

An aerial photograph of a small orange boat navigating through a dense field of white ice floes on a dark blue sea. The boat is moving from the bottom left towards the center, leaving a white wake. The ice floes are irregular in shape and size, creating a complex, fragmented pattern across the water.

Year in Review

2020

Dechert
LLP

2020 was a year of unexpected change and extreme challenge. We began the year with optimism, and we never foresaw the scale of disruption that would be unleashed upon the world by COVID-19. Dechert adapted to these changes rapidly, as we have so many times in the past, with resilience, flexibility and compassion. We supported our people, facilitated remote working, and did everything possible to stand by our clients and the communities in which we work and live.

We quickly convened a COVID-19 task force, to focus our resources in supporting our clients to adapt to global lockdowns and protect their own people and their businesses. We generated more than 150 targeted legal updates, and with other communication routes restricted, replaced many of our events with podcasts and webinars.

With so many vulnerable communities devastated by the pandemic, we channeled our pro bono contributions to where they would be most effective. Dechert lawyers worked to release vulnerable ICE detainees from detention centers in various states, and we continue to help many small businesses and nonprofits around the world with pandemic-related issues.

Never have culture and values been more important. During 2020 the Black Lives Matter movement gave us the opportunity to live those values, take a stand, and strive to make a difference. We tried to do this in many ways. One example is our pro bono work defending voting rights across many U.S. states, ensuring marginalized communities have their voices heard in important elections.

Another example is our partnership with the UK's Aspiring Solicitors program, which aims to increase diversity in the legal profession. Through our partnership with Aspiring Solicitors, we have been able to significantly increase the diversity of our London hiring, with over half of future London trainees coming to us via Aspiring Solicitors. We are never complacent about our own diversity.

We are in the middle of a journey, one step at a time. This journey may not have an end, but we are absolutely determined to do everything we can to continue to move forward and make positive changes. With this commitment to action to address social and racial injustice, and the roll-out of effective COVID-19 vaccines, we look forward to 2021 with cautious hope.



Andy J. Levander, Chair and Henry N. Nassau, Chief Executive Officer

Some sectors coped better than others with the disruption of 2020. Life sciences, technology and financial services have always been key industries for Dechert: like us they are globalized and based upon cultures of innovation.

In life sciences, Royalty Pharma completed nearly US\$2 billion worth of acquisitions. ArchiMed's partial sale of gene therapy specialist Polyplus shows the strong appetite for collaboration and investment between the United States and Europe. Complex patent litigation continued during lockdown, and we are helping Eli Lilly win important patent trials around the world.

In the technology sector, German LCD display business VIA Optronics' IPO shows the trend of non-U.S. issuers coming straight to New York's capital markets. Cloud services company AHEAD completed a cluster of acquisitions and a sale: demonstrating the value of one law firm staying close to its client throughout the entire investment lifecycle and understanding its business inside out.

During lockdowns, necessity has been the mother of invention. A decade of adoption has been compressed into six months, and our spotlight page on fintech focuses on how this will impact digital assets and blockchain, alternative and marketplace lending, the digitization of payments and of investment advice, the use of artificial intelligence and alternative data in the investment process, and electronic trading. In a world more reliant on technology, cybersecurity takes on greater importance, and we had this need in mind when we recruited one of the world's best cyber teams in Brenda Sharton and Karen Neuman.

One of the challenges of managing a business is that the bigger and more successful it becomes, the greater the demands from our clients to address their most complex and difficult matters – a challenge we relish. During 2020 Dechert has been supporting technology giant Huawei in some of the largest and most-watched criminal cases, encompassing cross-border internal and government investigations, trials, prosecutions, global grand jury subpoena responses, and advice and counseling. This is where we believe Dechert is at its

best – solving complex problems for our clients all over the world. This is what we did for Airbus early in 2020 – achieving one of the largest-ever settlements and ending years of government and regulatory investigations.

Sometimes disputes can be settled, as we have done by creating an innovative public trust structure for Purdue, but other disputes have to be taken to trial. When this is necessary, Dechert prides itself on its track record securing favorable outcomes in those cases, as we have done with clients as diverse as Walmart, Spanish high-tech manufacturer Ulma Forja and the state of Guatemala.

We very much hope that 2021 will bring back normality for many of us. For Dechert, this will mean much more than providing the right team delivering exceptional service for your most complex matters and transactions. It means being your trusted advocates, through good times and bad, and building even stronger relationships. We look forward to seeing you – as soon as possible.

Henry and Andy

A global investment strategy for Cerberus

Dechert has had the privilege of helping private equity giant Cerberus execute its global investment strategy across established and developing markets in the United States, Europe and Asia.

"We have worked with Cerberus on several deals in recent years," says Mark Thierfelder, chair of Dechert's private equity practice, "and 2020 presented us with opportunities to work on several exciting transactions spanning multiple jurisdictions. Cerberus's sale of Covis Pharma to Apollo was one of the year's most significant deals, involving many legal and commercial complexities."



“Getting the Covis deal over the line required a blend of skills:

agile deal management as well as innovative legal thinking. Mark Thierfelder, partner and chair of Dechert's corporate and securities group

The Covis deal involved many U.S. elements and was also governed by English law – so this was an opportunity to take the best from each jurisdiction and make a joined-up cross-border deal. "To do this, we had to create a unique structure," says partner Gareth Clark, "a European deal format supported by U.S.-style financing. I've never seen this type of situation before."

Six Dechert offices were involved, touching several different practice areas: private equity/M&A, life sciences, intellectual property, finance, tax, employee benefits, labor, environmental, antitrust, white collar and real estate. "The deal management side added another layer of complexity," adds London partner Chris Field.

Dechert's work in 2020 also included a landmark deal for Cerberus Frontier – a platform at the forefront of investing in some of the fastest growing economies across Asia and Africa. A cross-border team led by Singapore partner Siew Kam Boon and counsel Timothy Goh, alongside Thierfelder, oversaw the acquisition of a stake in Mongolia-based MCS Group, which specializes in the telecommunications and consumer goods sectors. "This was a milestone for developing Asian markets," says Boon, "as it is the largest-ever private equity investment in Mongolia."



“The Cerberus Frontier deal is indicative of increased attention from

major investors in Asian growth markets, where there remains huge potential.

Siew Kam Boon, Partner

Most recently, in October, Dechert partnered with Cerberus on the acquisition by one of its affiliates of National Dentex Labs, the largest network of fully owned dental labs in the United States. "This latest deal is another in the pipeline during a very active year for Cerberus," says Thierfelder. "Each of these transactions was unique, but they all show the value of a close relationship, where the law firm knows its client inside out and we operate as one single team."

Profiles in Diversity Journal – Innovations in Diversity Awards 2020

A comprehensive Dechert program to deepen understanding of racism, anti-racist practices and ally-ship has been recognized as an "Innovation in Diversity" by Profiles in Diversity Journal, which honors trailblazing organizations that have innovated to advance diversity and inclusion initiatives.

LATAM bankruptcy: Fighting for creditor rights

As pandemic-inspired restrictions brought global travel to a halt, Chile-based LATAM Airlines, Latin America's largest carrier, sought Chapter 11 protection. Dechert was retained to represent the Official Committee of Unsecured Creditors, the fiduciary appointed to protect the interests of LATAM's unsecured creditors.

Dechert scored a major victory in September when the bankruptcy court refused to approve an insider financing deal between LATAM and its major shareholders that would have shifted hundreds of millions of dollars in value to those shareholders at the expense of creditors.

LATAM's proposed US\$2.45 billion financing package to fund the bankruptcy included a provision allowing the shareholder lenders to convert a US\$900 million portion of the loan into discounted shares in the reorganized company, netting them a huge payoff at creditors' expense and guaranteeing them continued control of the airline after the bankruptcy.

Opposed by four heavyweight law firms acting for the other parties, Dechert's restructuring team, led by Allan Brilliant, objected to the proposed financing. In just one month, Dechert reviewed thousands of documents, took a dozen depositions, prepared three expert reports, and submitted more than 200 pages of briefing addressing novel legal issues. The team also handled a three-day trial, delivering opening and closing arguments and conducting direct and cross-examinations via Zoom.

To show the court that LATAM could get a better deal, Dechert lawyers also worked alongside the Committee's investment bankers to develop alternative financing on superior terms, leading the shareholders to improve their proposal by approximately US\$500 million.

The extraordinary effort paid off. On September 10, a New York bankruptcy judge rejected LATAM's financing proposal, ruling as a matter of first impression that the equity-swap provision violated the Bankruptcy Code.

Within days, the shareholders dropped the equity conversion feature.

On September 18, the court approved a revised US\$2.45 billion financing plan, which was supported by Dechert's client, adding key creditor protections while also saving the airline – and its creditors – almost half a billion dollars over the original proposal.



Dechert team to defend creditor interests.

Allan Brilliant, Partner

“Determination and creative thinking enabled a multi-practice

The new West Side skyline: Dechert's role in revitalization

One Manhattan West, a new two million square foot tower built by developer Brookfield Properties, brings to one of New York's emerging districts an ultra-Class A office building.

The building boasts trendsetting tenants, dynamic on-site lifestyle amenities, robust infrastructure, and spectacular views. One tall order for this 67-story building was implementing a fixed-rate seven-year CMBS mortgage and mezzanine financing package in the middle of the COVID-19 pandemic.

