



Welcome to the first edition of the Advoc Quarterly Update!

During the Europe meeting in Istanbul in September 2011, it was decided that we would like to hear more regularly from each other about member firm successes and any other developments in the Advoc network. As a result, the Quarterly Update has been introduced so that you have the opportunity to let your Advoc colleagues know what your firm has been up to and hear updates from the Advoc Global Committees and other members.

2012 promises to be a good year for Advoc as we welcome new members in Latin America and North Africa and as I continue to support you all in any way possible.

This update is full of information from your fellow Advoc member firms. Everything from events to news to recent work that has been completed. If you would like to have any information from your firm included in the next update, please send it along to me at advocweb@ashfords.co.uk.

I hope you all had a wonderful Christmas and I look forward to working with you throughout 2012.

Best wishes,
Tamara



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Global Executive Committee

Asia	Dunstan de Souza	<i>CBP Lawyers</i>
Europe	Niels Opstrup (Chairman)	<i>Delacour Dania</i>
Latin America & Caribbean	Diego Pardo Tovar	<i>Diego Pardo Tovar Advogados</i>
North America	Bill Sellay	<i>Robinson & Cole</i>

Global Rules & Protocol Committee

Asia	Simon Fraser (Chairman)	<i>CBP Lawyers</i>
	Chelsea Li	<i>Jincheng Tongda & Neal</i>
Europe	Niels Opstrup	<i>DeLaCour Dania</i>
	Mindaugas Vadapalas	<i>Vadapalas, Vaitekūnas & Partners - Eurolex</i>
Latin America & Caribbean	Carlos Roberto Siqueira Castro	<i>Siqueira Castro</i>
North America	Will Sellay	<i>Robinson & Cole</i>
	Gary Tober	<i>Garvey Shubert Barer</i>

Global IP

Asia	Robert Gregory	<i>Maddocks</i>
	Cindy Goh	<i>Cheang & Ariff</i>
Europe	Ingo Selting (Chairman)	<i>Selting & Baldermann</i>
	Mark Lomas	<i>Ashfords LLP</i>
Latin America & Caribbean	Rodolfo Mesa	<i>Mesa & Mesa</i>
North America	Gary Tober	<i>Garvey Shubert Barer</i>
	Kathy Porter	<i>Robinson & Cole</i>

Global Website & Marketing Committee

Asia	Timothy Cheung	<i>Fred Kan</i>
	Geoff Hosking	<i>Hesketh Henry</i>
Europe	Simon Rous (Chairman)	<i>Ashfords LLP</i>
	Dinu Petre Cunesco	<i>Balaciu & Asociatii</i>
Latin America & Caribbean	Antonio Garbelini	<i>Siqueira Castro</i>
	Rodolfo Mesa	<i>Mesa & Mesa</i>
North America	Bill Sellay	<i>Robinson & Cole</i>
	Gary Tober	<i>Garvey Shubert Barer</i>

Global Web and Marketing Committee Update

2011 saw the creation of the new Advoc website by Optix Solutions in the UK and the employment of a full time Advoc assistant to ensure that all marketing and web needs are met. The employment of Tammy as Advoc Web Assistant has allowed the website to flourish. We can now add more than one Twitter feed per company, view the RSS and enjoy better search functionality on the News section of the website. Tammy is also a support mechanism for all Advoc Practice Groups, so please contact her if you need assistance with your group. She will be able to help with anything from updating the members of your group to helping you plan events.



During the time that Tammy has been with us we have seen an increase in Extranet activity with many Practice Groups uploading documents to their section and utilising the features that we have there. If you have lost your username and password please contact her at advocweb@ashfords.co.uk.

Tammy has researched the use of the Advoc brand throughout the network with an aim of standardising use. Her report on Members Current Uses of the Brand and Recommendations for standardisation has been circulated to the Web and Marketing and Management Committees and will receive wider circulation in due course.

This update is Tammy's work. It will be replicated on a quarterly basis as resolved in Istanbul to keep members updated with network developments.

Within the coming months we hope to enhance our internet presence through more LinkedIn and Facebook activity and increase the Advoc brand awareness with the implementation of a standardised Advoc brand. 2012 is set to be a great year for Advoc!

Simon Rous, Chairman, Global Web and Marketing Committee

Global Rules & Protocols Committee Update

The Committee held a meeting during the Advoc LA conference in Cartagena, Colombia, on 26 November 2011. The key outcomes of that meeting were:



- Finalising a draft statement summarising "the Purposes of Advoc" and agreeing to circulate it through the Network for further comment.
- Following the discussions at the Frankfurt Joint Meeting regarding the use of the Advoc name and logo, and in particular whether there should be protocols regarding the use of these - the Committee has asked the Website & Marketing Committee to advise on policy. In due course the Committee may prepare a draft protocol for submission to the next Joint Meeting.
- The main issue discussed was ongoing Network governance. The Committee feels that as Advoc grows there is a need for a formalised type of General Secretary role to ensure management and development of the Network. Given that the Network has agreed to fund a person full time to manage the website, the Committee resolved to ask the Website & Marketing Committee if that person could be made available, potentially one day per week, to assist with the management and ongoing development of the Network. Tasks could include:
 - Following up execution of adherence deeds by existing and new Members, on behalf of the IP Committee;
 - Maintaining Advoc-wide records, such as minutes of Advoc-wide committees;
 - Ensuring that appropriate activities of Advoc committees were recorded in publications and included on the website;
 - Promoting Network-wide activities, such as conferences and following up attendance, especially for Joint Conferences;
 - Possibly assisting the Treasurer (Europe) in following up payments due from Advoc Chapters for Advoc expenses;
 - Assisting preparation of an Advoc-wide budget/business plan; and
 - Other miscellaneous administrative duties.

The Chairman of the Website and Marketing Committee has welcomed the proposal and indicates it can be implemented.

