DIRECTORS ROUNDTABLE

WORLD RECOGNITION of DISTINGUISHED GENERAL COUNSEL

GUEST OF HONOR:

Henry Udow

General Counsel of RELX Group (Reed Elsevier)

THE SPEAKERS

Henry "Hank" Udow
Chief Legal Officer &
Company Secretary, RELX Group

Lodewijk Hijmans van den Bergh
Partner, De Brauw
Blackstone Westbroek

Julian Long
Managing Partner (London),
Freshfields Bruckhaus Deringer LLP

Erik Belenky
Partner,
Jones Day

Creighton Condon
Senior Partner,
Shearman & Sterling LLP

(The biographies of the speakers are presented at the end of this transcript. Further information about the Directors Roundtable can be found at our website, www.directorsroundtable.com.)

TO THE READER

General Counsel are more important than ever in history. Boards of Directors look increasingly to them to enhance financial and business strategy, compliance, and integrity of corporate operations. In recognition of our distinguished Guest of Honor's personal accomplishments and of his company's leadership as a corporate citizen, we are honoring Henry Udow, General Counsel of RELX Group, with the leading global honor for General Counsel. RELX Group (formerly Reed Elsevier) is a global provider of information and analytics for professional and business customers across industries. Its activities include scientific publications and LexisNexis. His address focuses on key issues facing the General Counsel of an international corporation. The panelists' additional topics include governance; media; and diverse corporate transactions, including mergers and acquisitions.

The Directors Roundtable is a civic group which organizes the preeminent worldwide programming for Directors and their advisors, including General Counsel.

Jack Friedman
Directors Roundtable Chairman & Moderator

Henry "Hank" Udow

Chief Legal Officer
& Company Secretary

RELX Group

Mr. Henry Adam Udow, also known as Hank, has been the Chief Legal Officer and Company Secretary of Reed Elsevier Plc (now RELX PLC) and Reed Elsevier Group Plc (now RELX Group plc) since March 2011.

Mr. Udow has acquired substantial experience managing global legal and M&A departments at Cadbury Limited (formerly, Cadbury Schweppes Public Ltd. Co.). He served as the Chief Legal Officer of Cadbury Limited (formerly Cadbury plc) from July 1, 2005 to 2010 and served as its Group Secretary from September 28, 2007 to 2010. He worked 23 years with Cadbury. He served as Group M&A Director of Cadbury since 2000 heading up all merger and acquisition activity.

Mr. Udow served as Vice President, Secretary and General Counsel of DP/SU Acquisition Inc. He joined Cadbury in 1987 as Legal Counsel for the U.S. beverages business and served as its Senior Vice President, Legal Director and General Counsel of Global Beverages Business since 1994.

At Cadbury, he served as General Counsel and Secretary, from September 1991 to January 1994, Assistant Secretary from September 1990 to September 1991, Division Counsel from September 1987 to September 1991 and Vice President from September 1990 to January 1994.

He started his legal career as a Securities and M&A Lawyer at Shearman & Sterling in New York and London.

Mr. Udow served as a Director of Dr Pepper/Seven Up, Inc. since March 2, 1995 and Relx (Investments) PLC since 2011.

In 2009, the *National Law Journal* named him as one of the 20 most influential general counsels in America.

He holds a Juris Doctor degree from the University of Michigan Law School and a bachelor's degree from the University of Rochester.

RELX Group

With over $10 billion in revenues and a market capitalization of about £37 billion, RELX Group is a world-leading provider of information and analytics for professional and business customers across industries.

RELX helps scientists make new discoveries, lawyers win cases, doctors save lives, and insurance companies offer customers lower prices. It helps save taxpayers and consumers money by preventing fraud, assists law enforcement and government agencies with data and analytics, and helps executives forge commercial relationships with their clients.

RELX operates in four major market segments: Scientific, Technical & Medical under the Elsevier brand, Risk & Business Analytics under the LexisNexis Risk Solutions and Reed Business Information brands; Legal under the LexisNexis brand; and Exhibitions under the Reed Exhibitions brand.

Through its Elsevier scientific, technical and medical information business, it provides scientists, researchers and health professionals world-class content, analytics, and decision tools that enable them to make critical decisions, enhance productivity, and improve outcomes. It owns ScienceDirect, the world's largest electronic database of peer-reviewed primary scientific and medical research, as well as publishing flagship scientific and medical journals such as *The Lancet* and *Cell*.

Through its LexisNexis business it is a leading global provider of information and analytical tools to the legal profession. It is well-known for its Lexis.com and LexisAdvance electronic legal research databases. Other offerings include Shephard's Citation Service, Matthew Bender, Halsbury's, Tolleys, Butterworths, JurisClasseur and Law360.

Its Risk & Business Analytics business is a leading provider of solutions that combine public and industry-specific information with analytics and decision tools to assist customers in more accurately evaluating and predicting risk.

It provides comprehensive data and analytics to the insurance industry, which allows them to more accurately price policies. It provides financial institutions with risk management, identity management, fraud detection and prevention, credit risk decisioning and compliance solutions, including Know Your Customer and Anti-Money laundering products. It also provides data and analytics to U.S. federal, state, and local law enforcement and government agencies to help solve criminal and intelligence cases and to identity fraud, waste and abuse in government programs.

Reed Exhibitions is the world's largest exhibitions business. It hosts over 500 events a year around the world, including the real estate industry's leading event, Mipim; The London Book Fair; World Travel Market; Paris Photo; and New York Comic Con.

The Group is headquartered in London, serves customers in more than 180 countries, and has offices in about 40 countries. It employs approximately 30,000 people, of whom half are in North America.

JACK FRIEDMAN: It is a pleasure to welcome everybody this morning. I am Jack Friedman, Chairman of the Directors Roundtable. We are privileged to present the world's leading honor for General Counsel to Henry "Hank" Udow of the RELX Group this morning and thank him very much for giving his time and sharing his wisdom.

We are a civic group whose mission is to organize the finest programming for Boards of Directors and their advisors globally, which includes in-house lawyers and law firms. We have never charged anyone to attend more than 800 events over 25 years. Directors have told us that corporations are rarely credited for the good they do. They encouraged us to create an opportunity for executives and General Counsel to speak about the activities of their corporations and law departments.

The format for this morning will start with Hank's presentation, followed by the Distinguished Panelists each introducing a special topic for discussion. Finally, there will be a Roundtable with all the Speakers and interaction with the audience. After this event, the transcript will be made into a full-color document which will be made available electronically to about 150,000 leaders globally, including three-quarters of all the in-house counsel in the world.

Our Distinguished Panelists today are Lodewijk van den Bergh, with De Brauw Blackstone Westbroek in Amsterdam; Julian Long, the Managing Partner for London of Freshfields Bruckhaus Deringer; Erik Belenky, of Jones Day in Atlanta; and Creighton Condon, the senior partner of Shearman & Sterling, from New York.

We have a special surprise for Hank today. He graduated from the University of Michigan Law School. The Dean of the Law School has written a letter of congratulation to include in the transcript. The Dean's assistant hand-delivered the vellum-printed letter last week to London so that Hank could have a personal copy.

Here is the text of the letter:

> On behalf of all of us at the University of Michigan Law School, I extend heartiest congratulations to Hank Udow on receiving the World Recognition of Distinguished General Counsel from the Directors Roundtable.
>
> In his current role with RELX Group, Hank is managing incredibly complex problems in a time of unprecedented change. His success in doing so is, of course, impressive. But what also is admirable about Hank is the manner in which he does it. Hank demonstrates sincere passion for his work, and he exudes calm confidence despite the enormous pressures that he faces. At the same time, despite his busy schedule, he has been a wonderful ambassador for the University of Michigan Law School. He has participated in alumni activities in the U.S. and in Europe, and he also has taken the time to speak with students on campus. He has the increasingly rare gift of devoting his entire attention to the conversation at hand, whether it is a student asking for career advice or a dean thanking him for his philanthropic support. He is a wonderful role model for students and alumni alike.
>
> While Hank leads by example, he also has shown a great interest in helping students pursue career paths that are very different from his. He has been very supportive of the Law School's mission to train lawyers to serve the public good, and he has stressed the importance of helping young lawyers find careers about which they are truly passionate — whether it be in a publicly traded company or a public defender's office.
>
> Hank exemplifies the high standards to which the University of Michigan Law School holds its graduates. He is incredibly talented, well-regarded, and committed to giving back to his community. He is the embodiment of a lawyer who does things the right way.
>
> Congratulations, Hank, and thank you for representing us so well.
>
> Dean Mark West, University of Michigan Law School

Congratulations! Without further ado, I'd like to invite Hank to give us his opening address. Thank you.

HANK UDOW: Good morning, and thank you, Jack, for that very kind introduction. I also need to say thank you to

you and the Directors Roundtable for this very nice and totally undeserved honor, and for arranging and moderating this morning's event. I'm honored and truly grateful. Thank you to all of you for joining us this morning. It's great to see so many friends and colleagues. Hopefully, we'll say at least one or two things this morning that you find of *some* interest and relevance.

Before I start, I also need to say a special thank you to our host, Julian Long and Freshfields, for having us here, and to the panelists, who Jack's already introduced — Julian Long of Freshfields; Creighton Condon of Shearman & Sterling; Lodewijk van den Bergh of De Brauw Blackstone Westbroek; and Erik Belenky of Jones Day, who I truly appreciate having taken the time and the travel efforts to get here. So thank you very much for that.

And that is very nice, Jack, about the University of Michigan. I didn't know about that; I'm touched by it.