In August, Dechert represented a group of sophisticated lenders – including

Deutsche Bank, Citi, a London-based bank, JP Morgan and Wells Fargo – in connection with the origination, securitization, and syndication of US\$1.8 billion of mortgage and mezzanine debt. The transaction was the second-largest single-borrower CMBS issuance in 2020, and the largest since the disruption caused by the pandemic.

“Beyond the legal expertise we bring,” says co-chair of Dechert's global finance group Dave Forti, “our team takes pride in how we assist lenders and borrowers to finance projects such as One Manhattan West, which create a place for forward-thinking companies, influential brands and innovative consumers to intersect.”



with new commercial real estate loans, structured finance deals, and multi-faceted securitizations.

Dave Forti, Partner

Real Estate Practice Group of the Year – *Law360*, 2020

“We are uniquely positioned to advise clients as they tirelessly forge ahead

Largest-ever CRE CLO

2020 saw a renaissance in the use of commercial real estate collateralized loan obligations (“CRE CLOs”) as a valued technology in structured finance.

In the vanguard of the CRE CLO resurgence was the US\$1.5 billion securitization for investment manager Blackstone Mortgage Trust, led by Dechert's co-chair of global finance Richard Jones, along with finance partner Stewart McQueen.

The Blackstone securitization is, to date, the largest-ever issuance for a CRE CLO, securitizing assets to create US\$1.5 billion of liquid, marketable securities.

The deal broke new ground for the CRE CLO format, in providing the issuer Blackstone with the ability to refinance the securities in whole, and re-price one or more classes of securities, in both cases on or after the payment date following the non-call period – the time during which the security cannot be prematurely redeemed.

“Dechert is constantly pioneering new structured finance formats that enable our clients to realize their business aims,” says Jones. “The Blackstone securitization is a product of the emphasis on creative thinking within the global finance team, as well as standing out as the highest-value CRE CLO ever.”

CMBS Law Firm of the Year – *GlobalCapital* U.S. Securitization Awards, 2020

Dechert regularly tops *Commercial Mortgage Alert's* league tables for CRE CLO issuers' counsel, taking first place in 2019 and 2020 H1, advising on more than US\$13 billion of deals in that period.

Diversity and Inclusion



“

The search for justice has always been fueled and enabled by the law. We cannot turn away now simply because the task has become more complicated, or will take longer than we anticipated.

Andy Levander, Chair, and Henry Nassau, CEO

“Let justice be done, though the heavens may fall”



In recognition of the significance of diversity and inclusion to Dechert’s culture, in 2020 we elevated the role of Satra Sampson-Arokium to “Chief Diversity, Equity and Inclusion Officer.”

Racial Justice Initiatives

Diversity and Inclusion Toolkit

Dechert launched a comprehensive Diversity and Inclusion Toolkit, which is intended to deepen our understanding of racism, anti-racist practices and ally-ship. It is available on the firm’s intranet, and includes media articles, podcasts, book recommendations and access to training.

Juneteenth – A Day to Reflect and Recharge

Dechert was a market leader in giving time off to commemorate Juneteenth on June 19, 2020. Dechert encouraged our community to invest this time in learning about the tragic killing of George Floyd and others, the events of the last few months, and the history that preceded them.



Stand Against Racism Town Hall and Speaker Series

Dechert’s Town Hall and Speaker Series addresses recent events related to racism and social justice in the United States and around the world, as well as the impact on our mental health and how to deal with the trauma.

Our objectives are to provide a safe space for Dechert’s people to learn, share ideas and support each other. Speakers have included sociologist Courtney Cogburn, clinical psychotherapist Jacqueline Walker, writer and comedian Baratunde Thurston, pediatrician Jacqueline Dougé, and former football player and ESPN commentator Shaka Hislop, among many others.

Dechert hosted a conversation for clients and our employees on human dignity and criminal justice reform in the United States with Kevin Richardson (pictured above), a member of the Exonerated Five, in recognition of Dechert’s commitment to fighting systemic racism.

The investigation of the wrongful conviction of Mr. Richardson and the other members of the Central Park Five as teenagers raised questions regarding police coercion and false confessions, as well as the vulnerability of black and brown youths in the criminal justice system.

Left: Laila Cohen, daughter of Dechert partner Vincent H. Cohen, Jr., marches in Washington, D.C.

43% of the Policy Committee, our senior leadership team, are women or diverse partners.

77% of the lateral partner hires made in 2020 are women or diverse.

62% of the lawyers most recently promoted to partner are women or diverse.

42% of our global offices are managed by women or diverse partners.

77% of our next incoming class of new associates in the U.S. are women or diverse.



“There is a real momentum for change right now, which is long overdue. As a society

we have to use that momentum to make lasting change for the benefit of all.

Abbi Cohen, Deputy Chair, Diversity and Inclusion

Culture Initiatives

Diversity and Inclusion Week

As part of the firm’s inaugural Diversity and Inclusion Week (July 20-24, 2020), Dechert hosted journalist and filmmaker Afua Hirsch for a provocative conversation about race, identity and belonging, as well as how what we learn (or don’t learn) about our history impacts on racism and inequality today. The firm also launched a new video to demonstrate the value of diversity and inclusion to Dechert’s culture.

Inclusive Leadership

Commitment to diversity and inclusion stems from the top. Our partners continue to participate in interactive sessions on inclusive leadership. Topics include affinity bias, attribution bias, covering, in and out groups, priming and unconscious bias. Interactive sessions include dramatizations

Mansfield Rule

Dechert achieved Mansfield Rule 3.0 Plus Certification for 2020. This certification recognizes law firms that have increased the representation of historically underrepresented lawyers in law firm leadership by broadening the pool of women, lawyers of

that prompt conversations long after the programming ends. This program continued through 2020, with the most recent session focused on inclusive leadership in times of crisis in response to both the global pandemic and the Black Lives Matter movement. Inclusive leadership training was also expanded to associates and business service professionals.

Diversity Champions

Dechert’s diverse, multinational identity is a core component of who we are. Recognizing the individuals who serve as role models for the inclusive, open culture we value, Dechert offers the Diversity Champions award. In 2020, members of the Dechert community submitted 100 nominations, ranging from partners to business service professionals. Four Diversity Champions were recognized by firm leadership at our annual all-hands event, with honorees each awarded a US\$10,000 bonus.

color and LGBTQ lawyers who are considered for significant governance roles, senior lateral openings and promotions. In addition, Dechert achieved Mansfield “Plus” status, which means that the firm reached 30 percent diverse lawyer representation in a notable number of current leadership roles and committees.

Permanent capital: here to stay

The shift towards permanent capital instead of shorter-term, private equity investment continued through 2020, with Dechert advising on a number of significant transactions.

Both Barings BDC's merger with MVC Capital and Blackstone/GSO Secured Lending Fund's creation of a senior secured credit facility stand out as billion-dollar bellwethers of future market direction.

Barings' merger with MVC was led by partners Greg Scherneck, Harry Pangas, Carl de Brito and Richard Horowitz, co-chair of Dechert's permanent capital practice. When finalized the combined company – which will remain externally managed by Barings LLC – is expected to have more than US\$1.2 billion of investments under its control.



The asset management community is now looking at this deal as the market standard for large asset managers.

Jay Alicandri, Partner

“The Barings BDC and MVC Capital merger unites two major players in the permanent capital space that specialize in long-term investments in companies and represents another significant consolidation transaction in the sector,” says Scherneck. “At Dechert our longstanding focus on fund formation, capital markets, leveraged finance and private equity has equipped us to advise whatever turn the market takes – at the moment towards permanent capital, which epitomizes the intersection of our historical practice areas.”

New York partner Jay Alicandri led Dechert's team that advised Blackstone/GSO Secured Lending Fund (BGSL), a business development company that focuses on making originating senior secured loans to private small and middle market U.S. companies, in a senior secured credit facility with Citibank N.A. The now US\$745 million deal (comprising a term loan and a revolver), which closed in June 2020, is expected to be upsized to US\$1.2 billion. Pioneering elements to the structure include an asset-based lending facility (ABL) providing for borrower flexibility not otherwise accessible in the market.



“Our longstanding focus on fund formation, capital markets, leveraged

finance and private equity has equipped us to advise whatever turn the market takes.

Greg Scherneck, Partner

“This transaction has become best in class, providing BGSL with a greater variety of tools with which to manage its debt and equity capital structure, and to take advantage of new financing products and trends as they arise,” says Alicandri. “The asset management community is now looking at this deal as the market standard for large asset managers.”

BDC market consolidates

Business development companies (BDCs) remain important to lender strategy, and their popularity shows a strong commitment to permanent capital. Dechert is advising BDCs on a number of mergers, including FS/KKR Advisor – a partnership between FS Investments and KKR Credit Advisors – on a major tie-up between two prominent BDCs: FS KKR Capital Corp and FS KKR Capital Corp. II.

“This merger will create a US\$15 billion lending vehicle,” says partner Jim Lebovitz, “making it one of the largest BDCs in the world and providing finance to scores of mid-size firms.” More than US\$3 billion of committed capital will be made available by FS/KKR Advisor for new investment opportunities.

“Consolidation between BDCs enhances their access to investment-grade

debt markets through the advantages of scale,” says Eric Siegel. “Such transactions require expertise in finance sector M&A and also knowledge of permanent capital strategies, both areas in which Dechert has been historically strong.”