- The Committee agreed to develop more detailed proposals for Network governance to replace the temporary arrangement for a Network Executive Committee as established at the Joint Meeting in Frankfurt. The Committee will work to bring proposals to the Joint Meeting in Boston in 2013 after an extensive process of consultation throughout the Network.

The Rules & Protocols Committee is continuing its work and will hold its next face to face meeting during the Advoc Europe AGM in Stockholm in May 2012.

Simon Fraser, Chairman, Rules & Protocols Committee

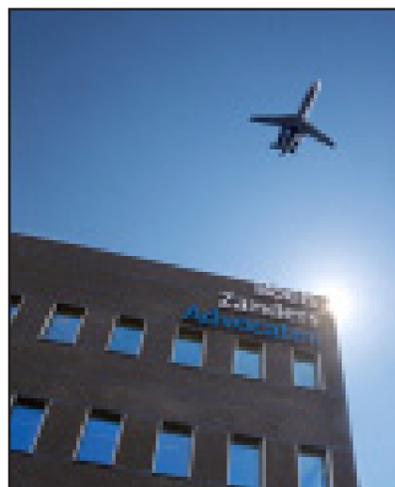
Boels Zanders Advocaten

Boels Zanders is a long-established Netherlands based law firm with over 60 specialised lawyers and offices in Eindhoven, Maastricht, Roermond and Venlo. We provide legal services to companies, government organisations and non-profit organisations, focusing primarily on corporate/M&A, commercial, IP/IT, real estate and employment law.

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Eindhoven
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Roermond
Venlo



New location for the Maastricht office of Boels Zanders NV

The Maastricht office of Boels Zanders moved to Maastricht-Aachen Airport on 1st July 2011.

COCUZZA & ASSOCIATI

Studio Legale

COCUZZA & ASSOCIATI: new entry in the IP department of the firm in Milano.

Sabrina Giani will head the IP department of COCUZZA & ASSOCIATI.

Sabrina has vast experience in advising and representing clients on IP matters with particular regard to innovation in the areas of digital technology, trademarks and advertising. A graduate of the Catholic University and a member of the Bar since 1998, Sabrina will join the firm as counsel as of December 2011, continuing to operate also from her Turin office, where she handles complex litigation matters.

This collaboration will enhance the spectrum of our services, in line with our attempt to provide efficient and cost-effective advice to our national and international clients.



Members in Focus

Bo Vadt Christensen (born 1954, residing in Copenhagen) is specialised in insolvency law and lawsuits. He has a right of audience before the Supreme Court and is a permanent trustee for the Copenhagen Maritime and Commercial Court. With regards to insolvency matters,

he is ranked in Legal 500 and Chambers. Bo also practices in general commercial law and association law, compulsory sales and sports law. He is member of the Doping Commission for the National Olympic Committee and Sports Confederation of Denmark and represents Team Denmark (the Danish elite sport organization).

Bo is also member of the Danish Law and Bar Counsel's regulatory and supervisory committee and is examiner at the Bar examination. Furthermore, he lectures in compulsory sales and has also temporarily acted as judge in the Eastern High Court in 2003.



Thomas Munk Rasmussen mainly gives advice to Danish and foreign enterprises within



IT law issues, including outsourcing, purchase and sale of hardware and software, internet law and domain names, license agreements and law enforcement. Furthermore, he advises on personal data protection issues, including notification and application to the Danish Data Protection Agency, whistleblower arrangements, corporate binding rules, personal data protection policies and data processing agreements. He also offers advice within intellectual property law as well as marketing and consumer law.

Since 2009, Thomas has each year been identified by Who's Who Legal as "Outstanding" within the areas of Internet, E-commerce & Data Protection. He is furthermore mentioned as "extremely knowledgeable" in the field of IP by Legal 500, 2011.

News from our members in the Czech Republic

DVOŘÁK & SPOL. advised European Bank for Reconstruction and Development ("EBRD") as its local counsel on the overall assessment of the quality of the PPP regulatory framework in the Czech Republic.

DVOŘÁK & SPOL. acted for EBRD as part of a group of firms covering several jurisdictions in the Central and Eastern Europe region. The legal team was led by partner Libor Vacek, renowned Czech expert on PPP and co-author of the commentary on the Czech Concession Act.

DVOŘÁK & SPOL. participated in two major employment law initiatives in the Czech Republic recently. Tomáš Procházka represented DVOŘÁK & SPOL. as speaker and panelist at the "Labour law changes in 2012" conference organised by the American Chamber of Commerce in Prague. Separately, in cooperation with Prague team of Mazars tax and advisory firm, DVOŘÁK & SPOL. organized a client seminar focused on upcoming major changes in the labour and employment legislation taking effect from 1 January 2012.



New lawyers join ISOLAS

ISOLAS has recently had the pleasure of welcoming another three lawyers to its team. Marisa Hernandez, Michael Podesta and Danielle Victor joined the ranks of Gibraltar's longest established law firm at the beginning of October and have been busy, as is customary, organising their calls to the bar in the UK and courtesy calls to the judiciary and other senior members of the local profession.

Marisa will be focusing on corporate finance and ship arrest work, Michael will be joining the funds team and Danielle will be assisting the dispute resolution team with personal injury matters.

The news follows on the heels of the announcement a few weeks ago that Steven Caetano joined the partnership.

ISOLAS' focus on organic growth and development has seen it recruit steadily in response to the growing needs of its clients and partners.

Selwyn Figueras, ISOLAS' business development manager, explained how "over the last few years ISOLAS has experienced significant yet measured growth. We've recruited a number of very experienced lawyers to bolster the firm's expertise in certain key areas creating, thereby, the kind of solutions driven and close personal service we're all very proud of. The recruitment of three newly qualified lawyers now provides us with the opportunity of passing on that experience to a team of people who can help us to continue developing our participation in the key sectors of local practice. I'm looking forward, as are the rest of the lawyers at ISOLAS, to working with them and to providing them with all the tools and guidance they need to quickly create and develop their own professional profiles in the market."

