

sánchez
devanny®

**CORPORATE
AND M&A**





Corporate and M&A

The corporate and transactional practice group represents the largest and one of the core practices of Sánchez Devanny. The accumulated experience of our corporate and transactional group is very ample based on the nature of our services, the wide range of our clients' business and industries, and all legal implications that corporate and transactional (M&A) matters represent for foreign and domestic investors in Mexico. Our team of specialists in this practice group possess representative experience advising companies investing in Mexico, expanding and restructuring their operations in our country, as well as selling or divesting part or the entire businesses, when needed.

In addition, our attorneys in this practice group regularly assist our clients in dealing with those legal requirements to carry out their daily operations. We are very close to their manufacturing and/or services operations, in order to fully understand their needs, the applicable legal requirements to such industries, and detect and reduce those business risks they face when doing business in Mexico. The group also heads the environmental legal advice with respect to all projects and manufacturing operations of our clients, as well as to secure all federal and local permits and authorizations required to operate in Mexico.

As a group, we are also responsible to provide anti-trust legal advice for mergers and acquisitions, concentrations of assets and/or operations, agreements between competitors, leniency programs and other complex anti-trust issues.

The legal services provided by the corporate and transactional practice group are:

- » Comprehensive advice on mergers and acquisitions, public and private partnerships, investment and divestment transactions, corporate and group restructurings, liquidations, reorganizations, sale, and purchase of entities and assets. The referred legal advice includes providing guidance on transboundary corporate and tax implications and planning (along with our tax practice group).
- » Spin-offs, restructuring and workouts, due diligence, and regulatory compliance reviews (including for the sale of companies and/or assets).
- » Privatizations and joint ventures, and any form of business' establishment in Mexico.
- » Distribution arrangements and advice on all types of commercial related agreements, such as warehousing, licensing and manufacturing arrangements, among others.

REPRESENTATIVE EXPERIENCE

- » This is an equity joint venture agreement with DEACERO, S.A.P.I. de C.V. (Mexico steel conglomerate) and Suzutoyo Seiko Co. Ltd which involved the spin-off the target unit business for its incorporation into a new company where all parties with make new investments for its growth under an equity joint venture model. The target business is engaged in the manufacturing and commercialization of certain steel and wire rod products related to the automobile industry in Mexico, the United States and Canada. Our advice comprised the legal Due Diligence, our legal and tax advice on the joint venture structuring, advice on sensitive potential antri-trust law issues, take the role of lead drafting counsel of the Joint Venture Agreement and a substantial number of ancillary agreements, including the By-Laws of the new company. In provide our advice we have covered

As part of this advice we support our clients in the design and implementation of optimal corporate and tax structures (along with our tax practice group); and prepare all the required documentation, whether contractual, corporate or administrative, for the execution and implementation of all civil and commercial agreements and transactions; as well as the preparation and maintenance of their corporate books and records and providing advice on compliance issues in general.

We are also involved in the formalization process of certain corporate acts and transactions for corporations, such as the general shareholder or partners meeting minutes, capital variations and for the incorporation of commercial companies and amendment of their By-laws.

This practice also advises clients on a broad range of contractual matters in virtually all industry and services sectors, including supply contracts, distribution, sale and purchase, construction, design, procurement, lease, and services in general.



Industries we serve

Our Corporate and M&A practice group possess ample experience advising companies and investors in the following industries: Automotive, Aerospace, Manufacturing in general, Energy, Information Technologies, Food and Beverages, Services, Retail, Financial Services and many others.

