State of Indiana in the long-term lease of the Indiana Toll Road for \$3.8 billion to a Cintra-Macquarie consortium. The long-term lease agreement included \$700 million of initial capital improvements by the private operator and a requirement to expand the road upon reaching specific congestion levels. This project was named *Project Finance* magazine North American Transport Deal of the Year for 2006.

**Infrastructure Fund.** We represent the sponsor of a \$1 billion infrastructure fund investing in infrastructure assets in the United States, Canada and Mexico.

**Natural Gas Pipeline.** We represented Alliance Pipeline in the development, construction and initial financing of its \$4 billion, 1,875-mile, high-pressure natural gas pipeline from British Columbia to Illinois.

**Northwest Parkway.** We acted as counsel for the Northwest Parkway Public Highway Authority in Colorado in the privatization of the Northwest Parkway, a toll road in the northwest suburbs of Denver that opened in 2003. We advised the authority on the bidding process and subsequent negotiations with the Portuguese-Brazilian consortium of Brisa-CCR, which resulted in a \$603 million transaction that included terms related to a future extension of the parkway. The project was named *Project Finance* magazine North American Transport Deal of the Year for 2007.

**Port of Portland.** We represented the Port of Portland in its long-term lease of the port's Terminal 6 marine container terminal. After beginning direct negotiations with Philippines-based International Container Terminal Services Incorporated (ICTSI), the Port of Portland entered into a 25-year lease with a subsidiary of ICTSI. We also advised the port in connection with required approvals from the Committee on Foreign Investment in the United States for the transaction, which represents ICTSI's first US port investment.

**Port of the Americas.** We are representing the Port of Americas Authority, a public authority of the Commonwealth of Puerto Rico, in connection with negotiations for the long-term operating concession for the \$750 million Port of the Americas container terminal project in Ponce, Puerto Rico.

**Indianapolis Water and Wastewater.** We acted as underwriters' counsel to Citigroup with respect to the Indianapolis Local Public Improvement Bond Bank's issuance of \$159 million in bonds, secured by payments in lieu of taxes to be made by Citizens to the city.

**Stadium and Convention Facilities.** We advised the lender consortium in connection with a hybrid securitization/project financing for the new baseball stadium for the St. Louis Cardinals; we represented the Illinois Sports Authority in all aspects of the financing, development, construction, operation and renovations and repair of both Comiskey Park/US Cellular Field and the new Soldier Field Stadium.

We represented the Chicago Metropolitan Pier and Exposition Authority in the negotiation and drafting of ground-breaking design-build

contracts for the McCormick Place convention center expansion (totaling approximately \$1.7 billion in construction cost); and negotiating with energy providers to construct and operate a local district heating and cooling plant for convention center facilities.

## ASIA

**Bangkok Airport.** Represented the main contractor for the New Bangkok International Airport (NBIA) on the construction of the Passenger Terminal Complex.

**China Port.** We advised a top international shipping group on a multi-million US dollar development of certain container ports in Zhejiang Province, China. This project involved the establishment of several joint ventures, issues of water rights, port infrastructure and equipment, as well as issues related to state-owned assets.

**China Waste Water.** We assisted Towngas in acquiring a 50% equity stake in the Suzhou Industrial Park Water Supply and Waste Water Treatment project. We drafted, negotiated and finalized the capital increase and equity subscription agreement, the joint venture contract, articles of association of the target company, and the concession agreement between the target company and the Suzhou Industrial Park Administrative Authority. The deal was named Infrastructure Deal of the Year 2006 by *Asian Legal Business*.

**Hong Kong Cyberport.** We advised the Hong Kong SAR Government on the Cyberport development project, which comprises a five-star Le Méridien Cyberport, Grade A office buildings, a retail and entertainment complex and conference and exhibition centre.

**Hong Kong Expo.** We acted for the Hong Kong SAR Government and Airport Authority Hong Kong as majority shareholders in the Asia-World Expo joint venture project with respect to the tendering process, establishment of the joint venture company and development issues, including drafting and reviewing EOI tender documents, handling lease, land grant and AA ordinance related issues, as well as drafting creative cash flow and profit sharing arrangements and advising on construction and operating issues.

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“an impressive track record in upstream energy and infrastructure deals in the PRC.”

*Legal 500 Asia Pacific 2008/2009*

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**Hong Kong Harbour.** We advised Western Harbour Tunnel Company Limited on its tender documents and negotiations for a 30-year franchise for the BOT Western Harbour Crossing Project. We also acted on the related HK\$5.2 billion financing and HK\$3.5 billion refinancing for the project.

**Hong Kong Rail Projects.** We advised Kowloon-Canton Railway Corporation on the planning, financing, design and construction of: the West Rail Project, a new 30.5-kilometer passenger line, which connects the North West New Territories of Hong Kong to the urban areas (capital cost in excess of HK\$57 billion); and the East Rail Tsim Sha Tsui Extension Project, which extended the existing Hong Kong to Guangzhou “East Rail” line.