I was going to start by just saying, "Let me make some brief remarks," but every time I do that, it reminds me of Franz Kafka's great quote, "A lawyer is someone who writes a 10,000-word document and calls it a brief." So, instead, let me just ask you to indulge me for about 20 minutes or so as I describe some of my thoughts in terms of what I see with respect to the intersection of law and technology. I'm going to do this from the perspective of a General Counsel of a business which is a global provider of information and analytics to professional customers and businesses — RELX Group — which is a $35 billion market cap business. We're headquartered here in London, but somewhat unusually, we have a dual-headed structure, so we have both publicly listed British and Dutch parent companies which jointly own the business. Many of you will know us as the owners of LexisNexis, which primarily serves the legal community with legal research, information, and analytical tools. Some of you will know us as owners of the Elsevier scientific, technical, and medical publishing business and publisher of journals such as *The Lancet* and *Cell*. Others will know us through our risk and business analytics business, which combines one of the world's largest public record databases and industry-specific information with proprietary analytics and decision tools that enable businesses and other customers to more effectively evaluate and manage risk. And to round out the picture of RELX, we also own Reed Exhibitions, which is the world's largest exhibitions business, holding over 500 events a year around the world, including the London Book Fair, Paris Photo, and New York Comic Con.

From my vantage point, I find this to be an incredibly exciting time to be a lawyer. We're seeing what I could call almost a revolution in the law as it tries to come to terms with the rapid advances in information-related technology — the digital age in which we find ourselves living today. This is the age, as Deming put it: "In God We Trust; all others, bring data."

I happen to be very fortunate to be in a business that is affected by, and even at the center, of these intersections of law and technology. In my brief time this morning, let me just mention three illustrations of these intersections, to give you a taste of why I think this is such an exciting time to practice law.

The first illustration comes from our scientific, technical and medical business, Elsevier. I call it the "Googleization" of the world. It is the widespread appeal of the populist sentiment encapsulated in the following simple and short sound bite: "In today's technologically advanced world, all information should be available to all people instantly — and, by the way, for free." We can Google anything in seconds, and it is free.

As an aside, I do find it interesting that everything provided by the world's most profitable company is free. It has revenues of $75 billion and operating profit of $17 billion. How does that work? It turns out my parents were wrong — money really must grow on trees? Or, perhaps in reality it is just a reallocation of how we all pay for this information.

This "everything should be available to everyone, instantly, for free" argument is an example of what I call an asymmetric debate: issues where one side of an issue, but not the other, can neatly be summed up in an easy-to-understand, facially appealing but simplistic argument. A sound bite: "Build a wall across the U.S.-Mexican border" and "Stop all Muslims from entering the country." With these few words, apparently one U.S. presidential candidate will end terrorism, unemployment, and sexual violence in the U.S. As we all know, these are complex, multidimensional issues with neither an easy nor a single answer. Yet, simple sound bite arguments seem to find an ever-growing and accepting audience.

In the scientific, technical, and medical research community, we see this populist sentiment for instant access to all information for free, in the form of something the policymakers call "Open Access." Open Access generally refers to online research outputs that are free of all restrictions on access and free of many restrictions on use such as certain copyright and license restrictions and literally require no payment from the reader to view and use. Many policymakers and others have quickly extended this to conclude that given technology

today, like Google, there is no longer any cost to publishing scientific or medical research and are introducing legislative proposals based on this belief. The problem is however facially appealing this argument is, it ignores many facts.

Publishing today, in fact, continues to create enormous value and, despite — or more accurately, as a result of — technological advances, requires substantial investment. In short, it does not come for free.

Creating peer-reviewed journals, which provide assurance of "quality control" within the research and academic communities, requires assembling and overseeing appropriate peer review panels (with researchers and academicians who have both appropriate skills and credentials); experienced professional editors with appropriate editorial boards providing editorial supervision; maintaining appropriate dispute resolution and retraction processes to allow challenges to and the formal and fully communicated retraction of work that is ultimately determined to have been falsified or which subsequent to publication has been determined to have not satisfied accepted scientific research methodologies. And, very importantly, to create and maintain a definitive and trusted repository of all work so a researcher knows, with confidence, that when they read an article published 10, 20 or 40 years ago, they are reading the final, peer-reviewed published journal article and not an early, and perhaps erroneous, draft manuscript. The importance of this "curatorial" function cannot be over-estimated as it has been an essential element in the progress of scientific and medical research over the decades.

Of course, all of the above value is contributed to the "content" of the research. That is before any of the huge investment that is made and continues to be made in the technology that has made the ability to find and work with content so much quicker, easier and richer. Putting all this material into an electronic format, indexing it, making

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it searchable, making it quick and easy to find, and then moving from just creating pdf copies of printed articles to fully interactive articles enriched with incredible functionality that never before was possible. For example, rather than simply read someone else's work, today a researcher can — in real time, as they analyze the article — view and manipulate as they wish a 3D model of the brain, a cell structure, or anything else that may be the subject matter of the article. Or, again in real time, they can import their own data into the models set out in the article they are reading and study the varying results. Or, they can export data from the article they are reading into their own models and study those outcomes. Or, they can in fact create and experiment digitally with almost any chemical combinations and see the results, without the risk of blowing up the lab (and themselves).

In short, incredible interactive functionality has been added to research that allows it to be used and manipulated in an infinite number of ways — ways that were not possible or even dreamed of when they were simply static printed pages or even just uploaded in pdf form to electronic platforms.

All of these tools have allowed researchers to become much more efficient, much more prolific, much more productive. But all of this requires huge investment. It requires concerted effort, constant innovation, and significant financial investment. It does not come for free.

Of course, this side of the debate is hard to reduce to a simple sound bite. It takes time to explain, is complicated and abstract. In short, it requires effort to engage with it. Hence, the two sides of the debate are "asymmetric." Unfortunately, in this age of "time is money," too many of us find the allure of the sound bite argument to be too much to resist. And even more unfortunately, in issues of such great public importance as scientific and medical research, this includes legislators and policy-makers.

My second illustration of how the intersection of law and technology continues to create exciting and cutting edge debates today relates to Intellectual Property, and in particular, copyright. We thought Napster and the music industry might have resolved those issues in the context of the digital age years ago. Along comes Google — and boy, were we wrong.

Google went out to a number of Universities and copied millions of volumes of work, in their entirety. At least for those of you from the U.S., you may remember that time when posted around all Xerox machines in offices were the large notices reminding you that before you wholesale copied materials, you should ensure you were not violating the author's copyright.

Apparently, according to the U.S. 2nd Circuit Court of Appeal's recent decision, which the U.S. Supreme Court refused to review last month, Google need not heed such warnings. Not even when copying millions and millions of volumes of work. In fact, over 20 million non-fiction works, to be precise, were copied in their entirety.

I will spare everyone a lengthy discussion about the fair use test under Section 107 of the U.S. Copyright Act or the Three Step Test for copyright exceptions and limitations under the Berne Convention. And, I am not necessarily going to argue whether the 2nd Circuit's decision is right or wrong. Ok, yes, I am going to pretty much argue it was wrong, but it is a prime example

of the challenges that those of us in the publishing and information business are facing as the courts and, ultimately, legislators around the world, try to adjust legal frameworks to account for this digital age. I think many of us would have thought that the mere reproduction of copyrighted works in their entirety without the author's permission would violate copyright law. But is the storing of these works on a small silicon chip somehow different than the Xerox copying of them? Has somehow the law simply changed by decree of the 2nd Circuit such that copying is no longer a violation of copyright but it requires "re-display" of the work before it becomes a violation? Because it requires something more to access all this material that is sitting on a silicon chip, is this "scanning" of it somehow different than copying it on a Xerox machine? Or, has the technical capability to be able to take all these works, and through machines make an index of them and make them searchable, created something so new and different that it gives substance to the concept mentioned in this case and some other earlier cases of "transformative fair use"? Or, as also noted by the courts, is it a matter that the ability to be able to do so is such a narcotic that the courts have deemed this to be a public benefit of such value that the traditional four-factor fair use standard is now really a one-factor test based almost entirely on public interest? And, if so, has anyone given much thought to the impact this might have on authors or on the value chain of creativity and authorship? The consequences may well be profound. I can say with a degree of certainty, however, that they are not well-understood.

The third and final intersection of law and technology that I would like to touch on is privacy. Of course, concerns and legal rights around individual privacy have been around for a long time. However, cybersecurity concerns have given new impetus to the debate. Again RELX finds itself intimately entwined in many of these issues, particularly in our public records business. Our Risk & Business Analytics business is the largest repository of public records in the U.S., and as such, we hold a lot of personally identifiable information. Our customers include the insurance industry (for whom we provide a comprehensive set of claims data on insurance applicants); financial institutions — our products help them comply with their Know Your Customer obligations, as well as with anti-money laundering regulations; and governments, where we provide solutions to combat tax refund and benefits fraud and products to support law enforcement.

The ability to verify identity, analyze, and in particular identify links and associate disparate data with individuals and entities has allowed businesses and governments to more effectively identify risks and, in many cases, more precisely price risks. This in turn brings greater economic efficiency. For example, Julian Long, with a perfect claims history, no longer underwrites part of Hank Udow's insurance premium (who has failed to disclose to the insurance carrier his numerous past insurance disasters and resulting claims). In the U.S. auto insurance industry, this more accurate pricing of risk has resulted in auto insurance premiums decreasing for 75% of those insured.