Investigations: staying one step ahead

“Investigations are becoming much more complex,” says white collar partner Vincent Cohen, “and businesses need to stay alert to these developments – the reputational and financial risks involved in these situations are immense.”

One major engagement in 2020 has seen Cohen working as a close advisor to one of the nation's largest defense contractors on its activities and interactions with governments around the world, drawing on his previous experience as acting U.S. Attorney for the District of Columbia. “This is a good example of how regulation

is shifting,” he says. “The emphasis now is on managing multiple strands of investigations that all interlink internationally – and this engagement has a cybersecurity element which makes it especially challenging.”

Many of Cohen's clients are household names in technology, life sciences, finance and sports, where discretion is as important as a successful resolution. He has also developed niche expertise in implementing diversity audit processes that have caught the eye of many boards, CEOs and GCs.



“The reputational and financial risks involved in these

situations are immense.

Vincent Cohen, Partner and member of Dechert's global Policy Committee

Dechert's white collar practice was named “Conduct, Enforcement or Business Crime Team of the Year” by *The Lawyer*, “International Litigation and Disputes Team of the Year” by *Legal Week* and “Investigation Team of the Year” by C5, 2020.

Raising the bar: Airbus settlement sets new standards in global investigations

For Airbus, a coordinated investigation by French, UK and U.S. criminal authorities into allegations of bribery, corruption and export control issues represented an unprecedented threat to Europe's largest aerospace manufacturer.

The global investigation, led by France's Parquet National Financier (PNF), the UK's Serious Fraud Office (SFO) and the U.S. Departments of Justice and State, became one of the largest in history, involving more than 1,750 entities in almost every country in which Airbus operates.

Advised by Dechert on global legal strategy from the outset, Airbus General Counsel John Harrison determined to resolve the matters through a combination of self-disclosure, an efficient investigation, cooperation with enforcement agencies, and an upgrade of Airbus' compliance systems – all in pursuit of a single objective: a same-day, integrated settlement with UK, French and U.S. authorities. To achieve this unprecedented outcome, he assembled a Virtual Law Firm (VLF)

of white collar lawyers, export control practitioners, eDiscovery experts and consultants, and forensic accountants to represent and advise Airbus and its Board of Directors.

In January 2020, after four years, Airbus achieved its objective: a ground-breaking €3.6 billion (US\$4 billion) same-day settlement with French, UK and U.S. authorities.

This outcome was founded on a global strategy developed and deployed by Dechert's white collar team. Innovations included a unified document review model and use of artificial intelligence to accelerate the identification, review and production of documents most relevant to the authorities while navigating a maze of national security laws, blocking statutes, data privacy regimes and privilege standards.

An independent review conducted by the SFO identified no additional significant documents beyond those previously disclosed by Airbus and its counsel. Accordingly, Airbus received a 50 percent penalty reduction for its thorough internal investigation and "exemplary" cooperation with law enforcement agencies – a "template," said France's PNF, for companies under investigation.

Airbus settlement named the "Most Important Development of the Year" – *Global Investigations Review GIR Awards, 2020*



Airbus' strategy provides a model for how other companies can successfully address and conclude multi-jurisdictional investigations.
Caroline Black, Partner



Airbus resisted the pressure to play it safe – and proof of their strategic success lies in court judgments paying tribute to Airbus' extraordinary level of cooperation, an extremely effective investigation, and the transformation of the company.
Ben Barnett, Partner

Super-sizing big data: artificial intelligence flourishes in Asia

When SK Holdings, part of the SK Group, the third-largest conglomerate in South Korea, sought to invest in Chindata, a pan-Asia "hyperscale" data center operator, it turned to David Cho, corporate partner and head of Dechert's Hong Kong office.

In recent years SK Group has pursued a proactive investment strategy across the world, and valued Cho's knowledge of its business and Dechert's global capabilities. In August, SK Holdings, advised by Cho, completed a US\$300 million investment in Bain Capital-backed Chindata. Chindata has since raised US\$540 million in a Nasdaq IPO in September 2020.

SK Holdings' investment was timely, given the upsurge in global demand among businesses for cloud services, and the growth of cloud providers through the creation of new data centers. The capacity of the "hyperscale" data center far exceeds that of the traditional data center model, housing tens of thousands of servers and hardware as well as millions of virtual machines.

The move significantly enhances SK Holdings' reach in the data sector, adding Chindata's extensive pan-Asia platform with nine facilities across China, India and Malaysia to its existing six data centers in South Korea.

"This transaction leaves SK Holdings well-positioned for growth in the AI industry," says Cho. "It is also a good example of the type of work managed by Dechert's Hong Kong office – deals that require industry insight and regional expertise, backed by the extensive global resources that an international firm can provide."



Ranked among the most innovative firms in Asia – *Financial Times, Asia-Pacific Innovative Lawyers Awards, 2020*

The investment by SK Holdings in Chindata reflects an important trend not only in the Asian markets, but globally – the massive demand for AI and the data centers that enable that technology.

David Cho, Partner

Crisis response for Huawei on the geopolitical stage

Huawei Technologies, a leader in the telecommunications industry with a footprint stretching over multiple continents, has been a frequent target of corporate and political scrutiny. It currently is immersed in a tug-of-war struggle between two global superpowers, raising concerns over national security, commerce, investment and trade.

In early 2019, the U.S. Department of Justice (DOJ) charged Huawei and related entities with bank and wire fraud, violating Iran sanctions and obstruction of justice. When those charges were filed, Dechert partner Andrew S. Boutros was already representing Huawei in a plaintiff-side lawsuit filed in federal court alleging civil RICO, trade secrets and other violations that Boutros and his team ultimately tried to a jury verdict in Texas.

Soon thereafter, in February 2020, the DOJ brought a 16-count third superseding indictment in the Eastern District of New York, charging Huawei and related entities with RICO

conspiracy, conspiracy to steal trade secrets, conspiracy to commit wire fraud, conspiracy to commit bank fraud, and various other substantive and conspiracy counts. Faced with such a high-stakes multi-dimensional, multi-sovereign case, Huawei again turned to Dechert.

“As a sophisticated consumer of legal services, we were grateful Huawei asked us to expand our representation to include various features of the criminal RICO case and related charges and matters,” said Boutros. “With our deep bench of outstanding lawyers who routinely rise to the occasion, Dechert is uniquely qualified to work with the multi-firm U.S. legal team tackling the cutting-edge issues of first impression this prosecution presents.”

Over and above the charges themselves, COVID-19 brought its own unforeseen challenges – including curtailing international travel, working remotely and other changes in providing front-line legal services in a global matter. Yet through it all, Dechert continues to provide top-shelf, forward-leaning legal services in the midst of a crisis swirling within a crisis.

White Collar Practice Group of the Year – *Law360*, 2020



we’re pleased to play our part.
Andrew S. Boutros, Partner

“A prosecution of this magnitude requires an ‘all hands on deck’ approach, and

A landmark resolution for Purdue Pharma

Purdue Pharma’s behemoth legal battle over its prescription opioid medications took a major step towards resolution, thanks to Dechert’s team of product liability and mass torts attorneys.

The Dechert team – led by Sheila Birnbaum and Mark Cheffo, and including Hayden Coleman, Danielle Gentin Stock and Sara Roitman – represents Purdue Pharma as national counsel in its high-profile legal fight over the sales and marketing of its prescription opioid pain medications, including OxyContin. This unprecedented litigation played out in thousands of state and federal courtrooms across the U.S. In addition to the 2,500-plus cases consolidated in the federal multi-district litigation (MDL), nearly every state attorney general sued the company in their respective state courts, seeking billions of dollars in damages and restitution.

This epic battle needed an epic solution. The Dechert team was the principal architect of this solution and worked to craft a multi-party agreement

in principle between Purdue, state attorneys general, and private claimants to resolve all of the claims against the company, under which it will be restructured and emerge as a public benefit company dedicated to ameliorating the opioid abuse crises. The vast majority of the parties to the settlement – including the state and federal governments – have also agreed to using the money received from the settlements to fund addiction treatment, prevention and education. Collectively, this will deliver up to US\$12 billion in value to abate the opioid abuse crises.

Dechert’s team continues to lead settlement negotiations to finalize the resolution through a court-appointed mediation. Recently, that resolution took a giant step forward when the court overseeing the restructuring approved an agreement with the Department of Justice to resolve civil and criminal investigations into the company’s past marketing practices relating to prescription opioids.

Birnbaum and the Dechert team continue to assist the company in finalizing the terms of the larger

settlement and supporting the company in successfully proceeding towards a plan of reorganization.



which represents a huge stride forward for Purdue and paves the way for future settlements aimed at supporting the public good.

Sheila Birnbaum, Partner

“It is impossible to overstate the significance of this innovative agreement,

Product liability group co-leaders Sheila Birnbaum and Mark Cheffo named “Product Liability MVPs of the Year” – *Law360*, 2020

“Litigation Department of the Year for Product Liability” – *New York Law Journal*, 2020

Spotlight on **fintech**

As people all over the world change the way they spend, invest, and lend money, businesses need to be agile – and 2020 was a game-changer for financial technology.

“Fintech at its most basic is the intersection of new technology with financial services,” says partner Mark Perlow, “so with our experience in financial services and financing, and our culture of innovation, fintech is a natural strength for Dechert.”

