Airport Infrastructure





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Mayer Brown has one of the strongest airport infrastructure groups in the world, with lawyers in the Americas, Europe, Asia and the Middle East who advise on the full range of transactions.

DEPTH OF EXPERIENCE WITH INNOVATIVE AIRPORT PROJECTS:

Mayer Brown is recognized as a market-leading law firm in airport infrastructure projects, including privatization/P3 transactions. We are often considered as a first-choice adviser for innovative projects worldwide.

Across the globe, we have negotiated airport use agreements that serve as key elements of financing security for major airport capital projects. We have also had to deal with all aspects of airport financing, airline relationships and airport contracts in connection with the privatization of major airports, in the US and around the globe.

Mayer Brown is the only law firm that has undertaken all of the legal tasks related to a US airport public-private partnership under the Federal Aviation Administration's Airport Privatization Pilot Program. Through our work on these major airport projects, we have developed extensive knowledge of FAA regulatory issues (specifically including rules governing airline rates and charges, airport competition plans, and use of passenger facility charges to financeairport infrastructure) as well as other regulatory matters potentially relevant to P3 projects, such as anti-trust and CFIUS considerations.

As the market leaders in the implementation of long-term airport lease P3 transactions, we have a unique understanding of the issues that arise in such complex and dynamic projects. In addition, we bring experience from numerous other infrastructure transactions, as well as the full service capabilities of one of the world's largest law firms.

Notable Airport Experience

ACI Airport SudAmérica, S.A. We represented Nomura Securities International, Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the initial purchasers, on a Rule 144A/Regulation Soffering by ACI Airport SudAmérica, S.A, a Spanish company, of \$200 million 6.875% senior secured guaranteed notes due 2032. The notes are listed on the Euro MTF market of the Luxembourg Stock Exchange. The notes are guaranteed by Cerealsur S.A., a Uruguayan company and a wholly-owned subsidiary of the issuer. Cerealsur S.A., through its wholly-owned subsidiary, Puerta del Sur S.A., operates Carrasco International Airport in Montevideo, Uruguay. Puerta del Sur S.A. is a party to a concession agreement with the Uruguayan government that provides for the operation of Carrasco International Airport. The source of the funding for the payment of the notes are dividends received by the issuer from Cerealsur S.A.

Aena, S.A. We represented Aena, S.A., the world's largest airport operator, and Enaire, a Spanish government entity and the selling shareholder, in Aena's €4.3 billion IPO. This was Spain's largest IPO since 2007. Aena owns multiple major airports across Spain, including in Madrid, Barcelona and the holiday resorts of Mallorca and Malaga, and is one of the busiest airport companies in the world by number of passengers.

Aeris Holding Costa Rica S.A. We represented the noteholders in connection with the private placement of US\$127 million of Senior Secured Notes issued by Aeris Holding Costa Rica S.A. The issuer is the operator of the Juan Santamaría airport in San José, Costa Rica and is jointly owned by US-based Airports Worldwide and Companhia de Participações em Concessões of Brazil.

Aeropuertos Argentina. We acted for Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. as arrangers in a \$300 million Rule 144A offering of 10.75% senior secured notes due 2020 by Aeropuertos Argentina 2000 S.A. for the proposed financing of the Aeropuertos Argentina 2000 concession development involving 33 airports in Argentina. This transaction was named "Structured Finance Deal of the Quarter Century" by *LatinFinance* magazine.

Aeropuerto Mariscal Sucre. We represented Grupo Odinsa S.A. in its \$278.8 million acquisition of a 50 percent stake in Corporación Quiport S.A., the holding company of Aeropuerto Mariscal Sucre in Quito, Ecuador, and ADC&HAS Management Ecuador S.A., the operator of the airport. This engagement included advice to Odinsa on the acquisition, the financing and the joint venture agreements with the other 50% owner of the Quito airport.

Australian Airport. We represented Airport Group International (AGI) in its successful bid in the privatization through a concession of the Perth, Australia airport and several subsequent privatizations of other airports in north Australia, and in refinancing the Perth privatization through a \$150 million private placement of notes.

Bermuda Airport. We represented the noteholders as investors on the private placement of US\$285 million of 5.90 percent senior secured notes due 2042 issued by Bermuda Skyport Corporation Limited, the operator of the L.F. Wade International Airport in Bermuda. Proceeds of the issuance will be used for the design, reconstruction, operation and maintenance of the airport. Structured as a public–private partnership, the original concession was agreed between the government of Canada, represented by Canadian Commercial Corporation, and the government of Bermuda. At financial close, the government of Canada's obligations were novated and assigned to Bermuda Skyport Corporation Limited and the government of Bermuda's





obligations were novated and assigned to the Bermudan Airport Authority. The Minister of Finance of Bermuda hailed the airport redevelopment as "one of the most important capital projects ever undertaken in our island."