However, this efficiency comes with a cost — a lot of information on individuals is held and therefore is at risk of mis-use. We operate in a heavily regulated environment, but still hardly a month passes without someone announcing a data breach of some sort or another. Businesses therefore put in place all manner of cybersecurity measures to secure the data they hold. RELX for instance devotes substantial expert resources and technologists to nothing but developing policies, procedures, and internal controls over our information security practices, and then auditing those procedures and controls.

Those controls often utilize encryption methods.

And then comes Apple and its outright refusal to cooperate with the FBI to unlock the iPhone belonging to the shooter in the mass attacks in San Bernardino, California.

The extent of an individual's right to privacy versus a society's need for effective law enforcement and intelligence/anti-terrorism efforts entails complicated arguments on both sides. Yet technological advances — the iPhone 5 and 6 for example — have forced this issue to once again be joined here and now. It is not going to go away.

Surely the answer cannot be that people's privacy in their smartphones is inviolable under all circumstances, nor can it be that one business or one industry can dictate the terms of the boundaries of privacy rights as they relate to electronic devices. However, something about the current technological framework within which we are living today has caused this debate to tap into a deep vein of emotion across the world. Is it a reaction to mass governmental intelligence agency surveillance programs? Or is it that our phones and tablets, even more so than our computers and laptops, have become extensions of ourselves, our inner souls, revealing our most intimate inner self? I am not sure.

What I am sure about is that the traditional tension between privacy and personal and societal security is having a profound effect on businesses in the information solutions and data analytics fields. The expectations of our customers and data suppliers and the regulatory landscape are both changing

rapidly, and for now at least, not necessarily rationally. For example, regulators and legislators appear to be demanding notices about cybersecurity breaches be provided to consumers promptly — within 72 hours in the recently enacted Dutch statute, for example, and even sooner, such as 24 hours, in some other laws.

The problem is that within that time period following discovery of a breach, a business almost certainly will not understand the extent of or the facts surrounding the breach. Computer forensics takes time and skill to perform. Yet well-intentioned regulators seem currently willing to sacrifice accuracy or meaningful disclosure in exchange for speed. How, as a business, we respond to this, and what reputational impact it will have with our customers, is a serious challenge.

Similarly, most statutes and regulatory requirements today tend to refer to a business having "adequate" or "appropriate" cybersecurity safeguards in place. Historically there has rarely been any definition to what is considered "adequate" or "appropriate." More recently, some regulators and legislators have started adopting proposals to mandate data be "encrypted at rest" — meaning the data you hold on your servers be in an encrypted form while it sits there. While this may give a sense of additional security, in many cases it provides little real additional protection if cybersecurity criminals have hacked into your systems. To be able to work with data, anyone holding that data needs to be able to un-encrypt it. If hackers get in to your system to steal the data in the first place, there is a high likelihood that at the same time they will locate and extract from your system the encryption keys. Hence, encryption at rest is often not the most significant element of a cybersecurity program.

We are living through a period where lawyers dealing in the world of information solutions and data analytics have a critical role to play in helping the world to resist

these simple, easy to understand, but not particularly efficacious, solutions that are being proposed and adopted but rather to move the discussions to be more robust, meaningful and effective.

As you can tell, I think this is a remarkably exciting time for the legal profession, particularly as it relates to how we adapt our legal frameworks to accommodate ever-evolving digital technologies. But at the same time, it is incredibly important for the legal community to step in and help steer the course of dialogue about these issues away from asymmetric, overly simplistic and facially appealing arguments and toward a much more thoughtful, oftentimes more uncomfortable, but ultimately more thorough and engaged debate.

Again let me thank you very much for this tremendous honor and for the chance to be here with you this morning.

JACK FRIEDMAN: Thank you.

Hank, in this area of cybersecurity, there are all kinds of issues for Boards to consider, and it reflects also on the general question of the role of the General Counsel as advisor interacting with the Board. Could you comment about the Board's role, and also something about how Boards may be treated by regulators?

HANK UDOW: Boards have a real role to play when it comes to cybersecurity, but it is similar to the role that they generally have, which is to ensure that there is appropriate oversight and governance of cybersecurity issues in the business; to ensure that adequate resources are allocated to cybersecurity matters; to ensure that management is appropriately focused on cybersecurity, and to challenge the overall robustness of the cybersecurity program. Then, essentially, the Board should get out of the way. There's a real move among regulators to prescribe how Boards should be involved in cybersecurity. It is just another on their growing list of very specific topics they have now added to the obligations of Boards. There is a trend among legislators and regulators to become more prescriptive in requirements for Boards. This appears to be another being added to that list.

The concern with that and, frankly, the general trend of legislators and regulators, is that Boards are invited, almost encouraged, by that approach to adopt a tick-the-box kind of culture. That is: "Okay, if I have all of these requirements, now that they're actually explicitly spelled out in a regulation or statute, or in a regulator's memorandum, if I cover off exactly those items, then that is what I need to do limit my liability and potential exposure."

The problem is, as soon as you cause Boards, or even Management, to have to spend their time focused on making sure they tick specific boxes, you've, in some form or fashion, absolved them of the broader responsibility to step back and say, "What do I need to do in *my* organization to create a *culture* of compliance, or a culture of attention to cybersecurity?" Every organization is just going to be different; they're going to have different cultures; they're going to come from different starting points. The most important thing a Board can do — and it relates to cybersecurity as equally as other areas — is to step back and say, "This is an important issue; we need to focus on it; we need to be sure we have

the right resources; we need to be sure Management is focused on it; but we need to do it in a way that actually creates a *culture* within the organization supports this activity as being critical to what we do.

JACK FRIEDMAN: In the cybersecurity area, what is the relationship between EU level and the national level of regulating the type of issues that you were just raising? In the States, it's basically federal issues, so we don't have that problem. Could you tell us if this is all a Brussels negotiation and issue, or is it country-by-country?

HANK UDOW: At the moment, it's much more a member state-based issue. Inevitably, you will see it become more and more on the agenda of the EU, as well, because it impacts customers or consumers across borders. We are currently living through the abolition of the EU/U.S. Safe Harbor provisions, and the attempted establishment of the new Privacy Shield, so the EU is clearly very focused on privacy concerns, and I think it likely over time this will naturally extend to cybersecurity issues.

JACK FRIEDMAN: What are other aspects of the impact of future technology on developments in the law?

HANK UDOW: Artificial intelligence clearly is going to be one of the next frontiers, which is going to throw up legal issues; in particular, for instance, ownership issues. To create artificial intelligence requires huge amounts of content. Who owns that content? Who owns the output of the artificial intelligence program? Who has the right to use that output? Who has rights over how it is used? We as a legal community have not yet spent much time contemplating those kinds of ownership and rights issues with respect to artificial intelligence.

Another area that's related is driverless cars. As a concrete example of a use of artificial intelligence, they are going to throw up incredibly difficult liability issues. Who is responsible for the accident? Who's got

responsibility for programming the car in the first place, in terms of is it priority to spare the lives of the occupants of the vehicle, or others? If there's a sole occupant in a car that's about to crash, is it programmed to do what it takes to allow the survival of that sole occupant, at the expense of the crowd of pedestrians on the side of the road? Does it matter if that crowd of pedestrians is a group of children at a school bus stop? Who is making those determinations, those prioritizations?

That's the next frontier. Those are going to be incredibly difficult issues to come to terms with.

JACK FRIEDMAN: Thank you. I would like to continue with some panelist remarks, starting with Creighton Condon, who will introduce his own topic.

CREIGHTON CONDON: Sure. Good morning. It's obviously a pleasure to be here, and thank you, Jack. It is great to be here to honor my good friend and former colleague, Hank. Hank was a Shearman & Sterling lawyer from 1983 to '87. He started as a litigator; became an M&A lawyer; then moved to London, with the law not far behind him. He then jumped ship in 1987 to move to Cadbury, and the rest is history, and he's been a good client since.

My topic this morning is governance and risk, including in M&A deals. Where I'd like to start is to talk about risk — how companies are dealing with risk, and how they structure themselves around risk, and what Boards are doing. I will then talk a little bit about how you translate that into the M&A world, and what sort of risks are taken in M&A transactions and maybe a little bit of the disconnect between how much attention is paid on a regular basis, as a company, to risk, and the processes around risk, and what practically you can do in an M&A deal.

Starting with the point of risk — risk, of course, is fundamental to good business. The key is to understand what risks are you taking, and hopefully make an informed and sound judgment on the amount and types of risk that are appropriate, and ideally — obviously — avoid catastrophic risk as part of that.

Ever-increasing regulation, some of which Hank was just talking about — in relation to cybersecurity, for example — is designed to ensure that companies have the right processes and procedures in place, both to be able to identify the risk, and then also to have the right information to make reasoned judgments on those risks and which ones to assume and how to cabin the risk.

Legal risk is everywhere. The FCPA, that particular U.S. construct, remains the major corruption-fighting tool in the world, and has resulted in enormous exposure for companies worldwide. VimpelCom is an interesting recent example. They paid $800 million in fines — this was announced in February — and now have the pleasure of having an independent monitor for the next several years, who will be all over their business. It is a good illustration of what's going on globally in this area — in some respects, this is a fantastic business model for governments. The companies have an obligation to self-report. Once they self-report, the government says, "Go out and hire some very expensive advisors; do a deep dive; come back to us and tell us about the problems you found; and then we'll tell you how much to pay us." It's almost better than taxes in that respect.