For further information visit www.gibraltarlayers.com/news/all/128 or, for Smartphone users, please scan the code above with your QR code reader.



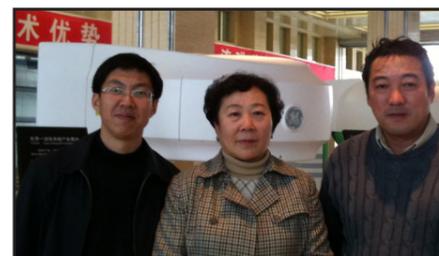
Events news from JianZhong Law Firm

On August 18-19th 2011 the International Business Committee of All China Lawyers Association hosted the 2011 annual meeting in Neimenggu Jianzhong Law Firm. Wang Junfeng, Party Leadership Group Member and Vice President of All China Lawyers Association, Feng Xiumei, Vice Secretary-General, Zhang Hongjiu, Director of International Business Committee, and twenty-one other prominent lawyers from across China who engaged in international business, came together at Jianzhong Law Firm. The annual meeting was to discuss and study problems of Chinese lawyers participating in international competition, which provided a valuable learning opportunity for lawyers of Jianzhong Law Firm.

On September 23th 2011, during the lawyer bidding ceremony of Hohhot Railway Sub-bureau of Ministry of Railways PRC, Jianzhong Law Firm won the bid, employed as the perennial legal advisor of the company. On October 15th 2011 Dr. Liu Hong, Deputy Director of Jianzhong Law Firm, and Mu Ren, Director of Xilinhot Branch, participated in a Forum on Northeast Asia Law in Ulan Bator, Mongolia. Liu Hong made a keynote speech in the assembly.

On November 17th 2011, upon invitation by Huang Jin, the President of China University of Political Science and Law ("CUPL"), Song Jianzhong returned to CUPL and made a specialist lecture on the topic "Carry Forward the Spirit of CUPL, Shoulder Community Responsibilities".

On December 2nd 2011 the 2011 provisional general meeting of partners was held. The meeting adopted the welfare-oriented allocation of housing scheme for the second time, planning to purchase 36 welfare housing units of five-star Tian Fu Plaza, to resolve the residence for all staff.



Read the latest news in JTJB's September 2011 Newsletter



The contents include:

- Article - Director's right to inspect the company's accounts and other documents under section 199(3) of the Singapore Companies Act.
- Notable Cases handled by JTJB - JTJB acted in two significant shipping cases that went to the Singapore Court of Appeal this year.

- Lagoon View Privatisation Exercise - JTJB represented Lagoon View Owners' Association in a privatization exercise.
- JTJB supports the Olam Cup - JTJB was the Official Legal Services Provider to a cricket tournament that featured top international stars.
- New Additions - JTJB welcomes its newest addition to the JTJB Team.
- Shipyard Seminar - JTJB participated in a seminar specially designed for shipyards.

To view the full article please visit: <http://www.advoc.com/uploads/954edf3d3114f0c4438528871.pdf>



Norman Waterhouse welcomes Anna Hsiao to its migration practice

Norman Waterhouse has a long history of working with overseas clients, particularly investors from China, providing to them a range of services associated with migration, commercial and property development matters.



In the migration area, Norman Waterhouse focuses in particular on:

- Business Skills migration – business ownership or investment
- Employer Nomination migration – temporary and permanent programs.

As part of a planned expansion of its migration practice, Norman Waterhouse is pleased to welcome Anna Hsiao, a solicitor and registered migration agent with 5 years' experience of advising clients on migration matters. The addition of Anna brings Norman Waterhouse's bilingual (Chinese/English) practitioners to six, four of whom are registered migration agents.

Maria Ho, Partner, heads the migration team and, together with Sean Keenihan, leads the international business practice. She joined Norman Waterhouse in 2006 and since then has utilised her extensive experience within commercial and migration law to build a robust and highly successful international business practice for the Firm.



Maria is fluent in spoken and written Cantonese and Mandarin and is an accredited NAATI professional level Chinese-English two way translator. Maria provides overseas investors with a range of services designed to assist them to establish a solid base for conducting business in Australia.

For further enquiries about Norman Waterhouse's migration and international practice, please contact Maria Ho via email mho@normans.com.au, phone +618 8210 1274 or mobile +618 403 255 998



Interactive Employment Law "HR Adviser" App

MacRoberts recently launched a free interactive HR Adviser smartphone App which since launch has proved extremely popular, generating around 2,000 downloads so far via iPhone and Android.

As the UK's first app to have an interactive unfair dismissal compensation calculator, it's a valuable source of information about UK employment law, containing unique redundancy and unfair dismissal calculators alongside useful contacts and websites links.

HR Adviser is the brainchild of MacRoberts partners Graham Mitchell, Employment Law, and David Flint, IP Technology & Communications. The overview of the major elements of UK employment law was designed as part of MacRoberts' drive to utilise all the benefits of modern technology and find ever more efficient ways of assisting and communicating with clients.

Said Graham, "We listened very carefully to our HR clients and developed a practical, useful and relevant app which addresses the issues HR professionals face every day in an increasingly difficult employment law environment."

David said, "There's great enthusiasm within MacRoberts for finding new ways of enhancing the technological service we provide to clients and employment law was identified very quickly as an area in which we could significantly add value. Many of our clients are large employers and have issues with employment law all the time. It's an area in which reliable information is often needed quickly and it lends itself to an information-based system such as HR Adviser."



For full info on the HR Adviser App visit: http://www.macroberts.com/content/content_1510.html



Largest full-service law firm in Brazil announces seven new partners

São Paulo, November 25, 2011 – A firm under continuous growth. That is the consensus regarding Siqueira Castro – Advogados, which recently announced new partnerships for five associates. In addition, the firm also announced the return of two former attorneys, also as company partners.