Perlow is one of the leaders of Dechert’s fintech practice, comprising more than 30 lawyers across the United States, Europe and Asia. They have expertise from every angle – financing, transactions, regulation and enforcement, as well as being immersed in the technology itself. “Fintech was already among the world’s most dynamic sectors,” says Perlow, “but lockdown disruption has accelerated its implementation and fostered even more intense innovations.”

“Blockchain developments have been extraordinary this year,” says Silicon



“**Lockdown disruption has accelerated its implementation and fostered even**

more intense innovations.
Mark Perlow, Partner



“**2021 will look like what 2030 would have looked like were it not**

for the pandemic.
Tim Spangler, Partner

Valley partner Timothy Spangler. “Ten years of adoption compressed into six months. 2021 will look like what 2030 would have looked like were it not for the pandemic.” The growth of digital assets and stablecoins – and even the emergence of state-issued digital currencies – is changing the way that people transact. And it’s not just established investment firms who need this advice. “Everyone’s looking out for the new Amazon or Google of blockchain now,” says Spangler.

Fintech covers a huge range of technologies, industries and financial products: digital assets and blockchain technology, alternative and marketplace lending, the digitization of payments and of investment advice, the use of artificial intelligence and alternative data in the investment process, and electronic trading. Dechert has practices in each of these areas.

“With the issuance of guidance on custody and other regulatory issues

emerging from the Securities and Exchange Commission,” says partner Susan Grafton, “we are seeing an acceleration in established financial services firms as well as start-ups seeking to employ blockchain technology in a variety of electronic trading platforms, including alternative trading systems and securities exchanges. We are also seeing corporate issuers and private funds embrace the use of distributed ledger technology to make and keep their governance and corporate records in immutable form.”



“**Many have gone from a standing start to multi-billion dollar platforms in**

just a few years.
Matt Hays, Partner

“We’re fortunate in that we already represent the trailblazers in the alternative and marketplace lending industry, both on the platform origination side and the fund management side,” says Chicago partner Matt Hays. “Many have gone from a standing start to multi-billion dollar platforms in just a few years and that growth continues to generate significant opportunities and interesting transactions for Dechert.”



“**We are also seeing corporate issuers and private funds embrace the use of distributed ledger technology to make and keep their governance and corporate records in immutable form.**

Susan Grafton, Partner



Cryptocurrency and Blockchain Resources Center

Dechert’s Cryptocurrency and Blockchain Resources Center is an easy way to access our lawyers’ knowledge.

Find it on [our website](#) to:

- Subscribe to receive the latest cryptocurrency and blockchain updates from us.
- Read our lawyers’ thought leadership on cryptocurrencies and blockchain.
- Access our archive of webinars on key topics.



Webinars

During 2020, Dechert’s fintechNEXT webinar series explored the evolving issues that the industry faces, partnering with clients and other experts to present conversations addressing fintech challenges.

[Digital Investment Advice in the Age of COVID-19](#) covered trends in and future prospects for digital investment advisory service offerings and businesses with Dan Mercurio, the Head of Strategic Partnerships at digital adviser SigFig.

[The Venture Capital View of Fintech](#) discussed the venture capital view of fintech and how recent trends are affecting venture capitalist investment in fintech businesses with Maurice Werdegar, investment partner and CEO of Westech Investments.

[Digital Fund Services – Unleashing the Power of Blockchain](#) focused on how distributed ledger technology (DLT) is being used to revolutionize the issuance, exchange and management of fund shares and interest, with Figure Technologies’ Managing Director Ben Borton.

[Alternative Data and the Future of Investment Management](#) examined the use of alternative data by investment managers in a growing number of ways, including investment performance and risk management.

Protecting pharmaceutical patents around the world

More than in any other industry, life sciences businesses need lawyers who understand their sector, especially when faced with complex patent litigation.

When Eli Lilly was accused of patent infringement by rival Genentech, it retained Dechert partner Dr. Katherine A. (“Kassie”) Helm. The lawsuit involved Eli Lilly’s blockbuster pharmaceutical antibody therapy Taltz® (ixekizumab), an injectable medication for the treatment of psoriasis and related autoimmune diseases. A veteran of the adversarial pharmaceutical and biotechnology arenas (with a doctorate in neuroscience), Helm and her team steered Dechert’s U.S. response to the litigation and assisted with global strategies – which ultimately resulted in Genentech’s capitulation in numerous legal forums around the world.

Helm’s team successfully spearheaded an innovative Post-Grant Review (PGR) challenge to the patent-in-suit, before the Patent Trial and Appeal Board (PTAB) of the United States Patent and Trademark Office. Genentech challenged the eligibility of its patent for PTAB review, and lost. The PTAB

instituted the PGR trial, which was one of the first major life sciences PGR trials applying written description and enablement patent law to antibody technology, and as such, was closely watched by the industry.

In early 2020, Eli Lilly successfully obtained an entry of adverse judgment against Genentech, rendering all of its claims unpatentable. Lilly also achieved victory in the U.S. District Court for the Southern District of California – with a full dismissal with prejudice on all counts – and is currently seeking full attorneys’ fees.

Outside the U.S., Dechert also assisted Lilly in its patent revocation challenge against Genentech in the UK High Court, and continues to advise on related co-pending European litigation and patent office disputes. “The current global health crisis has highlighted the importance of integrated antibody expertise for the life sciences industry, which has the potential to make a huge difference to the quality of people’s lives,” says Helm. “Eli Lilly requires distinct legal strategies leveraging complex antibody patent law devised for each legal forum to tackle the defensive actions surrounding its valuable global

pharmaceutical assets. Dechert was able to draw on its deep life sciences expertise and reach to advise Lilly in real time across multiple U.S. forums, at trial in the UK and to continue to provide ongoing assistance with the Taltz®-related European litigations, to help Lilly focus on serving its patients.”



“Dechert was able to draw on its global life sciences expertise and reach across the U.S. to advise Lilly in real time at trial in the UK and to provide ongoing assistance with the Taltz®-related European litigations, to help Lilly focus on serving its patients.”

Kassie Helm, Partner

Kassie Helm named “Best in Patents” – *Euromoney Americas Women in Business Law Awards, 2020*

Royal flush: pharma company plays a strong hand

As the most prolific purchaser of biopharmaceutical royalties in the world, Royalty Pharma is betting that its diverse and expanding portfolio of royalty streams will transform funding in the life sciences. Royalty looks to Dechert’s life sciences team – and New York partner Carl Morales – for strategic IP input to push each acquisition through to a successful close.

2020 was a busy year for Royalty – and for Dechert, which supported Royalty in the completion of nearly US\$2 billion worth of deals. Royalty sparks innovation by partnering with companies to co-fund late-stage clinical trials and new product launches in exchange for future royalties, as well as by acquiring existing royalties from the original innovators.

In November, Morales advised on the IP aspects of Royalty’s US\$650 million acquisition of Cystic Fibrosis Foundation’s interest of Vertex Pharmaceuticals’ various cystic fibrosis treatments. This followed the purchase

agreement during the summer with PTC Therapeutics, Inc. to acquire a portion of PTC’s interest in Risdiplam, a treatment for spinal muscular atrophy. Royalty paid PTC US\$650 million in cash in return for 43 percent of the Risdiplam royalties.

The PTC deal trailed a busy June, which saw Royalty’s closure of a US\$255 million acquisition of royalty rights on worldwide sales of Bristol Myers Squibb’s IDHIFA® (enasidenib) – as well as rights to regulatory milestone payments – from Agios Pharmaceuticals, Inc. The team also closed a US\$220 million acquisition of AiCuris Anti-infective Cures GmbH’s partial royalty interest in PREVYMIS™ (letermovir): a transaction which was significant in the lead up to Royalty’s record-setting, US\$2.2 billion IPO, also in June.

Earlier in 2020, Dechert finalized Royalty’s US\$94 million acquisition of Massachusetts General Hospital’s royalty interest in ENTYVIO® (vedolizumab), a monoclonal antibody that is used in the treatment of two common forms of inflammatory bowel disease.

“These deals are critical, not just for Royalty’s impressive and rapidly growing portfolio,” says Morales, “but also for providing capital to support life sciences innovation, which is necessary for improving human health.”

Life Sciences Practice Group of the Year – *Law360, 2020*



“Royalty turns to us because of the interdisciplinary training and experience of our team members: PhDs in the life sciences coupled with years practicing both patent counseling and litigation. With our unique skill set, we provide accurate and business-actionable advice that often determines the fate of these deals.”

Carl Morales, Partner

A historic merger litigation victory

Federal Trade Commission building, Washington, D.C.

When the Federal Trade Commission (FTC) sued to block Evonik Industries' US\$640 million acquisition of PeroxyChem, a leading manufacturer of bleaching agents and disinfectants, the prospects of getting to closing and our client getting paid seemed slim.

Given the FTC's five-year winning streak with such lawsuits, most deals collapse when faced with such an injunction. However, the two companies resolved to fight the FTC through trial. Dechert's Mike Cowie, James Fishkin and Shari Ross Lahlou led the antitrust defense for PeroxyChem.

"The odds were stacked against us," says Lahlou. "We needed to focus our



“The odds were stacked against us.
Shari Ross Lahlou, Partner



“This is the sole FTC merger litigation decision in D.C. in 2020.

It ends the FTC's five-case winning streak for its D.C. federal court merger trials and will have lasting influence.

Mike Cowie, Partner

trial strategy on demonstrating that the FTC's case was largely based on presumptions that failed to account for market realities and fundamental changes in the marketplace over the past 20 years."