- several legal fields, including contractual, labor, intellectual property, foreign trade, environmental compliance, anti-trust and regulatory matters. This transaction is important because of the size of the companies it involves, the complexity of aligning legal backgrounds and corporate governance culture and model of companies from different jurisdictions and the complexity of protections for minority shareholders (our client and Suzutoyo) in a context where the spun-off business where the equity joint venture materializes will rely on the operation and current infrastructure of the controlling shareholder. The transaction closed on September 20, 2017.
- » We assisted our client in the negotiations with Daimler AG to increase the production capacity of the facility operated by Cooperation



REPRESENTATIVE EXPERIENCE

- » This is an equity joint venture agreement with a Mexico steel conglomerate and a Japanese company which involved the spin-off the target unit business for its incorporation into a new company where all parties carried out new investments for its growth under an equity joint venture model. The target business is engaged in the manufacturing and commercialization of certain steel and wire rod products related to the automobile industry in Mexico, the United States and Canada. Our advice comprised the legal Due Diligence, our legal and tax advice on the joint venture structuring, advice on sensitive potential antitrust law issues, take the role of lead drafting counsel of the Joint Venture Agreement and a substantial number of ancillary agreements, including the By-Laws of the new company. In providing our advice we have covered several legal fields, including contractual, labor, intellectual property, foreign trade, environmental compliance, anti-trust and regulatory matters. This transaction is important because of the size of the companies it involves, the complexity of aligning legal backgrounds, corporate governance culture and model of companies from different jurisdictions, and the complexity of protections for minority shareholders (our client and the Japanese company) in a context where the spun-off business where the equity joint venture materializes will rely on the operation and current infrastructure of the controlling shareholder.
- » We assisted our client in the negotiations with a German car manufacturer to increase the production capacity of the facility operated by Cooperation Manufacturing Plant Aguascalientes, S.A.P.I. de C.V. the JV Vehicle incorporated by a Japanese leader in the car manufacturing and German leader car manufacturing on a 50/50 basis. This transaction included negotiations to amend the original terms and conditions of the JVA as well as other relevant documents. We also performed processes to obtain clearance from the Federal Competition Commission. This transaction is very important as it allowed the client and its joint venture partner to increase the required production capacity of the plant.

- » We advised the buyer on all due diligence and transactional legal aspects, including pre-merger filing analysis. This deal in the food industry involved a very complex sale structure where the buyer needed to assess and negotiate tailor-made risk mitigation structures and covenants. Further, this deal was very complex because of the profile of the sellers where the process involved a very high learning curve for the seller side from the transaction, structure and procedure perspective. Patience was a key asset for all involved from buyer's team to accomplish a satisfactory deal for everybody.
- » We provided legal advice and assistance to a Spanish leader in the Oil & Gas industry in the negotiation of a joint venture agreement to acquire 50% interest in a family-owned group of companies, located at Baja California Sur, Mexico mainly engaged in the development of fuel services stations and supply services. We represented the client through the whole transaction, from the Due Diligence process, structuring of the transaction, negotiations and closing of the deal.
- » Equity joint venture between an Austrian company and a Mexican company for investment in Brazil. We act as lead counsel for the transaction representing our client as the new equity investor. We advise the client on the legal structuring and involved Brazil lawyer for the legal due diligence. This deal is important because of the cultural challenges. On the one hand, a very sophisticated international big conglomerate and, on the other hand, a Mexican family business doing their first international transaction and first equity joint venture. In addition, a very complex structure of contributions, involving equipment, cash and intangibles. The investment is a small one but very strategic for our client.
- » We are currently advising a client on a corporate restructuring in Mexico, including mergers and liquidation of subsidiaries as a result of a global merger. We are also representing the company on tax audits conducted by the Mexican Tax Authorities, in order to mitigate potential tax, labor and foreign trade contingencies.
- » Multi-jurisdiction cross-border stock and asset acquisition where the target company is one of the world's leading producers of sparkling wine and wine with subsidiaries, sales and vineyards in Mexico. The acquisition was of 50.07% of the ownership worldwide. We conducted the legal due diligence for Mexico and provided advice on legal aspects for the master purchase agreement. This deal was important because of the tight timeline to complete the due diligence and the bidding offer and the Mexico business ownership structure involving asset and stock acquisition and material outsourced services.