"We are extremely pleased to announce the addition of such partners. Many of them started their careers as trainees at Siqueira Castro, and some of them are now reaching the top of the professional development ladder, reaching the most prestigious position in our structure. This represents the firm's commitment and recognition of the loyalty and outstanding performance these professionals have shown, resulting from Siqueira Castro – Advogados' investment in talent retention and renewing our staff. Additionally, I am very pleased to confirm that the Firm is growing in several different operating areas and is establishing new operations in many regions around the country, illustrated by the profiles of our recently-announced partners," says Carlos Fernando Siqueira Castro, CEO of the law firm.

Among the associate attorneys promoted are Luiz Carlos Monteiro (Consumer Law), Luiz Machado Bisneto (Litigations), Marluzi Andréa Costa Barros (Tax Law), Paula Heleno Vergueiro (Corporate Law) and Rubens Emidio Costa Krischke Junior (Litigations).

The attorneys rejoining the Firm are Eduardo Macedo Leitão (Consumer Law) and Felipe Barreira Uchoa (Tax Law).

Increase

Siqueira Castro – Advogados reaches a total of 58 partners, recording a 10% increase in the number of partners in 2011, consolidating itself as the largest full-service law firm in Brazil.



Launching of a new Luxembourg Insolvency Task Force

VANDENBULKE has launched a specific task force fully dedicated to enforcement and restructuring proceedings in a Luxembourg context.

Loan facilities extended during the booming years of 2005-2007 are now reaching maturity and the firm anticipates a dramatic growth of pre-insolvency and insolvency-cases. We have also noted that there is still gross ignorance about Luxembourg insolvency and how it works on a practical basis.

The TASK FORCE will relay with specific advice by providing a diagnosis of the situation and a set of scenario and possible actions protecting their interests. It gathers the best experienced lawyers of the firm in corporate, insolvency and tax regulations allowing an optimal advice of enforcement of the security packages.

For any enquiries, please contact Laurence Jacques at lj@vdblaw.com.

VANDENBULKE's Awards

For the second consecutive year, VANDENBULKE has been elected as the "Boutique tax law firm in Luxembourg" by Corporate International magazine. This award is another recognition of the unique Luxembourg expertise of the firm in the field of tax, offering a dedicated and unparalleled service to selective clients.

In addition, VANDENBULKE was a finalist for the best 'European Niche Law firm of the Year' in the prestigious Lawyer European Awards. This category recognises, throughout Europe, excellence and outstanding performance in firms' specialist sector, strategic vision, strong financial performance and growth and excellent talent management. Considering the Luxembourg's legal market size, getting short-listed is an achievement in itself. This recognition is an endorsement of VANDENBULKE's search for legal excellence and focused strategy.

Finally, Laurence Jacques, partner, has been elected '2011 Banking Lawyer of the Year in Luxembourg' by Corporate International magazine. This award confirms Laurence's outstanding practice already recognised by Legal 500 and Chambers & Partners.



Thai Labour Law: Temporary Suspension of Business Caused by the Great Floods

Recently more than 30 provinces in Thailand have been affected by the great floods that impacted business operators in various industries. One of the most affected provinces is Ayutthaya, which is a home of certain major industrial estates, and more than 300 business operators located in those industrial estates were flooded.

If the working premises are affected by the floods, and employees are not able to work, this could be considered "Force Majeure", and the employers who suspend the operation would not have to pay wages to employees during that period. Certain employers who temporarily suspend their business due to flooding but are not considered a Force Majeure (for example, the flood is due to regular high tide), the employers would still have obligation to pay no less than 75% of wages that the employees received prior to business suspension for the entire closure period.

If the employers terminate the employees because business is severely affected, the employers are required to give a notice of termination by specifying the causes. A termination notice must be given in time so that it takes effect on the next time of payment, unless the employers make payment in lieu of notice to immediately effect the termination.

In any event, when terminating employment due to any other reasons than the faults of the employees, the employers still have to make severance payment to employees according to the laws.



Bankruptcy Tourism

A growing trend in Europe

Anglo Irish Bank (now Irish Bank Resolution Corporation ("IBRC")) v Sean Quinn brings the concept of bankruptcy tourism to the forefront of legal debate. On 2 November 2011, IBRC lodged a claim for almost €2 billion in personal guarantees from Mr Quinn in the Irish courts. Nine days later, Mr Quinn was adjudged bankrupt in Northern Ireland, alleging that his COMI was in Northern Ireland on the basis that "he was born, bred and worked all [his] life" in Northern Ireland. IBRC launched a formal application last week challenging Mr Quinn's bankruptcy on the basis that his COMI is in fact in Ireland.

The UK has long been seen as "debtor friendly" and many foreign debtors are utilising its insolvency procedures. It is a popular destination for migrating companies and individual debtors because of its well regarded insolvency procedures. Its popularity is largely due to the certainty and predictability of the insolvency process and, for individual debtors, there is automatic discharge and release from their debts after 12 months - one of the shortest discharge periods in Europe.

The EU Parliament passed a resolution on 15 November 2011 in respect of insolvency proceedings in the context of EU company law recommending, among other things, that there should be a definition COMI formulated in such a way to prevent fraudulent forum shopping. We wait to see whether this recommendation will be enacted.



How do law firms implement technology?
By Dunstan de Souza, Managing Partner, CBP Lawyers

The importance of getting it right

The old story about rolling out new technology is that a CEO would tell the IT people: "I'd like it to be on time, I'd like it to be within budget and I want it to work. And any one of those three will do." Because, notoriously, it was usually over budget, it was usually late and the thing didn't even work anyway.

Of these three things, it's the last one that matters the most. You'll be forgiven for being over budget and for being late, but you really need to get it right.

Getting it right has several vital components to it. One is making sure you have good, smart and very obliging people in-house doing software development and tech support. Another is not unleashing the technology across the firm until you've done a trial run. The third crucial element for a successful rollout is to scrap the jargon. Don't blather at people in technical speak or you'll make them run for cover.

Technology isn't everything, but it's no longer optional

It's true that with every innovation, some resistance to change is inevitable. However, every tribe, every community has its own set of rules, its set of behaviours which are not negotiable.