Obviously, regulators around the world are aware of that, and there is of course the reality that corruption is bad for business and so on. It's a policy matter. If you want to read an interesting piece, you should look at the release from the SEC on VimpelCom to get a sense of what's going on. It cites assistance from the DOJ, not surprisingly, in the U.S.; the Dutch authorities, also not surprising, since almost half of the fines were paid to the Dutch Authorities; the IRS; the Department of Homeland Security; the Norway Financial Authority; the Swedish Prosecution Authority; the Attorney General of Switzerland; the Corruption Prevention & Combating Authority of Latvia; the BVI Financial Services Commission; the Cayman Islands Monetary Authority; Bermuda Monetary Authority; the Central Bank

of Ireland; Estonia Financial Authorities; Spanish Financial Authorities; the Latvian Financial & Capital Markets Commission; the UAE Securities & Commodities Authority; the Banking Commission of the Martial Islands; and the Gibraltar Financial Services Commission. Those are the ones they specifically mentioned in their release. But it gives you a sense of just how much focus and how much coordination is going on around the world, which is startling and obviously different than it was five or ten years ago. That's without mentioning China, obviously, which has its own anti-corruption drive going on, in which multinationals are a particular target and have a lot of scrutiny.

Add to this myriad examples in different industries and with different problems: BNP's $9 billion fine for sanctions violations; Olympus' problems on the anti-kickback fines; Volkswagen's emission problems getting a lot of headlines; and multiple cases involving insider trading, price fixing, accounting fraud, and recent issues with cybersecurity. Putting aside, obviously, all that the financial institutions have been going through, including this week's reversal of the dismissal of the LIBOR cases by the U.S. Court of Appeals, so that will resurface.

How does governance align with these problems, and what's effective and what is not effective? For all the processes that are in place now at companies — and companies really almost have no choice but to implement best practices — best practices have become ever more onerous and difficult to comply with. A fundamental point comes down to an understanding of one's business and the risks of that business, and to make sure that the Management and the Board are focused on those risks and have the information to assess them.

Strictly as a legal matter, that's all that's required, of course. Without getting into the technical legal standards, it is very difficult for a Board, absent conflicts of interest or a complete lack of processes in place — even if, as suggested by the case law, you don't always follow those processes — to face legal liability, certainly in the U.S., and I think more broadly. So the issue is not so much the legal exposure as it is the exposure for a company's business, its reputation, the reputation of the Directors and the time, attention, and distraction that companies come under when they are under regulatory scrutiny.

As lawyers are often asked for advice on what's the right governance structure for a Board in connection with the current environment — and really, to Hank's point — our advice is first you have to understand what your risks are, what your culture is, what your Board looks like, what skills you have and don't have; and then you can figure out what sort of structure you have. You should understand the industry and the strategy, the geographic scope; third-party relationships, including suppliers and agents; ownership structures sometimes are quite important; and potential conflicts of interest in the executive compensation structure. If you have a handle on those things, you can construct what needs to be, in almost every case — although guided by examples that you can draw from, from other companies. You really need to design something that's specific to your particular company, and that includes what sort of committees you have; how big your Board is; and all the issues outlined above that might impact on structure and process.

It certainly should be on the agenda for Boards and appropriate committees to get regular briefings from Management. It's important and critical, really, for Management to understand that one of its key roles is to get the kinds of information that the Board needs to be able to assess the risk.

But equally important — and, again, Hank mentioned this — is not to micromanage. That's not the Board's role; the Board's role is really to understand what processes are in place; what's the culture; what's the tone from the top. How does the compensation system interact with the level of risk tolerance in the type of business that you have? To have separate sessions as a Board, not just with the CEO and the CFO, but with the General Counsel and the Compliance folks and so on, so that you have an understanding that these kinds of risks are being assessed and managed at all levels.

Think about all that, and how intensive that process has become at public companies, and then think about the M&A process. Gone are the days, largely, of doing deals over weekends, but we're not that far away from it. Now it may be a month or two, where you do more diligence, clearly. As part of that, there is diligence around compliance and risks and so on that you might be assuming when you're buying a particular company. You may obviously have particular insight to the extent the business you're buying lines right up with the business that you're in, so that you come at it with a certain level of understanding.

There are certain areas where there are pretty tried and true procedures in place for due diligence. FCPA is one. While you can't be sure that you will not have an FCPA problem shortly after you buy an entity, you can go through an intelligent process to assess the FCPA risk, what we call a red-yellow-green process, to identify risky types of business within a particular target, or risky geographies and the like.

You can do some work around privacy issues, some work around cybersecurity. We're seeing a little cottage industry growing up around those issues, not too dissimilar to what grew up around environmental 25 or 30 years ago, when environmental became a hot topic. But having said that, you take all of those things that you can do in diligence, and you line those up with what you do as a company around risk assessment, and the bottom line is you cannot get to the same level of comfort in a company you're buying that you have with your own organization. You can spend time — you should spend time — testing the tone at the top, talking to the Compliance folks, talking to the General Counsel, get a sense of what sort of risks are out there and how they are thought of and how they are approached. But the bottom line is that you can't really get to a full level of comfort.

From a buyer's perspective, we're seeing a couple of things. One, we're seeing more caution around that issue, generally speaking. But also — and this is probably the most important thing beyond taking the steps that are sort of reasonably available in the context of M&A transactions, in terms of diligence — is just to be absolutely open with the Board as to what you've done; what you think the risks are; the fact that you can't fully assess the risks because you're not running the company. As much as you may have done, you're going to continue to have exposure. Have the Board get that input and be part of the record of what they assessed. At the end of the day, M&A is about pros and cons. Do you do an M&A transaction? Do you grow organically? What's driving the transaction strategically? It is part of this analysis and also important from a records point of view, that the Board understands what's been done in the area of risk analysis.

I would not have wanted to be the Nokia management when the Siemen's FCPA problems arose between the signing and the closing of their transaction, but Nokia had a very good record as to what they had done in that transaction. They ultimately restructured the transaction in a way which was favorable to Nokia, but it was a huge headache.

The bottom line is, that was not something that was discoverable in diligence, and that is just a prime example of the kinds of risk that you take in M&A transactions, given the regulatory market.

JACK FRIEDMAN: Thank you. Hank, what is the enormity of money, time, and education that a company like yours puts into their compliance efforts?

HANK UDOW: Most people who are involved in organizations will appreciate that it's difficult, first off, to total up all the time, effort, and money spent on compliance, for a very simple reason: it has become so pervasive at this point that, in the first instance, most large organizations will actually have a set of resources that are loaded to compliance; they will have a Chief Compliance Officer and a staff of Compliance people doing compliance activities, promulgating policies and procedures, and training. But that, in some respects, only scratches the surface, because you can only do so much in any large-scale multinational organization from the center. What you're really trying to do is to provide some standardization, and minimum standards, and guidance, essentially, to all your businesses and all your people, about compliance activities. Then what you're trying to do is ensure that in all of your business activities there is an element of compliance activity that takes place as a standard operating procedure. So it pervades, at this point, everything we do.

We don't just sign up a new customer anymore. The days of just signing a contract with a new customer that says, basically, "I'm selling you this; you're paying me this; and the contract is terminable on such-and-such terms, full stop," are long gone. Now, before you can sign up that customer, you are doing, no doubt – and it's not the Compliance team, generally; it's the sales people, or somebody in the organization that's entering into the contract – who's doing some level of compliance activity. For instance, there is the due diligence that the U.K. Bribery Act or trade sanctions legislation requires you to do. Is there any connection with Syria, for example? And believe me, when you're doing transactions with, for instance, financial institutions, that is not an easy question to answer. It's become embedded in almost everything we do, and it's just added a level of complexity and obviously cost to what you do on a day-to-day basis.

JACK FRIEDMAN: The General Counsel can tell the Board, "The investment you're making, collecting data internally, can help us run our businesses better, because it tells us more about our customers."

HANK UDOW: Well, it's actually interesting and true – again, take cybersecurity as an example – we firmly believe that if you have truly world-class cybersecurity processes, procedures, and controls in place, it can be a competitive advantage. Because the people you deal with – your sources for data, your suppliers – actually are very concerned about the reputational impact on them, as well as the legal liability, should there be a breach of your systems that contain information that came from them. They want comfort that if they're going to supply this information and data to you, that you have good controls in place.

As a result, all the expense, time, and effort you put into your cybersecurity efforts actually becomes a competitive advantage for the business, because if we do this better than our competitors, we're going to use it as a selling point to our data suppliers."

JACK FRIEDMAN: Erik Belenky will be our next speaker.

ERIK BELENKY: Thank you, Jack. I'm going to talk about the state of M&A, and echo some of the comments and issues that Hank and Creighton highlighted.

Let me begin with a tautology by a famous American baseball player: that predicting is hard, especially when you're talking about the future. But try, we must!

2015 was, by all accounts, a record year in terms of dollar volume of M&A. I think Bloomberg's estimated it at about $4.3 trillion, which surpassed the numbers in 2007, which was the previous high.

There are a lot of reasons that fostered that type of environment, including a low-growth environment, which encouraged acquirers to seek out growth revenue where developing that organically was challenging. Low interest rates persisted, so borrowing money was relatively cheap; and stable equity markets made stock a very viable currency for a lot of acquirers.

The record numbers don't necessarily paint a full picture, and it informs where we are today. Activity varied greatly by deal structure, by economic sector, by geography. The highlights for strategic buyers, for example, were very different than those for private equity – and by that, I mean there weren't a lot of highlights for private equity buyers in 2015. We saw a lot of consolidation in pharma, in telecom, and portions of technology, and then a rapid retraction in energy and those involving commodities, where they were literally ravaged by a shocking decline in oil prices.