Budapest Airport. We advised Budapest Airport as borrower in relation to the refinancing of its €1.3 billion loan facilities and associated interest rate swaps. The refinancing, which completed in September 2014, included a €1 billion five-year senior term loan provided by a syndicate of 15 banks and a €300 million junior PIK facility provided by a syndicate of 7 junior lenders. The challenging refinancing negotiations were conducted against the background of difficult trading conditions for the airport following the collapse and insolvency of the Hungarian national carrier Malev and an uncertain political situation.

Carrasco International Airport. We represented the initial purchasers in connection with the Rule 144A/
Regulation S issuance of US\$200 million secured guaranteed notes by ACI Airport SudAmérica, S.A., who through its wholly owned subsidiary Cerealsur S.A. holds the concession to and operates the Carrasco International Airport in Montevideo, Uruguay.

Cathay Pacific Airways. We acted for Cathay Pacific Airways Limited in the award of a BOT concession from the Hong Kong Airport Authority for the construction and operation of the second cargo terminal at Hong Kong International Airport.

Chicago Midway International Airport (Public Private Partnership). We have acted as lead transaction counsel for the City of Chicago in the proposed concession lease of Midway Airport, which would have been the first privatization of a major hub American airport. We worked actively with Southwest Airlines (the major carrier at Midway) and the other airlines at the airport to achieve agreement on a new rate structure to govern the airport upon effectiveness of the long-term lease. We drafted and worked with City officials to achieve passage by the Illinois General Assembly in April 2006 of state legislation to facilitate the transaction, including provisions that protect the rights of existing airport employees. We filed with the FAA a Preliminary Application for the long-term lease and concession of the airport which was accepted by the FAA, thereby guaranteeing Midway Airport the "hub airport slot" in the FAA's pilot privatization program. In September 2008, the City received a winning bid of \$2.521 billion from a consortium comprising Citi Infrastructure Investors, an affiliate of the Vancouver Airport Authority and John Hancock Life Insurance. In April 2009, the Concession Agreement with this consortium was terminated because of its inability to finance and make the upfront rent payment required under the agreement. The City maintained its "hub airport slot" in the FAA's pilot privatization program and in February 2013 re-launched efforts to negotiate a long term lease for Midway under the FAA's pilot privatization program. The City terminated this process in September 2013.

Chicago Midway International Airport (Airport Revenue Bonds). We have acted as lead bond counsel for the City of Chicago in connection with the City's Midway Airport Revenue Bonds since 2009. We have advised the City with respect to multiple transactions including the issuance of new money and refunding bonds, the restructuring and remarketing of existing bonds, the replacement of letters of credit and proposed amendments. In total, Mayer Brown has acted as bond counsel for the City concerning more than \$2 billion of Midway Airport Revenue Bonds.

Chilean Airport. We Represented Duff & Phelps Credit Rating Co., as rating agency, in the placement of \$213 million of 14-year senior secured bonds of SCL, insured by MBIA Insurance Corporation, to finance the expansion and renovation of Arturo Merino Benítez de Santiago International Airport in Santiago, Chile, for which SCL held a 15-year concession.

City of Los Angeles. We advised the City of Los Angeles on regulatory and other issues related to a master plan for the development of the Ontario International, Palmdale and Van Nuys airports.

Colombia Airport. We represented Duff & Phelps Credit Rating Co., as rating agency, in the placement of \$116 million of notes of Compania de Desarrollo Aeropuerto Eldorado S.A., secured by future landing fee revenues at Eldorado International Airport in Bogata, Colombia.

Denver International Airport Terminal Reconstruction Project. We are representing Vantage
Airport Group and its partners as a short-listed bidder to
enter into a long-term agreement to rebuild, reconfigure and

operate the "Great Hall" main terminal that constitutes the main entrance to the Denver International Airport. The project is expected to include moving Transportation Security Administration facilities to a new location that will allow a substantial expansion and enhancement of the concession activity in the terminal building. The winning team is expected to also manage the reconstructed terminal for an extended period.

Detroit-Wayne County Airport. We represented Northwest Airlines in negotiation and drafting of project development, financing and construction documentation for the \$1.2 billion Edward H. McNamara Terminal/Northwest World Gateway at Detroit-Wayne County Airport, which on completion in 2002 was the airline's largest worldwide hub.