Increasingly, the non-negotiable behaviour within law firms includes the acceptance of the technology that the community as a whole has decided to adopt.

To read the full text of this article, please visit:
<http://www.advoc.com/uploads/664f0ea5046449f3577815611.pdf>

West Australian Liberal and Labour Leaders Stand United Against the Minerals Resource Rent Tax



This year there has been much debate surrounding the Minerals Resource Rent Tax Bill 2011 (Cth). A few feathers have been ruffled from politicians and mining magnates alike, not to forget the very public debate between the newly crowned Prime Minister Julia Gillard and defender of the West, Liberal leader Colin Barnett.

In an interesting turn of events, Western Australian Labour leader, Eric Ripper, and Premier Colin Barnett united against the MRRT, with Mr Ripper insisting that Western Australia is heavily, and unfairly, subsidising the rest of Australia.

Despite this, federal Labour leaders reached a last minute deal with the Greens to pass the mining tax through the Lower House. The final legislation to go before the Senate includes MP Andrew Wilkie's amendment to increase the profit threshold from \$50 million to \$75 million. Proposals from WA Nationals MP, Tony Crook, to assist small mining companies were defeated. The proposals included a 10 million tonne threshold, exclusion of magnetite ore and a commitment that small miners would not pay more than the big three miners.



Cartel Criminalisation

The Commerce (Cartels and Other Matters) Amendment Bill ("Bill") was introduced to Parliament in October 2011 after extensive consultation and significant resistance over the last eighteen months. The key aims of the Bill are to clarify the law around hard-core cartel behaviour and introduce criminal penalties.

HESKETH HENRY
The Art of Law

The Bill criminalises "cartel provision", which is defined as intentionally entering or giving effect to a contract, arrangement or understanding that has the purpose, effect or likely effect of price fixing, market allocating, bid rigging, or restricted output.

There is an exemption for "collaborative activity" provided for in the Bill. Collaborative activity is intended to cover the current and narrower joint venture exemption, as well as an ancillary restraints defence. In essence, the exemption for collaborative activity is intended to make it clear that the legislation encourages pro-competitive behaviour, as well as promoting innovative and efficiency enhancing activities.

Companies and other commercial entities who are proposing to undertake collaborative activity can ensure protection for themselves from prosecution by seeking clearance from the Commerce Commission. The effect of the clearance is that the applicant and any party to the contract / arrangement under which the collaborative activity exists cannot be prosecuted under the Act for entering into or giving effect to the contract / arrangement.

If you would like any further information or explanation in relation to the issues discussed in this article please contact Geoff Hosking, Partner, Hesketh Henry Lawyers, New Zealand on +64 9 375 8693 or email geoff.hosking@heskethhenry.co.nz.



Cross-border insolvency proceedings in Europe

Council regulation (EC) No 1346/2000 is very important in cross-border insolvency cases within Europe. The main idea is that you start main insolvency proceedings in the Member State where the debtor has the centre of his main interests. If the debtor has an establishment in another member state then it is possible to start secondary proceedings which are limited to the assets located in that State. The Estonian Supreme Court recently made two decisions concerning cross-border insolvency. In that case the company's centre of main interests was in Finland and a branch in Estonia. In Finland main insolvency proceedings were started and reorganization proceedings were chosen. The branch in Estonia also had assets, and an Estonian creditor started secondary proceedings in the Estonian court. According to the council regulation, annex A insolvency proceedings in Finland are bankruptcy and reorganization. However, in Estonia the only insolvency proceeding is bankruptcy. The Estonian Supreme Court found that it is possible to start bankruptcy proceedings as a secondary proceeding, whereas in Finland reorganization was the main proceeding.

Another interesting aspect was pointed out. All of the branch's bank accounts were arrested by the Estonian court. A reorganization adviser asked to cancel the arrest because the assets are necessary for reorganization proceedings in Finland. The Estonian Supreme Court stated that neither the reorganization adviser or the liquidator in Finland can file objections, nor can he ask the court in secondary proceedings to cancel the measure for securing of action. The court also found that the cancellation of the arrest can be unjustified and unfair for creditors in Estonia.



By Jana Reitsakas

Developments in Czech commercial and corporate laws

An amendment to the Czech Commercial Code effective from 1 January 2012 will bring about major changes in the Czech commercial and corporate regulations. Specifically, in contracts governed by the Commercial Code, it will now be possible for the parties to agree in advance on excluding or limiting liability for damage (except for damage caused intentionally). We recommend taking advantage of this possibility and negotiating adequate amendments to agreements with business partners.

Furthermore, the amendment allows that company directors simultaneously perform their functions in an employment relationship. This, until now, has not been admissible based on judicial case-law. Associated changes in tax laws eliminate the differences between the taxation of salaries in employment relationships and compensation payable to directors. We recommend carrying out a thorough audit and review of current agreements with the directors/members of corporate bodies, also taking into consideration related changes in taxation. Finally, the amendment to the Commercial Code relaxes some of the current rigorous conflict of interest regulations applicable to intra-group transactions.

Approval of directors' fees

The Czech Supreme Court has again confirmed that compensation of the company's directors must be approved by the company's shareholders or the supervisory board. Without such approval an agreement on the performance of a function is ineffective, and instead of the negotiated compensation a member of a company's body is entitled only to fair compensation.

The new Hungarian Parliament and government introduced unorthodox solutions to help stabilise Hungary's economic situation.

This resulted in the continuous amendment of the legal regime in the field of banking, finance and capital markets. In the following, we highlight two recent changes that have had a retroactive effect on contracts concluded before the acts came into force.

The government described the situation of debtors whose debts are denominated in foreign currencies as "the biggest ticking bomb" in the Hungarian economy. The Parliament, therefore, introduced a new scheme whereby borrowers are entitled to repay their debts using exchange rates fixed significantly below current market rates. Previously the government prohibited foreclosures and created a state asset manager that would purchase the homes of certain non-paying debtors, who may then rent them. Banks will be allowed - or possibly required - to sell these properties at between 35% and 55% of their original estimated value.