The judge's decision – which came in early 2020 after a two-week trial – was arguably even more unusual than the trial itself, ruling against the FTC and giving PeroxyChem the green light to move forward with the merger. "There have been just two successful defenses in D.C. federal court merger trials over the past 15 years – Whole Foods' acquisition of Wild Oats in

2007, and now the PeroxyChem case in 2020," says Fishkin. "Dechert won both trials."

The FTC declined to appeal the decision, the first time since 2015 that the FTC accepted a loss without appealing.



“Dechert has advised on the only two successful defenses in D.C.

federal court merger trials over the past 15 years.

James Fishkin, Partner

Competition/Antitrust Practice
Group of the Year – *Law360*, 2020

Equity markets display resilience

Despite the disruption caused by COVID-19 and fears that this would switch off investor appetite, the successful initial public offering of VIA Optronics in September 2020 signaled that the international capital markets are very much switched on if the deal looks right.

A cross-practice team involving Munich-based Federico Pappalardo, New York-based David Rosenthal and Philadelphia-based Greg Scherneck represented VIA Optronics, a leading Germany-based supplier of enhanced display solutions – one of Dechert's many clients in the technology industry.

The deal involved an offering of 6,250,000 American Depositary Shares on the New York Stock Exchange, for gross proceeds of just under US\$100 million. "We are very proud

to have played a role in enabling this transaction during these unprecedented times," says David Rosenthal.

"It was particularly challenging to manage the interplay of German corporate law and U.S. securities law, and coordination was of the essence to achieve a successful outcome," says Scherneck. "This IPO is a further example of the market trend of non-U.S. issuers coming straight to the U.S. capital markets, in search of more attractive valuations and access to higher-quality long-term institutional investors."



“VIA Optronics' IPO demonstrates Dechert's cross-border capabilities, and especially drew upon our experience in the technology industry.
Federico Pappalardo, Partner

JUVE recommends Dechert's Germany practice across key practice areas and jurisdictions in its 2020/2021 edition, highlighting the team's strength in "cross-border transactions."

Litigation: creative courtroom strategies to win trials

Sometimes lawsuits are impossible to settle, and litigation in court always brings risks. If your opponent is vexatious or unreasonable, you need robust advocacy and fresh thinking.

In 2020 Christina Sarchio, co-leader of Dechert's business litigation practice, achieved decisive wins in two cases in which the outcomes were far from certain. In *Chase Bank v. M. Harvey Rephen & Associates*, Sarchio succeeded in shutting down a troublesome case against JP Morgan Chase by establishing that a lawyer acted in bad faith – a notoriously difficult ground for dismissal.

Chase was sued for alleged auto-dialer violations by M. Harvey Rephen & Associates, one of the top filers of Telephone Consumer Protection Act suits in the United States which had sued Chase more than 30 times before. "Our client was tired of wasting time and money," says Sarchio, "so we needed a creative legal strategy to put an end to the vexatious claims for good."

Dechert responded by arguing an "unclean hands" defense, pursuing a subpoena on Rephen for documents and a deposition in his home jurisdiction of New York. After Rephen failed to produce the documents, Dechert requested sanctions. In April, the court awarded Chase US\$250,000 in relief, in what the press described as a "rock solid victory."

In another case with wide-reaching implications for retailers, Sarchio won a decisive judgment on behalf of Walmart against the Center for Inquiry (CFI). The complaint centered around Walmart's placement of homeopathic products close to science-based products, which the CFI argued amounted to a representation that homeopathic products were equally efficacious and amounted to an unfair or deceptive trade practice.

In her judgment, Judge Florence Pan agreed with Dechert's case. She found that the CFI lacked standing to bring suit under D.C.'s consumer protection statute since CFI was not a consumer organization, and that CFI also failed to state a claim upon which relief could be granted. "This is the first time a retailer has been sued for deciding

what products to sell and where to place them in their stores," says Sarchio. "The risk if the plaintiff had prevailed is that retailers could now be liable for the representations made by manufacturers. Judge Pan wisely concluded that a retailer's decision of where to place a product could not give rise to a cause of action."

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Our client was tired of wasting time and money, so we needed a creative legal strategy to put an end to the vexatious claims for good.

Christina Sarchio, Partner



A clean sheet: back-to-back arbitration wins for Guatemala

Dechert scored two international arbitration victories for Guatemala: one emphatically cleared the Central American state of any wrongdoing, the other has implications for the conduct of proceedings using different arbitral institutions.

The Republic of Guatemala thought it had brought an end to a US\$300 million dispute with Spain's Iberdrola Energía over changes to the country's electricity regulations when, in 2012, the Spanish utility company failed to convince an ICSID tribunal to hear its case.

Five years later, however, Iberdrola "reformulated" its claims under UNCITRAL Rules and began a second arbitration over the same dispute.

On Guatemala's behalf, a team led by Dechert's Paris-based partner Eduardo Silva Romero objected, citing the notion of "res judicata," under which an action may not be reconsidered once it has been judged. "We argued that foreign investors can't just take a second bite at the apple simply by reintroducing unsuccessful

claims before different international tribunals," said Silva Romero.

In August, the UNCITRAL tribunal agreed, concluding – unanimously – that the 2012 ICSID award had "res judicata" effect under international law.

Just two months later, Dechert scored a second win for Guatemala when the Permanent Court of Arbitration dismissed claims brought by Israel's IC Power relating to investments in two Guatemalan electricity distribution companies. The dispute arose after Guatemala's tax authority filed a criminal complaint for fraud over tax deductions claimed by the distributors. IC Power sought US\$114.6 million in compensation, arguing that Guatemala's "baseless" criminal complaint had been filed as part of an aggressive strategy to increase tax collections.

After a five-day virtual hearing, the PCA tribunal dismissed IC Power's claims entirely, ruling that Guatemala's tax authority had not acted arbitrarily or in a manner lacking transparency – representing the second important victory for the Central American state.



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Both these international arbitration wins were significant. One showed

that the Republic of Guatemala had acted entirely properly in the case, while the other set valuable precedent in the protection of State clients.

Eduardo Silva Romero, Partner

Named to "GAR 30" list, *Global Arbitration Review*, 2020

Green field thinking

Environmental and social investing will only grow in importance. The financial services sector is at the forefront of this new market.

“Investors’ concern about the social and environmental impact of their investments is transforming the proposition offered by many asset managers,” says Washington, D.C. partner Julien Bourgeois, “so understanding ESG is important for issuers, investors, regulators and importantly, asset managers.”

Environmental, Social and Governance (ESG) has existed for decades, but the recent convergence of several trends has made it one of the investment world’s hottest topics. “The Principles for Responsible Investing, the Paris Agreement on Climate Change and other NGO-driven initiatives have brought a much sharper focus on the impact of investment activity on areas such as climate change, pollution, human rights, child labor, slavery, bribery and corruption,” says London-based partner Mikhaelle Schiappacasse.

Bourgeois and Schiappacasse are part of Dechert’s ESG working group, which spans nine global offices and brings together experts from across Dechert’s financial services, tax, ERISA, corporate and securities, global finance, enforcement, international trade and other groups. “We are one of the very few law firms to have offices in all the major funds jurisdictions,” explains Germany-based Angelo Lercara, “and despite efforts to harmonize ESG disclosure and reporting standards in the EU there remain inconsistent approaches across many countries, so this global perspective is essential to help clients anticipate and respond to ESG developments.”

There now exist specialist ESG-focused asset managers, and all other asset managers are having to adapt in some ways to the market. For investors, ESG is a statement of values. For issuers, it is about access to finance and providing reporting. “One of the biggest challenges for all these players is data,” says Schiappacasse. “We expect to see more formalized reporting across the board in the future.” Other key developments for



investment activity in areas such as climate change.

Mikhaelle Schiappacasse, Partner

clients to be aware of include the way that issuers and asset managers think about performance and disclosure.

Prioritization of environmental, social and governance factors will only grow over the next decade. In addition to increased government involvement – starting in the United States with the new Biden administration – and more legal regulation, expect a culture shift. “ESG is a big concern for younger market players,” says Bourgeois, “so we expect much more awareness of ESG values from future CEOs and the next generation of investors.”

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NGO-driven initiatives have brought a much sharper focus on the impact of



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We expect much more awareness of ESG values from future CEOs and the next generation of investors.

Julien Bourgeois, Partner

Driving value from distressed investing

Successfully advising on distressed investment and restructuring opportunities requires wide-ranging expertise across various disciplines and efficient execution. MiddleGround Capital’s acquisition of a majority interest in Dura Automotive Systems is a case in point, which showcased Dechert’s world-class cross-border financial services, private equity and insolvency capabilities.

In 2019, Dura was declared bankrupt. But MiddleGround, operating out of its first fund, saw the huge potential of Dura’s expertise in electrification and driverless cars. After certain senior lenders took control of Dura through a bankruptcy sale, MiddleGround had to act quickly so that it could bring much needed stability to the Dura business. It had to find a firm that could structure and close a deal involving

multiple countries and various co-investors, while also ensuring the viability of Dura’s future business in a way that aligned with the bankruptcy court’s orders.

Investment funds partner Omoz Osayimwese, who had only recently arrived at Dechert as a new lateral partner, introduced MiddleGround to corporate partner Steve Pratt. “The combination of Dechert’s deep experience in investment management, private equity and insolvency, along with our global reach, was very attractive to MiddleGround,” says Pratt.

