



Private Equity

OVERVIEW

We have been at the forefront of private equity deals almost since the invention of the leveraged buyout. With leading practices in both private equity funds and private equity transactions, we provide clients with an integrated service in all aspects of the private equity market. Our unparalleled geographic footprint, coupled with our commitment to both mid-market and multi-billion-dollar deals, provides us with a global perspective on structuring and executing private equity mandates.

The private equity industry is rapidly changing and we are well-placed to keep up with the changes given that we act for many of the world's largest and most successful buyout firms. Across the globe, our clients know that, whatever the nature and scope of their fund or deal, they will obtain a first class service from our team of private equity lawyers who routinely advise market leading clients in multiple industries on every aspect of their largest and most complex transactions.

Clients retain us again and again for our deep understanding of their needs, issues and goals. They rely on us to help them make the right deals on the right terms, thoughtfully assess risk and make appropriate trade-offs, and respond quickly to meet business demands. We have expertise on the ground in Bermuda, BVI, Cayman, Guernsey, Hong Kong, Isle of Man, Jersey, Mauritius and the Seychelles, and our services cover the whole life cycle of every fund and every investment, from fund formation and capitalisation of investment vehicles, through to public and private mergers and acquisitions, leveraged buyouts, group restructurings, refinancings, secured lending and transactional due diligence.

Because we have acted on many of the most significant deals that have taken place in recent years, we have a good grasp of hot topics facing the industry and innovative strategies being adopted in challenging market conditions. That's why many of the big players continue to come to us and why onshore firms work so seamlessly with us in this area.

OUR SERVICES

Transactions

We have one of the most active and highly regarded global private equity practices encompassing all aspects of this rapidly evolving field. Our team of private equity lawyers has extensive experience in the formulation of innovative strategies for structuring acquisitions and financings of private and public companies, negotiated as well as unsolicited acquisitions, going-private transactions, stock-for-stock acquisitions, spin-off transactions, co-investments and acquisitions of minority interests.

“Provides really good service, and is very responsive and great when we need things done within a quick timeframe.”

Chambers Global

Our private equity practice represents clients in many different industries, including buyers, sellers and management teams in both private and public companies. We also represent multiple private equity investors in consortium transactions.

Often private equity transactions can involve a comprehensive due diligence investigation of the target company. We are able to draw on its experience in the areas of finance, real estate, employment, litigation and insolvency, intellectual property and other concentrated areas as appropriate to help the client both assess the target company's value and properly structure the transaction.

PE Fund Formation Services

Our private equity advisory team is dedicated to the offshore legal needs of managers and sponsors of private equity, venture capital and real estate funds domiciled in the leading offshore fund centres of Bermuda, BVI, Cayman, Guernsey, Isle of Man and Jersey. The team also benefits from the local expertise of our offices in Hong Kong, Mauritius, the Seychelles and Shanghai.

Structures

Our private equity lawyers in each of these jurisdictions are well versed in the legal and operational implications for managers, sponsors and service providers of private equity, venture capital and real estate investment funds, and provide expert advice on the formation, structuring and funding of all types of private equity structures:

- Limited partnerships
- Limited companies
- Unit trusts
- Cell structures, such as Segregated Portfolio Companies, Protected Cell Companies and Incorporated Cell Companies
- Listed funds
- Hybrid investment vehicles
- Acquisition vehicles

We also form special purpose vehicles for general partners and carried interest partners, together with management and advisory companies. In addition, the resident private equity lawyers in our Hong Kong and Shanghai offices are uniquely positioned to identify and implement offshore solutions to suit local commercial objectives.

Life Cycle Advisory Service

Our private equity lawyers advise managers and sponsors throughout a private equity cycle, beginning with an analysis of the investment opportunity and target investor base, then domicile selection and design of the private equity structure. Ultimately, we assist with product implementation: establishing the private equity vehicle and general partner, carried interest partner and management/advisory entities; preparing the offering document and service agreements; advising on funding arrangements and side letter terms; and obtaining regulatory approvals. We can provide managers and sponsors with a holistic solution throughout this process or with a tailored solution at selected stages.

We advise on post-launch legal and operational issues, including portfolio funding, acquisitions and disposals, capital raising, side letters, reserved matters, modification of investor rights, restructurings and liquidation/wind-down.

Our work in the private equity area covers:

FORMATION WORK

- Establishing and structuring private equity, venture capital, real estate and other types of closed-ended investment funds, general partners, carried interest partners, management and advisory vehicles in Bermuda, British Virgin Islands, Cayman Islands, Guernsey, Isle of Man, Jersey, Mauritius and the Seychelles
- Establishing Shari'ah-compliant and "hybrid" investment vehicles
- Preparing primary fund documentation: offering/placement memorandum; constitutional documents; partnership agreements; subscription agreements; investment management/advisory agreement; carry agreements; side letters
- Reviewing debt and equity funding documentation
- Advising managers and sponsors on legal and regulatory issues
- Working with external legal and product development teams on new funds and structured products
- Provision of legal opinions to general partners and investors
- Primary and secondary listings of closed-end investment funds on leading stock exchanges

TRANSACTIONAL WORK

- Capital raising; subsequent closings
- Public and private mergers & acquisitions and private equity-backed buyout deals
- Secondary market acquisitions and disposals
- Add-ons, spin-offs and restructuring of portfolio companies
- Acquisition and operational financing (including high-yield bonds)
- Minority investment transactions and liquidity events in relation thereto
- Joint venture and growth capital transactions
- Co-investment transactions and liquidity events in relation thereto

Governance and Disputes

Our private equity practice is bolstered by our extensive experience in corporate governance matters. We routinely counsel boards of directors and executive officers regarding significant transactions, takeover readiness, disclosure issues and internal investigations.