A new law introduces a cap on interest rates in consumer mortgage loans and regulates how interest rates could be calculated. The new law also amends the Civil Code by introducing a mandatory base rate plus 24 percentage point cap for contracts where both parties are natural persons. The new provisions are applicable for contracts concluded after 1 January 2012, when the new provisions enter into force. However, if the maturity of the loan agreement exceeds one year, the debtors may request that their agreement be amended in accordance with the terms of the new law. The creditor cannot charge any fee, cost or commission for the amendment of the loan.

István Gárdos

Parliament Attempts to Circumvent Judicial Appeal Process Through Retrospective Legislation

The controversial and retrospective Tax Laws Amendment (2011 Measures No. 8) Act 2011 was assented to on 29 November 2011 and the change in the definition of 'marketable petroleum commodity' contained in the Petroleum Resource Rent Tax Assessment Act 1987 (Cth) now affects tax years from 1 July 1990.

The amendment follows a series of clashes between the ATO and Esso Australia Resources Pty Ltd about the rate at which Bass Strait gas is taxed. Esso lost its initial challenge and appealed to the Full Court of the Federal Court in November 2011. The government responded by pushing its legislative amendment to the PRRTA Act through Parliament as, without retrospective legislation, a loss on appeal may have required it to refund Esso millions of taxes paid since 1991.

On 26 October 2011, in Esso Australia Resources Pty Ltd v Commissioner of Taxation (No 1) [2011] FCAFC 134, the Federal Court dismissed the Commissioner of Taxation's application to adjourn the hearing of the appeals on the basis that draft legislation had been introduced into Parliament which, when passed, would render the proceedings redundant due to its retrospective effect. The Full Court disagreed, partly because there was no guarantee of its passage through Parliament. It brought forward its decision but ultimately dismissed Esso's appeal on 6 December 2011 (Esso Australia Resources Pty Ltd v Commissioner of Taxation [2011] FCAFC 154).

Draft law to amend the law on the Luxembourg Société de Gestion de Patrimoine Familial «SPF» (Family Wealth Management Companies) introduced on 15 July 2011 in order to comply with the principles of the Treaty on the Functioning of the European Union and the Agreement on the European Economic Area.

The key element in the draft bill would consist in abolishing the exclusion criteria pertaining to the tax exemption for any SPF that receives more than 5% of its dividends from non-resident and non-listed companies that are not subject to tax similar to Luxembourg corporate income tax.

Such amendment would allow any SPF holding shares in any non-resident and non-listed companies in low tax jurisdictions to keep advantage of the SPF tax regime in case of dividend distribution. An increase in foreign investments made by the SPFs could therefore be expected in addition to new business perspectives due to a wider market potential.

Amendments to the Luxembourg-Russia Double Tax Treaty, introduced by the Protocol of November 21, 2011

One of the most significant changes is the reduction of dividend withholding tax rate from 10% to 5%, which will bring Luxembourg holding structures on a level-playing field with Cyprus and the Netherlands. The reduced dividend withholding tax rate at 5% will apply since the Luxembourg shareholder holds at least 10% of shares in a Russian company and invests at least EUR 80,000.

Combined with the absence of Luxembourg in the Russian black list (whereas Cyprus is still listed), the improved tax treatment of dividends derived by Luxembourg companies should invite Russian international groups to consider Luxembourg as new holding platform and notably for relocation of Cyprus companies. The Protocol is expected to apply as of 2013 (or 2014).

**Apisith & Alliance Ltd.
Thailand**

Around September 2011, a minor tremor was felt in the international trade/import-export business community when the Thai Government initiated five anti-dumping investigations on the same day against imports of steel products, coated art papers and motorcycle inner tires from various Asian countries. Apisith & Alliance's International Trade Practice Group, led by partner Apisith John Sutham, remained as counsel in four of the five investigations by the foreign exporters, including some of the largest companies in their respective industries such as Union Steel, Dongbu Steel and Oji Paper. The proceedings are ongoing and are expected to be completed by late next year.



**Apisith & Alliance Ltd.
Thailand**

Our Corporate Finance Practice Group was the legal adviser to Hyperion/Howden Broking Group on its acquisition of Accette Holdings, a major regional insurance broker with operations in various Asian countries, including Thailand. Here Apisith & Alliance were able to advise Howden Broking Group on Thai insurance law and regulations as well as structuring the transactions. Partner Utain VichaiPAIRojwong was the lead lawyer from Apisith & Alliance.



**DVOŘÁK & SPOL.
Czech Republic**

DVOŘÁK & SPOL. advised Conseq investment management company in connection with the acquisition by one of its funds of two solar parks in the Czech Republic. The transaction included comprehensive due diligence of the project SPVs, structuring of the transaction, negotiating of the transaction documentation and also financing of the transaction. This transaction is one of the first investments by institutional investors into photovoltaic installations after the introduction by the Czech government of retroactive taxation of revenues from renewable energy facilities at the end of 2010. The transaction was successfully completed in September 2011.



**DVOŘÁK & SPOL.
Czech Republic**

DVOŘÁK & SPOL. advised the shareholders of D.I.S. spol. s r.o., a building contractor specialising on infrastructure projects, in connection with sale of a majority shareholding in the company to PSJ a.s., a major Czech construction company. DVOŘÁK & SPOL. worked on this transaction with the seller's transaction advisor Patria Finance, a prominent Czech and Slovak corporate finance boutique and a unit of KBC Group. The transaction was cleared by the Czech Competition Authority and completed in October 2011.



**Boels Zanders NV
Netherlands**

Boels Zanders assisted Wienerberger AG in the purchase of the Wavin subsidiary Euroceramic BV, a leading supplier of ceramic pipe systems. Euroceramic operates one plant in the Netherlands and generated revenues of approx. €21 million with roughly 100 employees in 2010. Our Advoc colleagues of CVS (Paris) advised Wienerberger with regard to the purchase of the French sales office.