In less than two months after being engaged, Dechert finalized all diligence and successfully negotiated a definitive purchase agreement, and the entire deal closed four weeks later. “It was imperative to keep a tight timeline,” says Pratt, “so the client didn’t lose the deal and could inject capital as soon as possible to get Dura back on solid financial ground.”

This was also MiddleGround’s first investment to have a truly global footprint, as Dura has operations not only in the U.S., but also in the UK, continental Europe, Mexico and Asia. “Coordinating the regulatory and other transaction elements in all these different countries, which needed input from eight offices, and dealing with co-investors,” says Osayimwese, “was critical to getting the deal over the line.”

The next 12 months are likely to see more distressed opportunities that could be attractive for private equity and other investors. “A lot of businesses have done a great job of preserving liquidity and keeping afloat during 2020,” explains Pratt, “but next year we may well see more of these situations: businesses that have core value needing intelligent and strategic investment to maximize their potential.”



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Coordinating the regulatory and other transaction elements in all these different countries, which needed input from eight offices, and dealing with co-investors, was critical to getting the deal over the line.

Omoz Osayimwese, Partner



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Next year we may well see more of these situations:

businesses that have core value needing intelligent and strategic investment to maximize their potential.

Steve Pratt, Partner

New lateral partners



Claudia Annacker
International Arbitration, Paris



Jay Bhimani
Product Liability, Los Angeles



Kimberly Branscome
Product Liability, Los Angeles



Olivier Gaston-Braud
Global Tax, Luxembourg



Alastair Goldrein
Financial Restructuring, London



Howard Klein
Employee Benefits & Executive Compensation, New York



Tricia Lee
Financial Services, Austin



Karen Neuman
Privacy & Cybersecurity, Washington, D.C.



Solomon Noh
Financial Restructuring, London



Omoz Osayimwese
Financial Services, New York



Barbara Shachnow
Global Finance, New York



Brenda Sharton
Privacy & Cybersecurity, Boston



Maria Tan Pedersen
Corporate & Securities, Singapore

New to the partnership



Laurence Bary
Antitrust, Paris



John Bedford
Litigation, London



James Catano
Financial Services, Washington, D.C.



Mark Deal
Private Client, Philadelphia



Mark Evans
Corporate & Securities, London



Jeff Kang
Global Tax, New York



Sarah Kupferman
Corporate & Securities, New York



Paul LaFata
Product Liability, New York



Allie Misner
Corporate & Securities, Philadelphia



Jennifer Rees
Corporate & Securities, London



Karen Stretch
Financial Services, London



Jonathan Tam
Product Liability, San Francisco



Aaron Withrow
Financial Services, Washington, D.C.

Technology and innovation



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2020 was a year of acceleration and opportunity for the adoption of technology and the advancement of innovative service delivery.

Michael Barrett, Chief Information Officer

In a year like no other, Dechert innovation marches on

The pandemic triggered new business challenges, evolving clients' needs and a summons to rethink the way we all work. At Dechert, we intensified our efforts to create a culture that fosters the generation and implementation of ideas to improve our client services. We formally began including billable time credit for innovation, created a multidisciplinary team to lead all innovation initiatives across the firm, and formed an innovation incubator to focus specifically on strategic initiatives. These exciting projects include a wide range of bespoke in-house products that address specific client needs.

Facilitating LIBOR transition

We created a unique software tool named DICE (Dechert IBOR Contract Explorer), which scans millions of contracts potentially affected by LIBOR quickly and efficiently in order to aid transition of these documents to the new inter-bank offered rates.

More than US\$350 trillion of global derivatives and other financial products are tied to LIBOR, in addition to nearly every floating rate commercial real estate loan. When the new index arrives, these trillions of dollars will have to be repriced to the new index. DICE will make this process much quicker and easier for clients.



“It was clear from the outset that the LIBOR transition

required more than just legal advice. A technological solution was required, built by those that understood the complexities of what our clients face. DICE will be invaluable to many of our clients.

Rick Jones, co-chair of Dechert's global finance team

A novel trade tool

Dechert's technology team built an extraction and search platform for our international trade team that quickly reviews thousands of pages of documents for key terms. These

technology-assisted reviews have to be done internally due to government regulations.

Our ability to build this platform in-house has allowed us to conduct these searches more quickly, accurately and at no cost to clients. Manual reviews are now limited to spot checks.



“Having this technology capacity in-house enables us to provide

a quicker, more accurate and more cost-effective service to our clients.

Amanda DeBusk, chair of the firm's global international trade and government regulation practice

Innovation in knowledge management

Our International Arbitration team generates a heavy document trail, but in such a large global group information tends to be stored in office-specific systems and not widely accessible. So Dechert created its own tailored document management system – SIA@D (Search International Arbitration@Dechert).



“Now, with just a few keystrokes, users can access

thousands of documents created over the previous 15 years, such as legal analyses and memoranda drafted for previous cases, precedents pointing to how an arbitrator might rule in a given set of circumstances, or how an opposing firm might argue before a particular arbitration panel.

Lucía Elizalde-Bulanti, Innovation manager

Managing costs via technology

Dechert's product liability and mass torts practice collaborated with the firm's Business Intelligence and Pricing and Project Management teams to develop a game-changing financial metrics tracker for client Atrium Medical Corporation.

With a sprawling multi-party, multi-state litigation underway, Atrium was looking for a user-friendly tool allowing it to monitor expenditure in real time across all third parties.

The Dechert team created a bespoke online dashboard allowing the client to access a breakdown of all litigation-related fees and expenses incurred by Dechert and other stakeholders, including progress against the fixed-fee budget and success fee milestones. It also contains an external cost forecast tool, and infographics to illustrate trends of expenses by type and by month.



“The dashboard and partnering with the client to manage a complex,

multi-million dollar litigation is something totally new. It allows us to provide better value for the client as we can readily identify and eliminate inefficiencies and direct resources where they will have the maximum impact.

Mark S. Cheffo, co-chair of Dechert's product liability and mass torts practice

Ranked among the three law firms most willing to embrace and drive change – *Litera Microsystems' The Changing Lawyer*, 2020

Finalist for “Knowledge Management Innovation” – *Legal Week's Innovation Awards*, 2020

Leading the way on MENA sovereign bonds

The Arab Republic of Egypt became the first sovereign in the Middle East and North Africa (MENA) to issue an international “green bond” after Dechert’s London-based international capital markets team advised the country’s finance ministry on the first-of-its-kind offering.

Proceeds from the US\$750 million issuance, which closed in October, will be used to finance renewable energy development and anti-pollution initiatives in Egypt’s transportation sector, both key objectives in the Arab world’s most populous nation.

The transaction “put Egypt on the map of sustainable financing,” said partner Patrick Lyons, helping it appeal to a burgeoning investor group seeking “cleaner” financing opportunities.

Dechert advises a long list of sovereign issuers in the Middle East and North Africa on their most complex, innovative transactions. Despite challenging market conditions, the firm acted on a number of successful

sovereign issuances in 2020, advising the Hashemite Kingdom of Jordan on its US\$1.75 billion dual-tranche debt offering in July, the Kingdom of Morocco on its dual-tranche €1 billion Notes issuance in September, and the Sultanate of Oman on its dual-tranche US\$2 billion Notes issuance in October. In December, the firm also acted for the joint lead managers on the Kingdom of Morocco’s US\$3 billion triple-tranche bond, its largest-ever issuance.

Earlier in the year, the London-based team also proved its ability to handle multiple offerings concurrently when it closed two of the year’s biggest offerings – totaling US\$7 billion in value – just days apart. In May, the Dechert team advised the Arab Republic of Egypt on a US\$5 billion triple-tranche Eurobond, the country’s largest-ever issuance. Just four days later, Dechert again advised as the Kingdom of Bahrain closed on a complex US\$2 billion issuance of Notes and (Sukuk) Trust Certificates. Both offerings were four times oversubscribed.

The Republic of Egypt’s US\$2 billion triple-tranche bond issued November 2019 named “Sovereign Debt Deal of the Year” – *Bonds, Loans & Sukuk* Middle East Awards, 2020



“These significant transactions for long-standing sovereign clients highlight the strength of investor confidence in the Middle East – and showcase Dechert’s ability to guide sovereign issuers through their most challenging transactions.”

Patrick Lyons, Partner

Funds: securing exemptions from the SEC in two crucial areas

An exemption for semi-transparent strategies opens up the Exchange-Traded Funds (ETF) market, while the Rule 17a-9 exemption will expand permissible purchases of securities from affiliated funds.

Dechert has assisted prominent ETF sponsors in obtaining novel exemptive relief from the SEC to launch semi-transparent actively managed exchange-traded funds (STAs). STAs are the next evolution in ETFs, enabling access to actively managed strategies that limit disclosure of full holdings, from a daily basis to a frequency on a par with mutual funds.

This relief was the culmination of years of uncertain negotiation with the SEC, but the consequences will have a significant impact. “This relief opens the market,” says Allison Fumai, leader of Dechert’s exchange-traded funds practice, “increasing opportunities for investors to access active management from existing ETF sponsors, and also attracting new market entrants.”