The BRIC countries which everybody talked about as the new frontier for M&A range from stable, in the case of China and India, to utter turmoil, for Brazil and Russia, which were effectively off-limits due to political crises. Amazingly, the number of deals declined in 2015 over '14. So, you have these record dollar volumes, and yet a decline in the number of deals.

In part, that's because we had a lot of really big deals – there were almost sixty deals over $10 billion – so that inflated the dollar volumes. There are probably some other things going on. The question is, where does

that leave us today? The low-growth environment is a powerful incentive to doing deals, and it is hard for companies, especially public companies, to stay out of the M&A markets. There are some changing macro issues today over 2015 that began, really, in November of 2015. For example, equity markets were not as stable; the markets for non-investment-grade debt really dried up, and they're pretty tumultuous, even today. That impacts M&A volume.

But there are a couple of other factors that I'd like to spend a little time talking about that are very meaningful today, and will likely persist. One is regulatory scrutiny of corporate transactions, which can be characterized as a very muscular enforcement of antitrust and foreign investment regimes. This manifests itself in a number of ways, ranging from downright rejection of transactions, such as the EU's rejection of the UPS–TNT merger; the recent U.S. regulatory rejection of the Baker Hughes–Haliburton transaction. It's not only rejection, though, but requiring remedies that are very broad, that are very difficult. The trend in both the United States and in the EU is to require divestitures of entire business units, as opposed to discrete assets. That's a very meaningful development, and impacts the way parties look at transactions. The period of time that it takes to review a transaction has gotten longer, so that's also an important factor.

What we have seen is an increased willingness, particularly when looking at foreign investment regimes — and I focus primarily on the United States, but we see this around the world — an increasing willingness to look at transactions that are not necessarily in security-related industries. For example, last year, the U.S. reviewed Chinese insurance company Anbang's proposed acquisition of Waldorf Astoria. It was ultimately approved, but when that was announced — and we call it our CFIUS regime, the Committee on Foreign Investment in the United States — when CFIUS announced that they were reviewing that transaction, people looked at each other and said, "What's going on?

There can't possibly be a national security issue." But they did review it; they ultimately approved it, but it shows increased willingness to look at deals that were previously off-limits.

Another important factor, and this is kind of the theme of the day, is risk, and really, risk profile. Since the Great Recession, there has been a change in risk profile among companies. That's not a bad thing, by the way, but it's obvious. It's not just because there are issues like cybersecurity which raise relatively new risks; they're difficult to detect, but potentially catastrophic if there's a problem. But the margin for error is so narrow now, and this is the double-edged sword of the low-growth environment phenomenon. It motivates people to do deals, but it also shrinks that margin for error.

Anecdotally, a lot of us who do deals see that. My own experience is we see a lot of deals that are terminated once you make it through the due diligence process, and that's because the client decided, "Well, we've identified this issue; our margin for error is narrow enough, we're not going to go forward." It raises a valuation problem.

In sum, M&A is an important part of the global economy; that will never change. Whether '16 is bigger than '15 is entirely inconsequential; it's only interesting to people who do this for a living. What is clearly the case is an increasingly complex and challenging environment. It is critical for counterparties and their advisors to carefully analyze the specific factors that will encourage or potentially derail transactions.

JACK FRIEDMAN: Thank you. Let me ask you this: How does the changing environment and regulatory situation affect the relationship of attorneys and their clients and deals? One issue right now is, how is anything kept a secret if the hackers can come in and start stealing from anywhere?

ERIK BELENKY: I'm going "A" and then leave!

JACK FRIEDMAN: There's the whole question, as soon as you hear the word "M&A," you know there's got to be information held close to the vest, not only for legal but because the prices can be affected if it got out.

ERIK BELENKY: In terms of regulatory scrutiny, it's really the same answer for both regulatory scrutiny and changing risk profiles. It requires companies and their counsel to get that much closer. It is actually a good thing; it's a challenge; it's a positive development, because lawyers and GCs — inside and external counsel — spend a lot of time talking about adding value. One way you do that is potentially through billing arrangements. I'm not sure it's the end of the story but it hits closest to home.

But look, M&A has become an intense exercise in risk analysis, whether it's working with clients to identify antitrust or regulatory risk generally, or helping them strategically identify risk. There used to be a day when we would produce 100-page due diligence memos that no one would read — and in our experience, those days are over. We are very focused on strategic reviews of

targets, and in issues like antitrust, helping a client work through the process, and evaluate remedies, and approach these matters strategically. It actually creates an opportunity to create value in the general M&A process, and requires companies and counsel to work more closely together.

CREIGHTON CONDON: I would say that we're seeing two other trends that impact the relationship between companies and their counsel. One is what I call convergence. A lot of companies in the last 15 years adopted a panel structure and they had large panels with lots of different providers. A lot of those companies are now going back — and I'd be interested in Hank's view on this — and taking a hard look at that structure and trying to limit the number of firms that they work with. That leads to the second point on this, which is it's increasingly important for lawyers to understand their client's business. As part of that, what you're seeing is the increase in focus by law firms throughout industries. We have seven core industry groups, for example. We do a lot to provide information to partners and associates around what we're doing in those industries, what's going on in those industries. Being able to come at legal issues with an understanding of the business is becoming absolutely expected from clients.

HANK UDOW: I fully endorse that. Where the most value add in the relationship is, is with firms who know our business and know our culture, and how we work. There is no more value creation between a law firm and a client than can be generated when a law firm knows, instinctually: with a client, when they've asked a question, are they looking for a quick verbal answer? Are they looking for a short email response? Or are they looking for a real in-depth legal analysis of the issues? When you create that relationship where the people you're working with just understand that, and then also understand how you think about issues and how you think about risk, and can say, "Actually, I know the three most important things to this client are really going to be these three issues and not all ten." That creates the most value, in my view — billing arrangements included.

Establishing that kind of relationship ties into the other point about conversions — I've never been a big believer in panels, because I think most people would actually exercise their panels more by exception than by observance, and therefore have never done formal panels. Rather we continually work to reduce the number of firms we work with to try and create deeper relationships with a few key firms.

JACK FRIEDMAN: Our next speaker is Lodewijk van den Bergh.

LODEWIJK HIJMANS VAN DEN BERGH: Thank you very much. I'll make some general comments on the different perspectives of in-house lawyers and outside counsel. By way of background, I'd been a practicing attorney for twenty years when I became General Counsel and a Board member of the international retail company Royal Ahold. Royal Ahold is not active in this country, but has over 3,000 stores in the U.S. and in Europe.

First of all, Hank, congratulations on your well-deserved award.

The gist of my comments, really, will be that as a General Counsel, you need to have both broad and deep knowledge about what you're doing. You've demonstrated that very well in your introductory comments. Two points spring to mind. First, one of the comments you made at the start of your talk related to the rapidly changing environment of the business, and how that affects your business. I completely agree and saw that at Ahold.

However, having returned to practicing law about three months ago, I noticed — and I was just talking to Erik about it before the meeting — how little actually seems to have changed in law firms. Perhaps we can talk a little bit about the fact that the business

models of law firms have not really changed; I believe that is at our peril. It's not so much about fee arrangements, but more in relation to the leverage model that law firms operate under. Do we have a blind spot for the rapid technological changes that you see in businesses?

The other point I'd make is about information and costs. You said information is for free. As a retailer I would say that people — clients, customers — expect almost anything to be for free or at least at very low prices. You see it especially in eCommerce, driven by technological changes and customer preferences. It is not easy to make a profit and there is a race to the bottom in terms of pricing. Look at Amazon. The same holds for a company we bought when I was at Ahold in the Netherlands, called "BOL.com," also a non-food eRetailer. It's just very difficult to make money. At the same time, plenty of choice at low prices is exactly what the customer expects. So the question is, where does the business model of the future lead us to? Surely, not everything can be for free.

Turning then to in-house and outside counsel and how they can work together better: I think there is a real difference in perspective.

If you look at the difference between outside and in-house counsel, think of a big and multi-layered cake, and then imagine taking a piece out of that cake and stepping into the void. What you see is an outside counsel's view of a company. An outside counsel has deep knowledge about the legal issue he or she is advising on. But it's only a piece of the cake, and thus gives a limited perspective. As in-house counsel, you are in a different position — you sit on top of the cake.

Whereas the outside lawyer is specialized — and let's be fair, is hired for a specific job — be it M&A, litigation or an investigation, *you* as in-house counsel have a different role: you have to oversee all the aspects of the business and understand them. Many of them are not legal at all, but may well have legal angles or implications. At the same time, you need to be able to dive deep into the cake whenever needed, and in whatever jurisdiction you happen to be; and then you must also be able to get back to the top, not get stuck in the details at the bottom of that cake. That, I believe, is the quality of a good General Counsel. At De Brauw, we call it, in modern lingo, "T-shaped." It was a new word for me, but you will understand it — you have to be broad and deep at the same time.

In addition, for a General Counsel, what is difficult is that legal issues are not always the preferred topic of Boards and CEOs, and by the time a legal issue does become important to them, especially if they didn't realize it before, it's not necessarily an enviable place to be in.

So, the viewpoints are different. But, as an outside counsel, in order to be a really trusted advisor, you need to have a good understanding of the wider issues the client deals with. Hank also mentioned that. This is all the more important because the role of General Counsel — and I've experienced

> "For example, rather than simply read someone else's work today, a researcher can — in real time, as they analyze the article — view and manipulate as they wish a 3D model of the brain, a cell structure, or anything else that may be the subject matter of the article."
>
> *– Henry "Hank" Udow*

that as well — is sometimes lonely. Most of us in private practice don't always realize that. We have partners to go to for a chat, or we can pick somebody's brain, or we can put our feet up on the table and have a glass of wine and talk about an issue. However, when you're on the Management Board or in a General Counsel position, the buck actually stops with you on a variety of topics. If you understand that perspective of the General Counsel, that really helps in terms of becoming a trusted advisor.