Wienerberger is the world's largest producer of bricks and the market leader for clay roof tiles in Europe and concrete pavers in Central-East Europe.



**Boels Zanders NV
Netherlands**

Boels Zanders assisted in the sale of the shares of the Floral Group to a Dutch subsidiary of Sally Beauty Holdings, Inc. (NYSE: SBH).

The Floral Group is headquartered in Eindhoven. Floral Group operates three concepts in the beauty industry and serves the professional and retail consumer through 19 stores and 33 direct sales consultants. Total revenues for the Floral Group were approximately €22 million for the last 12 months with 130 employees.



**Gárdos, Füredi, Mosonyi, Tomori Law
Hungary**

We participated in one of the first insolvency procedures of a significant municipality by advising and representing a credit institution in the course of the restructuring of the municipality's debts.

We provided legal assistance to a savings co-operative in relation to its transformation into a bank, which is an interesting exercise from both corporate and banking regulatory aspects.



**Gárdos, Füredi, Mosonyi, Tomori Law
Hungary**

We represented Citibank, the Hungarian distributor of structured notes issued by Lehman Brothers in a series of litigations started by the owners.

Our law firm also provided legal assistance regarding issuance of publicly offered bonds by Diákhitel Központ Zrt. an entity operating the student-credit system under the surveillance of the Hungarian government.



**Hesketh Henry
New Zealand**

Client
Trans Tasman Commercialisation Fund
(shareholder of Halo Inductive Power
Technologies Limited, a Guernsey-based
company)

Transaction
Sale of Halo Inductive Power Technologies
Limited to Qualcomm Corp (Delaware)

Value GBP £21 million

Other Advisers DLA Piper (USA) for
Qualcomm

Completed October
2011



HESKETH HENRY
The Art of Law

**Hesketh Henry
New Zealand**

Client
Avery Dennison Office Products (NZ) Limited

Transaction
Proposed sale of worldwide office products
division

Value
TBD

Other Advisers
Latham Watkins LLP (USA) for Avery Corp

Completed
TBD

Lawyers
Geoff Hosking, Kara
Wilton, Lydia Wallis



HESKETH HENRY
The Art of Law

**Maddocks
Australia**

Maddocks has recently acted in the sale by Austral-Asia Coal Holdings Pty Ltd (a subsidiary of the IMC Group based in Singapore) of its 30% interest in the Ashton Joint Venture to White Mining (NSW) Pty Ltd (a subsidiary of Yanzhou Coal Mining Company Limited based in China). The Ashton Joint Venture relates to an open cut and an underground coal mine located in the Hunter Valley, New South Wales. The sale price was US\$250 million, and the sale was completed in 2011.

Maddocks had previously acted for Austral-Asia in its acquisition of the 30% interest in the Ashton Joint Venture from the 2 other joint venture partners in 2005. During that process Maddocks conducted a detailed due diligence on the Ashton Joint Venture and negotiated the purchase documents.

Maddocks had also acted for Austral-Asia in relation to the financing of the underground coal mine by a consortium of Australian banks.

As the Chinese Government has a stake in Yanzhou Coal, the sale was subject to a number of conditions, including obtaining the approval of the Foreign Investment Review Board and various Chinese Government approvals. The transaction also involved transfers of interests in mining tenements and the assignment of numerous agreements that had been entered into by the parties to the Ashton Joint Venture.



Maddocks

**KLA - Karlerö Liljeblad Advokatbyrå
Sweden**

In the beginning of July 2011, KLA Advokatbyrå (led by Conny Tranberg, Partner) advised Strömme Turism & Sjöfart AB "Strömme", one of the largest event companies in Sweden (with famous brands such as Strömme Kanalbolaget, Stockholm Sightseeing, City Sightseeing, Open TopTours and Interbus), in respect of its divesture of the ski resort Riksgränsen to Visionalis AB (owner of the ski resort Björkliden). Riksgränsen is the most northerly and legendary ski resort in Sweden. The purchase price is not disclosed.



KARLERÖ LILJEBLAD ADVOKATBYRÅ

**KLA - Karlerö Liljeblad Advokatbyrå
Sweden**

KLA Karlerö Liljeblad Advokatbyrå (through Ann Liverud Kalbhenn, Lead Partner, and Pontus Sörlin) is advising Swedish fuel cell technology company myFC AB during the process of commercialisation of the product PowerTrek. The advice, which includes strategic advice on intellectual property and product liability, has resulted in the establishment of a production line and a world-wide distribution network for the PowerTrek. The PowerTrek is a 2-in-1 solution that is both a fuel cell and a portable battery pack, used by people who spend time away from the electricity grid. PowerTrek provides instant power anywhere to electronic equipment for all the devices that can be charged via USB, and provides up to 9 watt hours of energy.



KARLERÖ LILJEBLAD ADVOKATBYRÅ

**Vandenbulke
Luxembourg**

Client
Central American Timber Fund

Transaction
Setting up of a specialized investment fund
by the transfer of a stichtung

Value
Half a billion euros

Closed
Sept. 2011

Lawyers
Denis Van den Bulke (Fund practice)
David Louis (Fund practice)
Aurélien Favier (Fund practice)



VANDENBULKE
new ways of thinking law in Luxembourg

**Vandenbulke
Luxembourg**

Client
AIG Real Estate Global Investments Europe
AIG Asset Management

Transaction
Debt restructuring of a Joint Venture
involving 17 Luxembourg companies active
in real estate development projects in
Germany.

Closed
On-going

Lawyers
Laurence Jacques (Corporate)
Frédéric Paget (Corporate)
Thibaut De Veyt (Corporate)



VANDENBULKE
new ways of thinking law in Luxembourg

**Mesa & Mesa
Dominican Republic**

Client

1st Source Bank. Based in Indiana, USA
(Has \$4.31 billion in assets.)

Transaction

Represent a leading American Bank in the loan and security Agreement in order to provide and execute additional collateral security for a aircraft transaction of US\$6,250,000.00.