“Appleby gives clients access to impartial offshore business knowledge and experience, as well as a talented pool of lawyers in each of its locations. This ensures that the most appropriate jurisdiction and team are always available to meet a client’s requirements.”
Chambers Global

WHO WE ADVISE & WHY

Representative Clients

We are counsel to many of the largest and most well-known private equity houses and fund investors in the industry. Our sponsor practice includes representation of a great many mid-market and emerging managers, as well as the largest and most prolific players.

Our leading practices in private equity transactions, fundraising, investment management, bankruptcy and business restructuring and finance ensure that we support the industry in all matters to further a client's business objectives.

Our clients around the globe include:

- Apollo Global Management
- BC Capital Partners
- Carlyle Group
- Collier Capital
- CVC Capital Partners
- D.E. Shaw & Co
- Golden Gate Capital
- Guggenheim Partners
- Oak Hill Capital Partners
- Ontario Teachers' Pension Plan
- Pacific Century Group
- Riverstone Holdings
- TPG Capital

These clients work with us because...

- We have an unparalleled presence offshore, offering a seamless services platform through one point of contact on cross-border deals.

Clients have one offshore contact across multiple offshore jurisdictions, whether they are managing major multijurisdictional transactions or a global platform of funds.

- They enjoy a team that is experienced in all the legal issues and challenges involved in dealing with private equity structures, joint ventures, limited partnerships, unit trusts, REITs and other products.

Our expertise spans every major industry and we have experienced M&A teams in all of our offices. Due to our global network, we have substantial capabilities and a deep background in executing complex cross-border transactions.

- We know the importance of providing top-quality legal advice that encompasses timely, practical and, where appropriate, innovative solutions.

To minimise risk, maximise efficiency and provide a competitive advantage for the client's business, no matter what the transaction is, we will tailor an appropriate structure to suit.

- We are an award-winning team and we have a track record of advising clients on the most complex and ground-breaking deals and structures.

Clients get the very best and most experienced advice because our lawyers are both efficient and knowledgeable.

- We have advised on some of the top offshore deals.

Our track record has been recognised by independent publications like Chambers & Partners, International Financial Law Review and the Legal 500.

- Our relationships with the leading onshore law firms working in private equity are unrivalled.

We pay careful attention to this which means clients get a truly cohesive approach to their transactions wherever there is an onshore and an offshore element.

- We have a dedicated relationship programme with our counterparts in the leading onshore firms.

REPRESENTATIVE WORK

Apollo Management International LLP

Advised Apollo Management LLP in connection with the Jersey, Guernsey, BVI and Isle of Man aspects of a real state portfolio acquisition from Lloyds Bank.

The Rohatyn Group (TRG)

Acted as sole Jersey counsel to the acquisition by The Rohatyn Group (TRG) of the emerging markets venture capital business of Citigroup (CVC). The transformative transaction expands and enhances TRG's emerging markets investment capabilities and global reach.

CVC Capital Partners

Acted for CVC in its majority-stake acquisition and recapitalisation of Cunningham Lindsey Group, the leading global loss adjusting and claims management firm, by a CVC-led investor group including Allied World Financial Services, from Stone Point Capital and Fairfax Financial Holdings.

EnCap Investments

Acted for EnCap Investments, a leading oil and gas private equity firm, in the formation and registration of EnCap Energy Capital Fund IX-C, L.P., an offshore feeder to EnCap Energy Capital Fund IX, L.P., with USD5 billion of limited partner capital commitments for investment in US upstream oil and gas.

Oaktree Capital Management LP

Advised Oaktree Capital Management LP in connection with various real estate portfolio acquisitions, enforcement scenarios and equity bids.

Riverstone Equity Partners

Acted for Riverstone, the energy and power focused private equity group, in connection with a listing of its shares on the London Stock Exchange in October 2013, raising approximately USD1.2 billion.

KEY CONTACTS



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ABOUT APPLEBY

Appleby is one of the world's leading offshore law firms. The Group has offices in the key offshore jurisdictions of Bermuda, the British Virgin Islands, the Cayman Islands, Guernsey, Isle of Man, Jersey, Mauritius, and Seychelles, as well as a presence in the international financial centres of Hong Kong and Shanghai.

With over 470 people, including lawyers and professional specialists, across the Group, Appleby delivers sophisticated, specialised services, primarily in the areas of Corporate, Dispute Resolution, Private Client and Trusts, Regulatory and Property. The Group advises public and private companies, financial institutions, and high net worth individuals, working with these clients and their advisers to achieve practical solutions, whether in a single location or across multiple jurisdictions.

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