Also, getting closer to the business is more fun. And it may be good for the business of your firm. But there's also a longer-term rationale, picking up on Hank's earlier comment on information that is for free. In my view there is a real difference between knowledge and wisdom. Law firms traditionally and for a large part base themselves, in terms of their business model, on knowledge. But knowledge has become commoditized and is commoditizing further. We don't have a Dr. Watson on our desk as yet but that's going to change. Therefore, as I said before, the classic leverage model of law firms will come under tremendous pressure; whereas wisdom — which is the result of, I suppose, long and broad experience — comes at a premium. Clients do not always need wisdom. They need your wisdom perhaps 10, 15 or 25% of your time, but they also need a lot of knowledge. The question is, "How is the interaction between law firms and clients going to develop in that respect over time?" I believe it is a topic that needs serious consideration.

Let me now make a few observations about my experiences in-house. First, when I joined Ahold, I had a number of blind spots. One of the biggest was around risk management, a topic Hank mentioned, and perhaps the slightly wider topic of governance, risk, and assurance. It's not something outside counsel and law firms get involved in very much. But at Ahold — and I guess at many other companies — it was a significant topic. I had never really appreciated the scope and interconnectedness of what I would call the circle of strategy, enterprise risk management, internal control, compliance, internal audit, and external assurance. There's actually a structure that is incredibly important to companies. It is not really discussed in much detail with outside counsel, but from the perspective of the General Counsel it is of real significance. When it comes to risk, an example of the difference in perspective is how one deals with business risk. I suppose most lawyers are risk-adverse; and when you look at, for instance, an M&A deal, outside counsel's task often is to assess and mitigate risks in the transaction. The company's perspective is slightly different: it's not so much about avoiding risks, but about the question as to *where* do we want to take a risk, what is our risk appetite, and how do we assess that risk appetite.

For me, one of the big things I have learned in business was the concept of enterprise risk management and the need that it is an exercise that is done both bottom-up and top-down. And, actually, you should involve your Boards in it. I agree with the comments made that boards should not get involved in all the details of running a company — but they should get involved in a proper enterprise risk management assessment. We ran workshops, which were useful and sometimes revealing. When it

comes to risk assessment, you have to get away from your traditional instincts. Risks develop and change over time and to have a good understanding of those issues and a proper discussion in the Board really helps in making difficult decisions when you go forward. That was one point.

The second point is about the multi-jurisdictional aspects of a big company. There are several. First of all: culture. Hank has already referred to it so I won't go into it in detail. I will just say that culture is a big topic that is difficult to grasp. You can state in a Governance Code, as is currently being proposed in the Netherlands, that the boards need to deal with culture, but the real question is, "How do you do that?" And in multinational companies: "How do you deal with 'culture' across borders?" I believe that underestimating the importance of culture – sometimes as basic as understanding what you actually mean when you speak with one another – is one of the biggest mistakes often made in business.

The other brief comment I'd make, multi-jurisdictional, is about enforcement and investigations. Again, it has been addressed and it is clear that, from a company perspective, it can be a challenge to deal with investigations or enforcement issues in many jurisdictions at the same time

What I found that was new when I returned from Ahold to De Brauw is that we now have people in the U.S. who deal with multi-jurisdictional investigative and enforcement issues. What I find interesting and important to clients is that one can actually strategize about these issues. Obviously, regulators cooperate, as they should. But companies can also make choices and there is not necessarily only one way, one jurisdiction's regulator's way, to go. So, I suppose, the upshot is that no doubt multi-jurisdictional issues create challenges, but there can also be benefits in having a well-thought-through strategy as to how to deal with these issues.

The last topic I would like to touch on is litigation and staying close to clients. What I find fascinating to see is that the trusted advisor is often a corporate lawyer: someone who deals with M&A, governance, strategy, and then when it comes to big litigation, it's handed over to the litigators. I think – and no disrespect to litigators – that it is very important for a good relationship with the client that also the corporate partners, the client partners, get deeply involved in litigation. What I saw at Ahold, for instance, in a U.S. class action where we were on the receiving end of a big one, is that sometimes issues become too legalistic. And, within a company but also within a law firm, litigation can end up at the wrong level, not so much in terms of quality, but rather in terms of strategic and business perspective. When you consider big-ticket litigation from purely a legal perspective, you can actually go in the wrong direction. Looking at it from the financial/economic/business perspective is incredibly important, and when you talk about adding value to a client, having a combined team of litigators and corporate advisors in big-ticket litigation can really help.

JACK FRIEDMAN: Since you have been in private practice as a General Counsel and on the Board, do business people who are on Boards still think that lawyers just create trouble?

LODEWIJK HIJMANS VAN DEN BERGH: There is an element of that. I remember when I had just joined Ahold, the then CEO who hired me said, "You know, Lodewijk, you are here to keep us out of jail," So, there is that element of it.

At the same time – and that is much more important – there is the issue of diversity. Diversity is not just about gender or ethnicity, it is also about matters like background, experience, professional training, and similar topics. Going back to my first conversation with the Ahold CEO, I asked, "Why do you actually want me on the Board?" And he said, "Because I want a diverse group of people on the Board. I think we're quite the

same, and I need somebody else." I thought that was quite revealing. I would be interested in your perspective, Hank. I believe that when you look at companies, the good ones are diverse in terms of their Boards and their Management Committees or however they're organized, and their members are prepared to listen to each other.

Of course, lawyers have to be sensible. If, as a Board member, you only sit there and say, "Oh, I see a problem and I see a risk," well, I don't think that really helps you very much in going from outside to in-house. It is a transition one has to make; you have to get close to the business, and you don't grow your business by just focusing on legal issues.

JACK FRIEDMAN: Let me thank you. I wanted to have our final panelist, Julian Long, speak next. And, of course, we thank your people for their assistance with this program.

JULIAN LONG: Thank you, Jack. As the last of the speakers, may I add my congratulations to Hank, and also welcome everyone to Freshfields – my fellow speakers and all of you in the audience. My next line was to thank our own staff here for all the organization and to say that they really make the

event, but Jack's done that for me already. I suspect, however, that with that sort of message, saying it twice doesn't do it any harm.

For the avoidance of doubt, I'm still waiting for my embossed letter from my law school, and I was in charge of frozen food at my local supermarket at the age of 16 on Saturday mornings, and I think that's turned me into the lawyer I am today, whatever that is.

JACK FRIEDMAN: You were overwhelmed at the first time you got your paycheck and you saw everything that was deducted, all the taxes.

JULIAN LONG: It was cash, but I didn't earn enough to pay tax, just to make that very clear for the transcript. But more importantly I agree with Lodewijk that the fundamental point behind your comment is around diversity. It's that diversity of views; it's diversity of background; diversity in its broader sense. If any of us continue to fail in that regard, we will not be serving our clients in the way that we need to, going forth. So beyond my flippant remark about frozen food, there is a very fundamental point there.

I was just going to talk relatively briefly about the role of the GC, and I was going to give you a tangible example about how much things have changed. When you came into our building this morning, if you looked ahead of you, there is a very large area — it's a restaurant, coffee shop, meeting area; very interactive. That was all done in the refurbishment of this building ahead of the 2012 Olympics. Clients come in there, into the atrium, and admire the nice space. Hank came, actually, relatively soon after it was reopened. We sat there, having a cup of coffee and a chat, and Hank was praising our foresight in producing such a fantastic space for our clients and for our own people. Then towards the end, he said to me, "What was this space originally?" I told him it was a library. He said, "Oh," and then you could see the look on his face, thinking, "That was the area where all our books that you used to buy from us used to be. So where is the library now?" I didn't know where the library was in this building — because, of course, nobody was using those hardcopy textbooks and those law reports anymore, so it was a very tangible example of how, Hank, your own business has changed.

The U.K. Law Society issued a report on Friday about the growing influence of GCs. The Law Society is the U.K. professional body for solicitors. It's interesting for two principal reasons, the most important of which is the report was sponsored by LexisNexis, a key division of RELX — which is the reason, I have to say, I noticed it. Also, it demonstrates the ever-growing importance of the in-house lawyer, and GCs in particular, in today's legal environment. That's exactly what the Chief Executive of the Law Society acknowledged in doing the survey, which is that the Law Society effectively was set up for lawyers in private practice, but a very important part of it today, are in-house lawyers.

Maybe some parts of the surveys would not surprise anyone, but they do provide validation for Jack and the Directors Roundtable's honoring of General Counsels such as Hank.

I'm not going to repeat the whole survey to you. Just a couple of things that sprung out, and I think we've heard about today — interestingly, 50% of the GCs surveyed are responsible for setting legal budgets, so half of them are allowed to set the legal budget and two-thirds determine how it's spent; which made me wonder, who is the other third? [LAUGHTER] Which GCs are allowing this to happen?

The survey covered the attitudes of the rest of the business — Jack, to your point, which Lodewijk answered well. The surveyed GCs feel their departments are high-profile, influential, and expected to be proactive in protecting the organization. And that word, proactive, may not have appeared quite so often in previous surveys.