Dechert also worked with the Investment Company Institute

Ranked Band 1 for Registered Funds since 2004 – *Chambers USA*

(the leading global regulated funds association) on two separate requests to obtain regulatory relief from the SEC staff permitting: (1) banking entities to purchase securities from affiliated money market funds that were otherwise forbidden by regulation; and (2) entities to purchase securities from affiliated funds in reliance on a rule that was otherwise only available to money market funds.

“The no-action relief provided to money market funds will allow the acquisition of securities from affiliated money market funds under Rule 17a-9, which had previously not been possible due to conflicting requirements under banking law,” explains partner Stephen Cohen. “The other no-action relief also means that certain entities can purchase debt securities from affiliated mutual funds, effectively extending that Rule 17a-9 relief to non-money market funds that are not ETFs.”

“This relief was incredibly important to our clients because it provided flexibility to manage liquidity during the height of the COVID-19 crisis and deteriorating market liquidity,” explains partner Brenden Carroll. “The speed with which we were able to obtain this relief also demonstrates our deep knowledge and commitment to this industry and ability to work quickly and effectively with the SEC staff.”



This relief opens the market. Allison Fumai, leader of Dechert’s exchange-traded funds practice

People and culture



Alison Bernard,
Chief Talent and
Human Resources
Officer

Businesses that continue to invest in their culture and the support they offer people are more likely to have engaged and high-performing employees.

At Dechert, we believe that our culture of community is the key to our success. We value each person and the contributions that they bring to the business and we have embedded gratitude as a practice into our culture so that people feel recognized and appreciated. When we recently introduced a digital version of our Dechert gratitude cards to send a thank you to employees anywhere in the world, more than 1,000 cards were sent in the first week.



We know that gratitude is important for the wellbeing of both the giver and the recipient, but our resources go well beyond gratitude. We have a holistic framework called THRIVE@ Dechert that encompasses support for our community and all aspects of their wellbeing, from physical and emotional wellbeing to social connection and financial stability.

When the Coronavirus pandemic started, we knew our community would need even more support. We had a program in place on which to build and we immediately shifted into high gear to add significant resources and programming in all areas. We have endeavored to be creative in how we provide that support, so that we reach each person in the Dechert community.



We launched a new series called 'The Young and the Restless,' which is a weekly storytime session designed to help working parents. Our chief executive officer, Henry Nassau, was our first reader and children from across the globe tuned in to hear him read Joan Blos's *Old Henry* (pictured above).

We added programs on managing time, stress, and remote teams. In partnership with our employee assistance program, we added support groups and the option to join an intensive program designed to help people cope with overwhelming life changes.

We brought in a parenting coach to lead sessions for our parents who suddenly found themselves homeschooling, provided a forum for questions and mutual support, and helped normalize the challenges that many of us have been facing.

Since physical fitness is intrinsically linked to wellbeing, we introduced Virgin Pulse, a dynamic online social networking and health challenge program where our people can track steps and participate in global team-based challenges. And through Peerfit, we also made available thousands of classes covering fitness and yoga, mindfulness, emotional intelligence and more.

We have hosted regular town halls to transparently address the firm's finances and keep everyone in the loop on how we are doing. We've also invited renowned speakers to talk about racism and help our community learn and grow. We've complemented our live communication with a toolkit on our intranet that offers extensive anti-racism resources.

While we are focused on offering resources and programming, we also believe that our culture of respect, gratitude, trust and empowerment are critical to wellbeing. The day-to-day interactions that people have with one another are at the core of a person's work experience and we have endeavored to keep kindness, empathy, and respect at the forefront of everyone's minds.



We are honored to be recognized by Great Place To Work® and Fortune:

- Best Workplaces in Consulting & Professional Services
- Best Workplaces for Parents
- Best Workplaces in New York

AHEAD in the clouds: private equity transactions in the tech sector

Dechert guided Court Square and its portfolio company AHEAD through a series of transactions involving multiple practices and offices, drawing on Dechert's expertise in the tech sector.

Starting with an initial investment by majority owner Court Square five years ago, Dechert has advised Court Square and cloud solutions provider AHEAD on several strategic transactions, boosting AHEAD's revenues from US\$365 million to more than US\$1.3 billion. "This activity culminated in 2020 in a cluster of overlapping deals," says partner Ken Young, "requiring a broad team from Dechert to be nimble and focused as we executed the sale of AHEAD and two acquisitions for AHEAD at the same time."

"Court Square began the process of selling AHEAD before the pandemic," explains Young, "but it quickly became clear that the sale would coincide with

AHEAD's acquisitions of IT companies Kovarus and RoundTower, which were already underway." So as AHEAD and Court Square were selecting Centerbridge as AHEAD's new partner and negotiating a sale process, complex deal dynamics were created by the fact that one of AHEAD's own acquisitions signed just before the Centerbridge deal, and another one shortly after.

During the entire process it was vital for the Dechert team to manage the interests of all parties – Court Square, whose interest was in closing the AHEAD/Centerbridge deal; AHEAD's management, who would run the company no matter the majority owner; and, indirectly, Centerbridge, with whom management would have to work to take AHEAD on its next journey, post-closing.

"In terms of complexity," says Young, "it doesn't get much more challenging than that. Our role was to reconcile all

these interests, while protecting Court Square and the company's interest in the sale, maximizing deal certainty as regards the sale of AHEAD and – at the same time – ensuring the best deal for AHEAD in its simultaneous transactions, the benefit of which would only accrue to AHEAD post-closing. And all in an uncertain macroeconomic environment caused by the public health crisis."



“Through all these deals, we really saw the benefit in the consistencies

that arise from understanding the client's business from the start of the investment cycle to its end.

Ken Young, Partner

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We have turned to Dechert time and time again for our most complex deals. We knew the team was the right choice for all the challenges of these interrelated deals – and they never missed a beat.

Jeff Vogel, Partner, Court Square

Pro bono: a world of good



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2020 has been a hard year for people around the world, and many of the communities in which we live and work have been devastated. In the face of so many challenges, Dechert's lawyers have demonstrated a strong commitment to rise to this historic moment.

Suzie Turner, Pro Bono Partner

Standing up for communities

Defending reproductive rights

Dechert supported the Center for Reproductive Rights in its efforts to combat efforts to enact de facto abortion bans in the wake of the COVID-19 pandemic. In Oklahoma, we challenged an executive order issued by the state's governor on March 24, 2020 that mandated a moratorium on elective surgeries and minor medical procedures. Though the stated purpose was preserving PPE and hospital resources, the governor subsequently required the postponement of all abortion-related services until April 30. We represented three clinics in Oklahoma that were forced to close their doors and deny care to pregnant women. We challenged the executive order as an unconstitutional ban on abortion, and courts ruled in favor of our clients at each step of the way.



“Our work resulted in re-opening clinic doors in Oklahoma.

The lawyers and paralegal on our team were galvanized by an important sense of purpose, that our efforts could diminish the suffering of vulnerable abortion patients deprived of their constitutional rights.

Linda Goldstein, Partner

Advocating for at-risk prisoners

Dechert filed a series of individual and class actions aimed at forcing correctional institutions to comply with public health recommendations to prevent the spread of COVID-19, and/or to release ICE detainees, pre-trial detainees, and prisoners at an increased risk of serious complications from COVID infection. In Connecticut, Dechert teamed up with the ACLU to bring a class action suit on behalf of the 11,000 incarcerated people housed in 18 Connecticut Department of Correction (DOC) facilities.

Seeking justice for the disenfranchised

Shortly after lockdown in April 2020, vulnerable inmates at the Allegheny County Jail in Pennsylvania faced a significant threat of contracting COVID-19 due to prison conditions. The firm joined forces with the Pennsylvania Institutional Law Project (PILP), the ACLU of Pennsylvania, and the Abolitionist Law Center in filing a federal class action lawsuit to protect vulnerable inmates. “Jail administrators had left two floors of the county jail empty and increased the number of people housed in a cell with another person,” explains Philadelphia partner Sozi Tulante. “They had also delayed implementing best practices recommended by the Centers for Disease Control and Prevention to

When we commenced the action in April, less than a month after the first inmate tested positive, the DOC had the highest infection rate in the state, but had failed to institute any new policies to slow the spread. After the state unsuccessfully moved to dismiss the case, the parties entered settlement negotiations that ultimately reached an agreement in July. The settlement employs an independent monitoring panel of public health experts tasked with implementing best practices and prioritizing the release of medically vulnerable inmates.

minimize the spread of COVID-19 in correctional facilities.” By May, under Tulante’s “incomparable leadership” – according to the client – the court had ordered the implementation of vital COVID-19 risk measures.



“Giving vulnerable people access to proper legal representation is fundamental to our pro bono practice. Not only is it part of Dechert’s core ethos, but it’s satisfying on a personal level to bring these cases to justice.

Sozi Tulante, Partner



“It’s critical now, more than ever, that all eligible citizens are able to vote safely and securely, and with confidence that their votes will be counted.

Neil Steiner, Partner

Championing the rights of voters

Dechert led the charge to protect the rights of all eligible citizens to vote safely and securely in the 2020 election despite the challenges posed by the COVID-19 pandemic and increasingly restrictive voting laws adopted by many states. The firm litigated cases on a pro bono basis on behalf of leading civil rights organizations including the NAACP and the League of Women Voters in numerous states, including Mississippi, Ohio, Pennsylvania, Tennessee, Texas and Wisconsin. Dechert’s work in the area of voting rights is led by New York-based litigation partner Neil Steiner, who was recently awarded the ABA’s Pro Bono Publico Award for 2020 for his work in this area.