- » We are currently advising the client on a corporate restructuring in Mexico, including mergers and liquidation of subsidiaries as a result of a global merger with a global leader in the industrial services from the US. We are also representing the company on tax audits conducted by the Mexican Tax Authorities, in order to mitigate potential tax, labor and foreign trade contingencies.
- » Provided legal support through our clients' Corporate Headquarters in Washington DC in connection with the Corporate Spin-off resulting in the incorporation of Forti-five Corporation, a Fortune 500 Company based in Everett Washington with 20,000 employees focused on the Professional Instrumentation and Industrial Technologies segments. Sánchez Devanny documented all corporate work pertaining the spin-off in Mexico to reflect in all books and records as well as its corporate legal ramifications regarding contractual obligations in the country.
- » Assisted one of the global aerospace leaders in the reorganization of its global structure. Our advise included our participation in the merger process of two companies (Investments and Holdings) of the group in Sweden and the subsequent sale of the shares owned by the Holdings Company to the Investments Company.
- » We represented our client in the sale of its facilities in Mexico which were immersed in a bankruptcy process. This transaction included negotiation with creditors, real estate sales, drafting documentation and negotiating transactions, and closing. As part of the transaction, we are currently representing the client's interest in the bankruptcy process of one of the companies of the client in México.
- » Assisted one of the leaders in the Oil & Gas industry in Mexico in the review and renegotiation of the Joint Venture Agreement entered among a Mexican Company and a Company from the Netherlands. Our client is a Mexican subsidiary owned by both companies, on a 50/50 basis. our client is a company mainly engaged in the compression and liquefaction of natural gas. This deal is relevant as it is an energy-related transaction derived from the Mexican energy reform.



- » As part of a global sale, we advise this client on the sale of their facilities in Mexico dedicated to the transfer technology. This transaction included performing due diligence, real estate acquisition, drafting and negotiating of the required transaction documentation and closing.
- » We advised the client in the structure of their business in Mexico, from the incorporation of a Holding company to participate in electric industry activities. Such advice included the drafting of a Joint Venture Agreement with a potential partner in order to implement a Qualified Supply scheme in the new Wholesale Electricity Market and the regulatory matters to secure Market Participant status before the National Center of Energy Control (CENACE) and the negotiation with the counterparty. Additionally, we provided the client with ongoing advice for their regulatory, finance and contractual matters required for the acquisition of equity in an SPV for the development of clean energy projects in Mexico. We also advised the client in the drafting of a Power Purchase Agreement for sale of power, accumulative electricity and clean energy certificates. This deal is relevant because we are advising the client in all of the legal matters needed by them to implement and develop a clean power supply and generation business in Mexico.
- » Acquisition by a Global Fashion brand of the business and the assets of three companies of the stores branded under the trademark of the Global fashion brand in Mexico. We advise our client during the whole transaction process. From the incorporation of the vehicle which acquired the assets to the closing of the transaction.



Our Corporate and M&A Team

The Corporate and M&A team is conformed by attorneys with extensive experience in this field, also the team has the knowledge and contacts in several organizations to provide prompt response to our clients' needs. The experience of our attorneys in this field includes mergers, acquisitions, selling of companies, corporate projects, corporate finance, stock market, business transaction structuring, joint ventures, corporate restructuring, public and private bidding processes, PPPs, startups, coordination of our clients' operations with other jurisdictions and provide day-to day legal advice.

Daniel Maldonado-Alcántara

Daniel has significant experience in business, corporate and financial operations, and contract negotiations for international transactions. He co-chairs the Corporate Governance and Regulatory Compliance practice group of the firm. He advises clients on M&A transactions, joint ventures, corporate restructurings, commercial contracting and real estate matters. He also specializes in corporate governance and compliance matters, and has advised multinational companies, particularly from the automotive, pharmaceutical, medical device and retail industries in complex compliance investigations and risk assessments.

Debby McKey-Durán

Debby joined Sánchez-DeVanny in 2008 and has more than 10 years of experience advising on cross-border, multi-jurisdictional and domestic mergers and acquisitions (stock and asset deals), corporate governance, divestitures, corporate restructuring, joint ventures, including private equity deals, as well as financing and setting up of collateral. Her work includes advising investors and companies in different industry sectors on their day-to-day legal needs, including corporate and commercial matters related to their set-up and/or incorporation in Mexico.