The work undertaken by in-house legal teams is broader in day-to-day legal work, at 39%; it includes strategy, 25%; and specialist advice, 22%. When you think about what GCs are responsible for, finding that balance between what their in-house teams are supposed to be doing and how that's supplemented by outside counsel, is key.

What do we take from that survey that's relevant today? Well, a continued importance, and growing importance of the GCs — something that really started in the U.S., but now, everybody would agree, is very prevalent throughout Europe. Fundamentally, that the building of the right in-house team is an essential characteristic of the best GCs. Once that team is built, it's the development of that team, how you motivate our team, how you provide them with career opportunities and give them the interaction with the business, which has inspired many of them to go in-house. The private practice law firms are, of course, a great source of well-trained people — as Hank well knows, because he keeps stealing mine! But then it's the job of the GC to integrate those teams of first-class lawyers in that in-house environment, and that is very much to Lodewijk's point.

Another feature is working out that balance between using the in-house expertise and the external. A lot of what GCs like Hank are doing is delivering the right judgment. Most of the times that we find ourselves

being asked questions by GCs, they're not necessarily black and white answers. GCs can probably work out what the black and white answers are; but the real advice comes from the judgment calls.

When we are, each member of this panel, thinking about the way regulators are going to respond — whether it's antitrust regulators, whether it's financial services regulators, whether it's the stock market regulators that we all have to deal with — what GCs are really seeking is a judgment about what is the right level of risk and what is the best course. That comes down to how are the GC and the external advisor going to help, together, guide the Board in their decision making.

That leads to Lodewijk's point about being the wise advisor. What do we see again and again when companies are in crisis? What we see is the GC assuming a very central role in the management of that crisis. That's partly their training and it's partly the legal exposure, of course; but there's also that ability that GCs have to think outside the silos. It is not their exclusive problem; usually it is not arisen in their part of the business; it is a problem which needs to be solved for the company as a whole. Either the case or the deal management skills they've grown up with make them very well-suited to managing crises.

GCs also have a very good perspective on what might be the medium and long-term implications of a crisis, as well as just managing the crisis today.

The last part that interests me, is understanding the culture of an organization — and Hank mentioned cybersecurity — and the interesting thing for GCs is having that insight into the culture, but also a little bit of a lawyer's detachment from it, and the ability to see the way in which the culture influences behavior, influences the assessment of the management of risk. That's a really important thing for the GC to do. They must, to Jack's point, be accepted into the business, but a little bit of lawyer's detachment every so often can be very valuable.

I'm just going to finish with a list of things that we see on the agenda for GCs, and maybe this will stimulate some more conversation. I talked about management of your own in-house legal team, which I think is vital. Creighton and Erik have spoken very well about M&A. This whole concept of "financial fairness," this idea that corporations have a responsibility to be financially fair, particularly in the tax world, and the whole EU-ACD impetus around base erosion and profit-shifting, and what is the right tax strategy for you, will be increasingly — and is already often increasingly — on the agenda of GCs.

We probably have spoken enough about dealing with data, but just to endorse the point that the whole area of data, the company's reputation and the trust your customers have in you is absolutely vital in all of this. Study after study shows that people are more willing to share their data with people who they think will respect it and handle it appropriately.

There is also responsible working in a volatile world. What might appear to be distant threats, whether migration, whether human rights abuses and your supply chain, etc., is another thing which is clearly high, and rightly high, on the agenda of General Counsels.

And then some topics never seem to go away. The vexed topic of Director remuneration; there is no GC who is not thinking about that for the next year; and there is no jurisdiction in which whatever rights shareholders have, they're not flexing them at the moment. Making sure that remuneration is aligned with both shareholder interests, and some of the other things we've talked about today — to have a policy on anti-bribery and corruption; to have a policy on data, etc., which then is not mirrored by the way in which you remunerate people, is not a good policy.

Lastly, we couldn't finish this, sitting here in the U.K. today, without saying that for at least U.K. GCs, understanding what the EU Referendum might mean for their business is an absolutely prime example of that mix of the understanding of the legal implications, the political implications and the commercial implications on their business.

But in view of time, I'd better stop my list at that stage.

JACK FRIEDMAN: It was a very good list. I wanted to give the audience a chance to ask a question. Would someone like to — thank you very much!

[AUDIENCE MEMBER]: Is there a better way of, or solutions for, having a better link between the M&A lawyers or the corporate lawyers and the litigators, including the way in which the litigators may be able to be closer to the Board?

HANK UDOW: Can I come in with an initial thought? It's a very interesting question. On a very specific perspective, the first thing that jumps to my mind is, because I recognize that issue, and I'm trying to think of examples, so start with something very straightforward. One of the things I find of incredible value among our employment lawyers that we have in the business is that they combine exactly what you describe in one person almost, because they are litigators for the most part, and to the extent that employment issues wind up in the Tribunal or other courts of some kind of jurisdiction, they are absolutely litigating them. But they are there advising from the outset and trying

to position your conduct vis-à-vis an employee matter from the outset with litigation perspectives in mind. Understanding that, but certainly working, in the first instance, to put yourselves in the best position and potentially primarily avoid any kind of involvement into a dispute resolution process.

So I always find, when we have worked on employment matters with the employment lawyers, that is a great model. How would you translate that model into other aspects? Because then it becomes more difficult. When you're structuring a business transaction, for instance, how do you integrate a litigation perspective, as you're negotiating the commercial terms of a transaction, it becomes less obvious; how do you do that? But you do sit back and think to yourself, "That *would* be very helpful."

CREIGHTON CONDON: The solution that Hank is suggesting is that we fire all the litigators and make the corporate lawyers both litigators and corporate lawyers! [LAUGHTER] But just to be a little more serious, in the M&A context, we do that all the time. We have litigators on public M&A deals, in particular, from day one, with the clients on calls providing litigation perspective on issues as we go through it. Now, that may be partly because in the U.S., 98% of U.S. public company deals get litigated? So it's a little different than just negotiating a commercial arrangement. But that is enormously valuable in terms of creating the right kind of record and what you're going to do on the deal.

[AUDIENCE MEMBER]: You can do legal analysis to decide whether something is legally proper or not, but sometimes, even if it's legally proper, you have to ask the question, "Should I be doing it, or should we be doing it?"

HANK UDOW: It's very interesting you ask that question, because, as I thought about today, I thought, "What do you look for from outside counsel?" As I thought about this I realized one of the questions

> "It is incredibly important for the legal community to step in and help steer the course of dialogue about these issues away from asymmetric, overly-simplistic and facially appealing arguments and toward a much more thoughtful, often times more uncomfortable but ultimately more thorough and engaged debate."
>
> *– Henry "Hank" Udow*

that I value outside counsel answering more than any other, is what *should* I do? We always frame questions, "what *can* we do," "what's legal," "what's not legal," "what's the process." But at the end of the day, the question for us really, always, comes down to "what *should* we do."

There are at *least* two elements to answering that question. One, obviously, is what is permissible? But the second one is much more important, which is the judgmental issue, providing positive solutions for a business; because at the end of the day, the real question is how do we promote the business? While we'll discover at times that we can't promote the business the way someone has proposed, almost always one can find another way to promote it; it's just a question of determining what is the real objective, and so if you can't go that way, you can go this way.

I always value the advice that "you can do the following things, but you should not do them, for the following reasons." Of course, it's always helpful to add, "In lieu, you should think about *these* things."

JACK FRIEDMAN: Erik and Julian, what are examples or thoughts you have on the question of how you present to a client some unfortunate piece of news or legal advice?

JULIAN LONG: There's quite a lot in that loaded question! No, I can tell there's a lot, because Erik's suggested I went first! [LAUGHTER] Most of the topic we've covered already. Part of it is knowing your clients, because if your primary client is the GC, then it is your job, as the outside advisor, to make sure that the GC has the range of judgment calls, as we've talked about. So as to the last question, "what can you do legally" and "what should you be doing," this also requires an understanding of the dynamic in which your client – usually, the in-house legal team – is operating, because it's not just the advice; it's the way in which that advice is presented. To my mind, you don't surprise your GC client with advice in front of other people; you make sure they understand it first; and then you rehearse it – particularly if it's going to the Board – you make sure it's rehearsed; it's rehearsed with the other advisors – if there are going to be financial advisors aboard, whatever it is, you make sure that the client, as a whole, is getting a joint up advisory view. That's really important; we have an important role to play in that. You present it in a way which ultimately means the Board, if it's a Board decision, makes an informed decision. That is our job; our job is to work with Hank and his fellow GCs to make sure that the people who are discharging the duties that Creighton talked about right at the beginning of this, of doing that on a properly informed basis.

To me, it's a little bit more nuanced than "you can" or "you can't" do things; it is understanding the client, the client's business, why it wants to do something, in a way which enables you to hopefully craft solutions, but at the time when you can no longer craft that solution, you're very clear about that.

JACK FRIEDMAN: There's a lot more to getting deals done, as Julian was saying. I would guess that's part of Erik's job, too, to deal with the personalities of the people.

ERIK BELENKY: Echoing what Julian said, I actually think there are relatively few situations where it's simply "you can" or "can't" do something. I mean, when it is that black and white, I think there's actually, those aren't difficult conversations, especially when you're dealing with high-quality GCs like Hank. Ultimately, it does come down to the relationship, and you don't want to be seen as somebody who is just saying "no," so you want to, where possible, help craft alternatives. Clients appreciate that, and in fact in the very best of relationships, that's what they're paying for. It's not the case that law firms are distinguishing themselves on the basis of, you know, "We can draft this merger agreement better than so-and-so." Companies like RELX can hire anybody in the world, and it is a very minimal price of admission that the documents are going to be perfect, that the work's going to be great. Where firms distinguish themselves is on the issues that Julian, Creighton, and Lodewijk talked about — it's helping to exercise judgment and integrating yourself into the team so that you can have these types of open and candid and productive discussions.