Supporting nonprofits and small businesses around the world

Small businesses and nonprofits around the world were particularly hard hit by the pandemic and its economic fallout. Many of these organizations, which provide necessary services in the communities in which we live and work, struggled with questions about survival. In response to this need, Dechert lawyers across the globe stepped up to provide support to many of these organizations.



“The possibility that London Zoo may have to close was unthinkable. I wanted to do everything I could to help.

Robert Darwin, Partner

Recognizing the importance of pro bono

This year, *American Lawyer* ranked Dechert #1 for international pro bono and #11 for U.S. pro bono work. Our work on behalf of Freedom Now has received several awards, including *Legal Week’s* British Legal Awards and the LexisNexis Legal Awards 2020. The American Bar Association’s Business Law Section also recognized the firm with its National Public Service Award. We’ve also been honored by the *National Law Journal*, the Philadelphia Bar Foundation, and many more.

One example is our work for London Zoo, which was under threat of permanent closure at the height of lockdown. Dechert advised on several innovative real estate options for the iconic zoo, with the aim of unlocking critical funding that will help to secure its long-term future.

How we continued to debate in a changing world: Dechert events

Dechert facilitated debate among industry leaders on the crucial questions facing the global business community by hosting a program of thought-provoking events throughout the year.

Kicking off 2020 was [Funds Congress](#), London's largest and most influential networking event for fund managers from all asset classes and fund jurisdictions. Sessions this year included opportunities in private equity as well as panels on the growing importance of sustainability considerations in investment decision-making.

The spread of COVID-19 radically changed how clients engaged with our events, shifting discussions online and creating urgent demand for information on the effects of the pandemic on so many areas of business. [Permanent and Private Capital in the Time of COVID-19: Where We've Been and Where We're Going](#), hosted alongside ING and KBW/Stifel, was a multi-panel virtual conference covering the latest developments in private credit, featuring a broad range of experts from leading industry institutions.

Our [Virtual California Investment Management Symposium](#) examined the evolving legal and regulatory environment for investment advisers, financial services firms, registered and private investment managers and funds. Topics included financial services and market volatility in the time of COVID-19; the future of digital assets; ESG; and a CCO roundtable on managing compliance during a pandemic.

Now in its third year, [Dechert's Distressed Investing Forum](#) has rapidly become the preeminent event for distressed investors, investment bankers, academics and industry professionals, and moving online attracted more participants than ever.

Later in the year, Dechert co-hosted the [12th Annual Healthcare Investor Conference](#). The half-day live virtual event brought together senior management from private and public companies across Europe's life sciences and healthcare sectors, as well as a number of investors and analysts from the PE, VC and investment communities to discuss the latest impacts, opportunities and trends for investments in the industry.

Dechert's Podcasts

Stay up to date with Dechert's new podcast series. Subscribe via Apple Podcasts, Spotify or Google Podcasts, or stream via our website.



Committed Capital – Global Private Equity Insights: This podcast series features insights from members of our global private equity team, as well as industry leaders, to discuss some of the key issues and trends impacting the private equity industry.



LIBORcast – Navigating the LIBOR Transition: Hosted by members of Dechert's global finance practice, LIBORcasts feature in-depth conversations with industry leaders and regulators as they navigate the LIBOR transition.

Philippines capital markets achieve two landmark deals



Dechert's Asia capital markets practice helped to achieve two firsts in 2020, despite challenging market conditions: the Philippines' first-ever REIT listing by Ayala Land-sponsored AREIT, and Manila Water Company's US\$500 million debut international bond, the first ASEAN sustainability bond from a Philippines corporate issuer and the largest-ever issued by a listed Asian private water utility.

Manila Water Company is the primary provider of water services to more than six million people in the Philippines' capital Manila. Partners Maria Pedersen and Patrick Lyons advised on the company's debut international bond, which required Dechert's team to engage closely with every step of the transaction. To up the ante, the need to tally sustainability certification, local Philippine regulatory disclosures, and the company's underlying financials imposed a highly accelerated deal timetable of just three weeks – making the transaction one of the fastest Asian debut bond issuances ever conducted.

"The deadline was unprecedented," says Pedersen. "It is very unusual to carry out any such a debut market issuance in three weeks." Just 24 hours before launch, the offering was upsized from US\$300 million to US\$500 million. "It's difficult to imagine a deal with more twists and turns," says Pedersen. Ultimately, the offering was extremely successful. With orders of nearly US\$1.96 billion at peak, the Notes successfully attracted active subscription from 85 institutional investors.

Two weeks after the Manila Water deal closed, AREIT's landmark US\$253 million IPO and listing launched – the Philippines' first REIT. Dechert, led by Pedersen, acted as special counsel to sponsor Ayala Land, one of the country's largest landlords, on a structure that was three years in the making to align the necessary regulatory and market factors. The IPO was a market-making listing, including creating novel documentation and a "trust-like" structure that would work within existing legal frameworks, as the trust is not a legal concept in Philippines law. As a result, Dechert's input helped to create an important legal precedent that will be widely replicated as the Philippines' REIT market develops.



“The successes of the Manila Water bond and the Ayala Land-sponsored REIT

show that despite the turbulence that COVID-19 has created for Asian capital markets, there are opportunities out there for those who are prepared to be creative and think beyond existing legal parameters.

Maria Pedersen, Partner

“Equity Market Deal of the Year” – *Asian Legal Business* Philippine Law Awards, 2020.

Best Corporate Sustainability Bond for the Philippines – *The Asset* Triple A Country Awards, 2020

Next generation of asset managers emerges in London

The funds world is constantly evolving – new products, new sectors, new techniques – and 2020 was no exception. This was a year when Dechert’s global funds team partnered with new scientific asset management firm BlueCove as it expanded its research streams and product range.

BlueCove is one of the most interesting new asset management firms to emerge from London in recent years. Founded by Hugh Willis, co-founder of BlueBay Asset Management, and Alex Khein, BlueBay’s former CEO, BlueCove is focused on creating cutting-edge scientific investment processes that can be applied to fixed income investment management.

“Best Law Firm for Client Services” – *HFM* European Hedge Fund Services Awards, 2020

BlueCove has attracted some of the most talented and experienced professionals in scientific fixed-income as well as market-leading engineering professionals. In 2019, BlueCove’s legal team, led by General Counsel Dan Bebello, appointed Dechert as funds counsel.

Following the successful launch of BlueCove’s first product in late 2019, BlueCove and Dechert have enjoyed an even closer relationship in 2020 as BlueCove expanded its research streams and product range with both offshore and onshore European funds.

“It is genuinely exciting to play our part in BlueCove’s impressive path to date and to work so closely with the legal team on a range of interesting and unique legal matters,” says Craig Borthwick, BlueCove’s relationship partner. Borthwick noted the benefits of a close working relationship with clients. “We are proud of the relationship we have built with BlueCove,” he says. “The team have really made the effort to enable us to understand their business, which really does help us add value.”

Dechert’s engagement with BlueCove is truly global and full-service, involving lawyers across Dechert’s UK, European and U.S. offices. “Our funds practice spans all five principal European fund centers – London, Luxembourg, Dublin, Frankfurt/Munich and Paris – as well as the U.S., Middle East and Asia, operating as one team across the globe,” says Borthwick.



asset management firms like BlueCove.
Craig Borthwick, Partner

“We are well-placed to assist ambitious, next-generation alternative

An evolving deal: creating a transatlantic gene therapy business

“This started as a straightforward sale of Polyplus,” says Alain Decombe, “but just after signing, lockdown began. And then it became more complex and interesting.”

Dechert represented ArchiMed, one of Europe’s only funds specialized exclusively in life sciences. In early 2020 ArchiMed sought to divest Polyplus-transfection, a global leader in gene therapy – an innovative branch of medicine used to treat otherwise incurable inherited disorders, cancers and viruses. After a competitive process, U.S.-based Warburg Pincus emerged as the winning bidder.



Dechert was able to cover all these angles for our client.
Alain Decombe, Partner

“Often these sorts of deals require more than one law firm, but

“But as negotiations evolved,” explains Decombe, “ArchiMed decided it wanted to retain a co-controlling stake in Polyplus. In the context of LBOs, this was an unusual situation.” ArchiMed therefore needed a law firm with experience in both France and the United States, and capabilities in multiple legal areas: corporate, financing, antitrust, intellectual property and tax, as well as regulatory and the life science industry. “Often these sorts of deals require more than one law firm,” says Decombe, “but Dechert was able to cover all these angles for our client.”

Tax structuring was especially challenging. ArchiMed needed a very specific skill-set: “the ability to reconcile the tax needs of a U.S. player such as Warburg with those of a French PE fund such as ArchiMed and a French team of senior managers. Tax drivers were seldom aligned and hence led to lengthy negotiation and heavy tax structuring,” says tax partner Sabina Comis.

Lockdown also posed multiple challenges. “It created uncertainty, which is never good for business,”

says corporate partner Anne-Charlotte Rivière, “and resolving counterparty issues was especially challenging. But we did everything we could to make it happen and reduce the stress for the client.” The outcome is that ArchiMed is now established as one of the market’s most significant players. “They are delivering great results for investors,” says Rivière, “they have opened a new office in New York, and have seeded a new specialist health care fund.”



negotiation and heavy tax structuring.
Sabina Comis, Partner

“Tax drivers were seldom aligned and hence led to lengthy