Ernesto Silvas-Medina

Ernesto has over 20 years of experience serving as lead or local counsel for international and domestic corporate clients, institutional investors, private equity funds and family-offices. He has extensive experience in middle and upper-middle market cross-border transactions, multi-jurisdictional and domestic stock and asset acquisition transactions and projects, and in-bound and out-bound equity joint ventures. He advises international banks and financial institutions and international and domestic corporate borrowers on cross-border commercial loans, syndicated loans and project financing and all type of security packages and collateralization. Additionally, Ernesto advises international companies on structuring their entry and/or investments in Mexico, setting up manufacturing facilities or businesses in Mexico and all legal issues associated with day-to-day operations.

Marisol González-Echevarría

Marisol has rendered advice in mergers and acquisitions, business transaction structuring, corporate restructuring, corporate planning, general corporate law, project finance and real estate. She has advised clients in the preparation of contracts and civil and commercial agreements. She has advised clients in the incorporation of all kinds of companies and associations, as well as in the establishment of branches, acquisitions, sales, mergers, spin-offs, dissolution and liquidation of companies.

Yutaka Kimura

He has experience in corporate law advice such as the formation of companies, legal consulting on labor and immigration matters, and preparation of legal documents, contracts and agreements necessary for the day-to-day operation of a company. In addition, he has participated in developing all kinds of legal procedures to obtain licenses, certificates, permits and approvals from the government authorities, in order to duly fulfill the periodic obligations of the clients.



Diego Gómez-Haro Katznelson

Diego Gómez-Haro has almost 20 years of experience serving as the lead or local counsel advising a broad range of clients, including *private equity funds, financial institutions, venture capital firms, corporate clients, and family offices*, in domestic and international transactions in Mexico. He has substantial experience in *mergers and acquisitions and corporate transactions, including structuring of investment vehicles, asset and stock acquisition and disposition, project development, due diligence and financing*. Diego has led *cross border transactions*, advising large multinationals and private equity investors and sponsors on *acquisitions and investments* in Mexico across multiple industries.

José Antonio Postigo-Uribe

José Antonio has over two decades of experience with an M&A and transactional background and extensive knowledge of the energy sector. He advises clients on mergers and acquisitions, private equity, general financing, business transaction structuring, joint ventures, corporate restructuring, corporate planning, general corporate law, privatizations, public and private bidding processes, PPPs, project finance, infrastructure development and real estate. He also represents clients in all types of contracts and civil and commercial agreements, as well as in negotiations with governmental entities, and in the incorporation of companies and associations, as well as in the establishment of branches and processes related to acquisitions, divestitures, sales, mergers, spin-offs, dissolution, and liquidation of companies.

Rafael Villamar-Ramos

He has experience in corporate law advice such as the formation of companies, legal consulting on labor and immigration matters, and preparation of legal documents, contracts and agreements necessary for the day-to-day operation of a company. In addition, he has participated in developing all kinds of legal procedures to obtain licenses, certificates, permits and approvals from the government authorities, in order to duly fulfill the periodic obligations of the clients.



Who we are

Sánchez Devanny is a leading Mexican law firm that provides full-service legal advice both to Mexican and international clients.

More than attorney-client services

We build enduring client relationships that go beyond individual service contracts because we make every effort to understand our clients' businesses and expectations, to serve as an ally, and to provide complete, accessible and personalized advice. As a testament to these efforts, we continue to advise clients today who have trusted us with their legal matters since the firm was founded in 1996.

Experience and creativity

Throughout the firm, we take pride in serving our clients with a combined approach of experience and creativity because we recognize that when you know how things are done it is easier to think outside the box. Our partners offer a wealth of experience, including in prior roles as in-house counsels at global companies and government agencies, and key roles within international law firms.

With offices in Mexico City, Monterrey, and Querétaro, as well as several strategic alliances worldwide, the firm is well-positioned to quickly and efficiently represent and respond to clients' needs, shortening the distance between us and our clients. Our services are delivered in an efficient, professional, cost effective and timely manner, keeping always in mind that, as lawyers, we are business facilitators for our clients and must maintain a proactive and preventive approach.

Team

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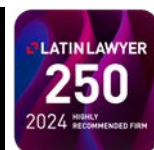
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