**Indonesia Power Plant.** We represented The Long-Term Credit Bank of Japan, Ltd. (as co-agent) in a construction and permanent financing of a purified terephthalic acid plant in East Java, Indonesia.

**Indonesia Power Project.** We represented Export-Import Bank of the United States in connection with the \$1.4 billion

expansion project of the single-unit coal-fired power plant located in Java, Indonesia. The new independent power plant will share facilities with the existing Paiton I Project, in which we also represented US Ex-Im Bank. This transaction was named *IFLR Asia Project Finance Deal of the Year 2009*.

**Malaysian Water Developer.** We advised the Aqua Resources Fund, the first water fund to be listed on the London Stock Exchange, on its first investment and international joint venture with Ranhill Group of Malaysia to develop waste water treatment projects in Malaysia, China, Thailand and Vietnam.

**Vietnam BOT.** We assisted GS Engineering & Construction, a Korean company listed on the Korean Stock Exchange, in securing the first Investment Certificate to be granted under the Build-Transfer structure, a special form of investment under Vietnam’s BOT regulations to encourage investors to build infrastructure projects in return for special incentives.

**Vietnam Expressway Upgrades.** Acted for Habubank Securities in relation to an issue of 15-year VND400 billion bonds by the state-owned Vietnam Expressway Corporation (VEC). The bonds are the first VND corporate bonds whose repayment is guaranteed by the Vietnam Government acting through the Ministry of Finance. The bonds are part of the VND 8,600 billion planned to be raised by VEC to finance north-south highway upgrades.

**Vietnam Seaport.** Prepared the due diligence report in relation to the acquisition by a private equity fund of an equity interest in an entity involved in biotechnology, manufacturing, power generation and sea port located in Phuoc Thai Commune, Long Thanh District, Dong Nai Province, Vietnam. Total value was approximately USD390 million.

## EUROPE, THE MIDDLE EAST AND AFRICA

**2012 Olympic Games.** We assisted several construction contractors for the 2012 Olympic Games in London with the preparation and submission of bids for construction work on the Olympic Village. We are also advising an infrastructure owner on the implications under EU state aid rules of state funding of infrastructure at the Olympic site.

**African Greenfield Port.** We are advising a sponsor with a concession to construct and operate the first private port in Equatorial Guinea. This \$800 million port project will provide

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With domestic infrastructure expertise, Mayer Brown International LLP provides clients with ‘legal advice of the very highest quality’.

*Legal 500 UK 2008*

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facilities for 25,000 containers, ore grinding mills, storage and handling facilities as well as road, rail and utility infrastructure. Our role has included drafting the sovereign concession agreement, advising on contracting strategy, preparation of documentation and assisting in designing the financing.

**Bahrain Water Privatization.** We represented the Kingdom of Bahrain in the privatization of its power and potable water utility systems, which included advice on the structuring and implementation of a regulatory framework (including associated tariffs), structuring, drafting and assisting in the implementation of all necessary legislation, and preparing all project agreements necessary to undertake an independent water and power project.

**Channel Tunnel Rail Link.** We represented a contractor on a broad range of issues relating to the design, construction and completion of the UK’s first high speed rail line, the Channel Tunnel Rail Link. One of the largest rail infrastructure projects in Europe, this has included the construction of new international stations.

**Egypt Ammonia Plant.** We represented the Export-Import Bank of the United States as lender/guarantor in the \$540 million financing of a 1,250 tbd anhydrous natural gas-to-ammonia plant in Suez, Egypt. This was one of the first private (i.e., non-governmental sponsored) petrochemical transactions in Egypt.

**Heathrow Airport.** We provided contract advice relating to the design and construction of Terminal 5 at Heathrow Airport, London—one of the largest infrastructure projects in Europe in recent years.

**Jordan Port.** We are acting for the Concessionaire Aqaba Petroleum Company in its negotiation of a concession agreement for the operation and update of the Aqaba oil terminal.

**Turkey Motorway.** We represented Bank of America, NA in arranging a \$75 million term loan for the Republic of Turkey to finance completion payments on a motorway project.

**UK Lottery.** Advised the shareholders of the UK’s national lottery operator, Camelot – Cadbury, De La Rue, Fujitsu, Royal Mail and Thales – on the sale of the shareholdings in Camelot Group plc and Camelot Global Services Limited to Premier Lotteries UK Limited, an English company controlled by Ontario Teachers’ Pension Plan (“OTTP”), for approximately £389 million.

## About Mayer Brown

Mayer Brown is a leading global law firm with offices in major cities across the Americas, Asia and Europe. Our presence in the world's leading markets enables us to offer clients access to local market knowledge combined with global reach.

We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world's largest companies, including a significant portion of the Fortune 100, FTSE 100, DAX and Hang Seng Index companies and more than half of the world's largest investment banks. We provide legal services in areas such as Supreme Court and appellate; litigation; corporate and securities; finance; real estate; tax; intellectual property; government and global trade; restructuring, bankruptcy and insolvency; and environmental.

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