Lawyer

Rodolfo Mesa (Corporate)
Jose Valdez (Real Property)



**Mesa & Mesa
Dominican Republic**

Client

Lloyd's. The world's leading insurance market providing specialist insurance services to businesses in over 200 countries and territories

Transaction

Legal representation of leading reinsurance company in several claims for civil liability for around \$10,000,000 regarding aircraft accident.

Lawyers

Rodolfo Mesa (Corporate)
Gabriel Peralta (Litigation)



**Siqueira Castro
Brazil**

Siqueira Castro helps Italian shipyard developer set up in Brazil

Siqueira Castro - Advogados has been hired by Italian company Navalmare to provide legal advice in matters related to the construction of a new shipyard, in the company's first project in Brazil.

Construction for the new shipyard, to be located in the Suape complex on the coast of Pernambuco state, is to start this month, as will the firm's work. "We will provide comprehensive legal advice on the project, from the creation of Navalmare's Brazilian subsidiary to the acquisition of assets and manpower for the shipyard's operation," says Augusto Carneiro de Oliveira Filho, corporate partner at Siqueira Castro's Rio de Janeiro office.

Initial investment for the project is set at 250 million reais (approximately US\$144 million) and the shipyard is to be fully operational within three years. Once construction is completed the company expects to employ around 1,000 people.

Siqueira Castro and Felipe Gomes helps French engineering group enter Brazil

Siqueira Castro and FIDAL helps Egis, French engineering group, enter Brazil through the acquisition of a majority stake in VEGA, company is currently involved in a number of railway projects across Brazil. Amount involved: U\$70 million.



Inheritance and Succession Practice Group

Group Co-ordinator: Michael Alden m.alden@ashfords.co.uk

The recent introduction of the Inheritance and Succession Practice Group has been a success, already resulting in a referral from Ashfords to a Dutch firm in relation to an estate in which the Deceased was born in the Netherlands, lived in the UK for 30 years and held assets in both jurisdictions. This demonstrates the advantage of being able to quickly and easily locate a contact in a different jurisdiction - an increasing number of individuals own property in more than one jurisdiction and it is hoped that the use of the new Practice Group to locate contacts in such circumstances will increase. The Practice Group have also started a database containing contact information of any members who are Notaries, ACTAPS, SFE and STEP members (or any other associations relevant to this area of law).

Insolvency and Restructuring Practice Group

Group Co-ordinators: Alan Bennett a.bennett@ashfords.co.uk
Lars Hjortshoj Nielsen lhn@delacourdaniala.dk

I have had a positive response to our email concerning the Insolvency Practice Group from many of you. All that remains is for me to arrange the inaugural telephone conference in the New Year, so that we can discuss further how to use this Practice Group to the best advantage, and to exchange ideas and information on current insolvency issues. Please, if you have not already responded and are interested in being involved in this Practice Group, let me have your details (my email address is above). If you know of a colleague who might also be interested, please let me know or pass on this to them. The more involved, the greater use to us all this Practice Group can be.

In the meantime, we have issued the latest Cross-Border Insolvency Bulletin (please find copies of the November and December issue at www.advoc.com). There are interesting developments around in the world. Australia has developed its law relating to proceedings against companies in Administration, bringing it into line with legal thinking in the UK. Insolvency tourism is becoming an issue of more and more importance, with significant cases involving retail companies and personal bankruptcies within the EU. We will be in contact very shortly with a date for the telephone conference. Please let me know as soon as possible, if you have not done so already, if you would like to be involved.

Alan Bennett

Real Estate Practice Group

Group Co-ordinator: Giulia Comparini gcomparini@cocuzzaeassociati.it

The Real Estate Practice Group held its first meeting during the last Open Board Meeting in Istanbul. During the meeting the participants focused on certain main issues, with the aim of identifying possible cooperation among members in the various areas of the real estate industry.

The participants agreed on the need to exchange information between members on the areas of practice of each member firm in real estate (for example, commercial, residential, lease, logistic, financing, etc.) It was proposed to circulate a data sheet aimed at collecting the main information on the real estate practice and on the deals done in order to identify the possible areas of cooperation.

It was also proposed to inform each other on the marketing activity of each firm in the real estate sector, on the participation at conferences such as Expo Real, MAPIC, MIPIM etc. and on the prospects of development of the respective clients in order to identify the countries of interest and possible referrals.

Maritime and Transport Practice Group

Group Co-ordinator: Henrik Kleis hk@delacourдания.dk
Deputy: Charles Hattersley c.hattersley@ashfords.co.uk

Ashfords Marine Department have uploaded various articles including our latest newsletter which we hope maybe of interest to fellow Advoc members. We hope that other Advoc members will also post articles or newsletters on recent developments or current issues in their respective jurisdictions.

There are interesting developments regarding VAT and superyachts throughout Europe, with more countries seeking to close various "loopholes" in their legislation and we await to see how the various legislative amendments operate in practice.

Europe AGM

Date: May 16-20, 2012
Location: Stockholm, Sweden
Host: KLA



LA Meeting

Date: June/July, 2012
Location: Panama City, Panama
Host: Patton, Moreno & Asvat



PATTON, MORENO & ASVAT
INTERNATIONAL LAWYERS

Europe Board Meeting

Date: October 5-7, 2012
Location: Milan, Italy
Host: Cocuzza & Associati

COCUZZA & ASSOCIATI
Studio Legale

Asia AGM

Date: November 8-11, 2012
Location: Ho Chi Minh City, Vietnam
Host: LuatViet



LA Meeting

Date: November/December, 2012
Location: Buenos Aires, Argentina
Host: Nicholson & Cano

N | Nicholson y Cano
C | ABOGADOS

Joint Network Meeting including:

Europe AGM
LAC AGM
Asia Meeting
North America Meeting
Date: May 8-12, 2013
Location: Boston, Massachusetts, USA
Host: Robinson & Cole