Dominican Republic Airports. We represented the Bank of Nova Scotia in connection with the financing of the acquisition by Advent International of Aeropuertos Dominicanos Siglo XXI, S.A. (AERODOM), one of the largest airport operators in Central America and the Caribbean. This was the first LBO acquisition in the Dominican Republic. The transaction was named *Project Finance*'s Latin American Acquisition Deal of the Year 2008. Prior to joining Mayer Brown, our partner George Miller acted for AERODOM in the negotiation and financing of the original concession.

Düsseldorf Airport. We represented Airport Group International (AGI) in its bid for the privatization through a concession of the Düsseldorf airport in Germany.

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

Hellenic Republic. We advised a confidential bidder, in connection with the award, by the Hellenic Republic, of a concession agreement for the upgrade, maintenance, management and operation of Cretan, Continental Greece and Ionian Sea regional airports (2014). Prior to joining Mayer Brown, our partner Olivier Mélédo acted for the confidential

bidder in the negotiation and financing of the original concession.

Montego Bay, Jamaica International Airport. At his prior firm, New York finance partner George Miller acted for MBJ Airports Ltd. in the negotiation and financing by IFC of the concession over Sangster International Airport in Montego Bay, Jamaica.

O'Hare Airport. We acted as counsel to remarketing agent on reoffering of \$242 million in special facility revenue bonds issued to finance terminal improvements for the benefit of United Airlines at Chicago O'Hare Airport.

O'Hare Airport. We acted as counsel to American Airlines on issuance of \$108 million in special facility revenue bonds to finance various capital improvements at Chicago O'Hare Airport.

Philippines Airport. We advised Aéroports de Lyon, in connection with their bid, in partnership with Egis, for the development of the Mactan-Cebu International airport in the Philippines (2013). Prior to joining Mayer Brown, our partner Olivier Mélédo acted for Aéroports de Lyon in the negotiation and financing of the original concession.

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

Portugal Airports. We advised French-listed construction company VINCI, in connection with the €3-billion-plus privatization of Aeroportos de Portugal (ANA), and in the renegotiation of a renewed 50-year concession for the country's 10 airports (mainland, Azores and Madeira) (2012-2013). Prior to joining Mayer Brown, our partner Olivier Mélédo acted for VINCI in the negotiation and financing of the original concession.

Puerto Rico International Airport. We represented the Puerto Rico Public-Private Partnerships Authority, a public corporation of the government of Puerto Rico, and the Puerto Rico Ports Authority on the 40-year agreement with Aerostar Airport Holdings LLC, to lease the Luis Muñoz Marín International Airport. Aerostar is a consortium





comprised of Grupo Aeroportuario del Sureste and Highstar Capital IV, L.P. The transaction value for the Authority has been estimated to be \$2.6 billion, inclusive of a \$615 million upfront payment, ongoing annual revenue share payments and capital improvement obligations of Aerostar. The Federal Aviation Administration accepted the Authority's preliminary application for a slot in the FAA's pilot privatization program in June 2011. We engaged in negotiations and reached agreement with the airlines operating at the Airport and reviewed and resolved all of the applicable legal and financial issues (including FAA and TSA regulatory issues) in connection with a competitive process to select a private operator for the Airport. The lease agreement was signed in July 2012, and financial closing was achieved in February 2013. The Airport is the only airport currently leased in the United States under the FAA's pilot privatization program. This deal was named North America Transport Deal of the Year 2013 by Project Finance magazine.

Saint Maarten International Airport. We represented Nomura Securities as lead manager in the Rule 144A/Reg S issuance by St. Maarten-based Princess Juliana International Airport Operating Company N.V. of \$142.7 million 5.5% fixed rate senior secured notes due 2027. And represented RBTT Merchant Bank, as underwriter, and Princess Juliana International Airport Operating Company, as issuer, in a \$118.6 million offering of Senior Secured Notes to finance the construction of a new airport terminal.

About Mayer Brown

Mayer Brown is a global legal services organization advising clients across the Americas, Asia and Europe. Our presence in the world's leading markets enables us to offer clients access to local market knowledge combined with global reach.

We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world's largest companies, including a significant proportion of the Fortune 100, FTSE 100, CAC 40, DAX, Hang Seng and Nikkei index companies and more than half of the world's largest banks. We provide legal services in areas such as banking and finance; corporate and securities; litigation and dispute resolution; antitrust and competition; US Supreme Court and appellate matters; employment and benefits; environmental; financial services regulatory and enforcement; government and global trade; intellectual property; real estate; tax; restructuring, bankruptcy and insolvency; and wealth management.

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