JACK FRIEDMAN: I would like to thank our Guest of Honor for sharing his time and expertise. I want to thank the Distinguished Panelists. We always thank the audience, because ultimately, the Roundtable is about the audience. So, thank you.

Lodewijk Hijmans van den Bergh

Partner

DE BRAUW BLACKSTONE WESTBROEK

Lodewijk's practice focuses on corporate law, including governance, advisory, and M&A.

From 2009 to 2015, he was Chief Corporate Governance Counsel and member of the Management Board and the Executive Committee of Royal Ahold. At Ahold, his portfolio of responsibilities included legal, governance, and compliance; M&A; corporate responsibility, and product integrity. He rejoined De Brauw in January 2016.

Lodewijk joined De Brauw in 1988, and was a partner from 1994 to 2009. He was resident partner at De Brauw London from 1994 to 1998. From 2005, he was a member of De Brauw's managing committee and headed De Brauw's Corporate practice until 2009.

Lodewijk has extensive experience across the field of corporate law. He has also handled a variety of corporate finance matters with a focus on cross-border equity capital market transactions. Clients have included Royal Dutch Shell, Banco Santander, AkzoNobel, APG, and Corus Group.

Lodewijk is vice-chairman of the Supervisory Board of HAL Holding N.V. and a member of the Supervisory Councils of Netherlands Air Traffic Control and the Netherlands Cancer Institute/Antoni van Leeuwenhoek Hospital.

De Brauw Blackstone Westbroek

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We put business in a legal context, not the other way around. So the needs of our clients come first, legal expertise second. That's why we go out of our way to recruit graduates and hire people with varied interests, experience and nationalities. They take the long view, leaving no stone unturned along the way. We practice the art and science of collaboration — across all disciplines and national borders — with our own and other legal experts, with in-house counsel, and with other specialists.

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Facts and figures

- Founded in 1871, largest law firm in the Netherlands
- Approximately 350 lawyers
- Trusted adviser to the majority of the AEX listed companies on their corporate, M&A, governance, and capital markets matters

Awards and rankings

- *Chambers Europe* Award for Excellence 2015
- Netherlands Law Firm of the Year 2006 – 2016 (*Who's Who Legal*)
- *Legal 500* EMEA 2016 ranks De Brauw in 25 practice areas with tier one rankings for 13 practice areas
- One of only three Netherlands law firms ranked first tier in M&A by *Chambers Global* 2016

Julian Long
Managing Partner (London)

Freshfields

Julian is a highly rated M&A partner and is the London managing partner.

Julian has a long-standing excellent reputation as a board adviser, reflecting his broad experience across a range of sectors and geographies. He is particularly valued by clients for his relationship skills, evident in his calming influence and reassuring manner.

Financial News partner of the year in 2015 for AstraZeneca's response to the approaches from Pfizer, the Novartis/GSK asset swap, and Rexam's merger with Ball, Julian's practice focuses on complex, cross-border M&A matters.

He combines his transactional work with strategic advice to boards of publicly traded companies on capital raising, governance and listing regulations and issues in relation to crisis and risk management.

Recent Deals/Highlights

- Aon on its redomestication from the U.S. to the UK.
- AstraZeneca on the approaches from Pfizer.
- British Land on its capital raisings.
- BP in relation to the Gulf of Mexico and on various M&A transactions.
- FEMSA's sale of its brewing interests and share swap with Heineken.
- Liberty Global on its Dutch JV with Vodafone.
- Novartis on its portfolio transformation involving multiple transactions with GSK and Eli Lilly.
- Petrochina on its joint venture with INEOS.
- RELX on the simplification of its dual listed structure.
- Rexam PLC on the offer by Ball Corporation.

Freshfields Bruckhaus Deringer LLP

We want to be the law firm that clients turn to for help on the mandates that matter most to them, wherever in the world that may be.

To succeed, we must be widely recognized as standing apart from other firms because our people are exceptional and because we are international and integrated in the way we work; we add value in everything we do and we are uncompromisingly committed to our values.

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We enjoy our work and are determined to do an outstanding job, whatever our role in the firm. We observe the highest personal, ethical and professional standards in everything we do and operate with integrity at all times. We recognize that the reputation of our firm is vital to our success and we all have a duty to preserve and grow it for the long term.

We are a people business. We see diversity as a strength and value the fresh perspectives, creative ideas and connections that flow from bringing together people with different backgrounds. We want to create a welcoming, supportive environment in which all can flourish. No matter how challenging a matter or heavy our workload, in our daily interaction we must never lose sight of the essential human qualities that we prize.

We know we deliver best when working as a team rather than as individuals operating alone. Being a great colleague and working efficiently and effectively with our clients and other stakeholders around the world to achieve the right outcome is crucial to our success. We welcome feedback from others on how we are doing.

We are one partnership across the world, sharing the risk and rewards of our business and with an overriding duty to bequeath the firm in better shape than we inherited it.

We don't just say we are one firm; we act like one firm right across the world. We bring together the knowledge, experience and energy of the whole firm to help our clients. We encourage, support, and share in the success of all our colleagues. We work wherever our clients need us. This is how we define ourselves, not by reference to where we have offices. Cross-border work isn't just what we do, it is what we excel at. We understand what it really takes to work across different legal systems and commercial environments and to bridge language and cultural gaps.

We aim to add value in everything we do.

We are passionate about helping our clients achieve their goals, however ambitious and no matter how many obstacles they face.

Erik Belenky

Partner

JONES DAY®

Erik Belenky is a partner in Jones Day's Atlanta office. His practice focuses on M&A, in which he represents public and private companies, private equity firms, special committees, and financial advisors in the full range of domestic and cross-border acquisitions, divestitures, joint ventures, and corporate restructurings. Erik works with clients in a wide variety of industries, including heavy manufacturing, energy and power, consumer products, information technology, and health care.

Some recent representative transactions include Newell Rubbermaid's acquisition of Jarden; numerous matters for General Electric Company, including the sale of its Industrial Air & Gas business to Colfax; and multiple transactions for RELX Group (and its various business units, such as LexisNexis), including the sale of Reed Construction Data to Warburg Pincus. Other companies with which Erik has worked on substantial matters include Koch Industries, Georgia-Pacific, and Home Depot.

Erik is a frequent speaker at professional conferences and has written on Delaware law developments and various M&A matters. He is a member of the board of trustees of The Schenck School (a private school in Atlanta for dyslexic students).

Education

- Duke University (J.D. 1997); Colby College (B.A. 1994); London School of Economics (Hansard Scholar, 1993)

Bar Admissions

- Georgia

Jones Day

All law firms seek to serve clients effectively. Some do it more consistently than others. Jones Day ranked highly in the BTI Consulting Group's 2014 "Client Service A-Team" ranking, which identifies the top 30 law firms for client service through a national survey of corporate counsel. "Blazing the trail for superior client service delivery, Jones Day earns Best of the Best status in nine key activities, including Understanding the Client's Business and Helping to Advise on Business Issues — where Jones Day has earned top honors for an impressive nine consecutive years." Jones Day has also ranked in the Top 10 every year since 2000 in the Corporate Board Member/FTI Consulting annual survey of the best corporate law firms. These are just two indications that our focus on serving our clients' needs, and not on the financial metrics that are so commonly used today to measure law firm performance, is recognized by our clients, who reward us with more opportunities to help them meet their interests.

Client service is the foundation goal of every law firm. Over the long term, the quality of client service offered by a firm determines its growth and success. Jones Day has grown from a small firm in Cleveland to a large global institution over more than a century, while many other firms initially better positioned in many ways have struggled or even failed. There must be an explanation for this success other than simply the skill of our lawyers, for we clearly do not have a monopoly on smart lawyers. We believe that the way we have applied our foundation values in Firm management and governance is an important reason for our success in satisfying client needs, and that success — in satisfying client needs — is the entire reason for the Firm's growth over the years.

Jones Day is organized as a true partnership, and it operates as such; we are not an LLP or LLC or some other quasi-corporate entity. We see ourselves as a global legal institution based on a set of principles to which a large number of men and women can commit — principles that have a social purpose and permanence, that transcend individual interests. While this may well be a more sociological description than you would see on most law firm websites, and no doubt is subject to a skeptical reaction from many when they first read or hear it, we believe it accurately describes one important aspect of what makes Jones Day the client service organization that it is.

Creighton Condon

Senior Partner

SHEARMAN & STERLING LLP

Creighton Condon is the firm's Senior Partner. Formerly European Managing Partner and co-head of the firm's Global Mergers & Acquisitions Group, he represents multinational corporations in acquisitions and sales of public and private companies and in joint ventures and regularly provides advice regarding issues of corporate governance and control and shareholder activism. Mr. Condon also represents the mergers and acquisitions groups of a number of investment banks. Mr. Condon joined the firm in 1982 and became a partner in 1991. He also practiced for several years in the firm's London and San Francisco offices.

Selected Experience

- Altice N.V. in its pending acquisition of Cablevision Systems Corporation
- Pall Corporation in its sale to Danaher Corporation
- Synthes in connection with its acquisition by Johnson & Johnson and in its acquisitions of N Spine and Spine Solutions
- Charter International plc in connection with its acquisition by Colfax Corporation
- Cadbury plc in connection with its acquisition by Kraft, its demerger of its beverage business, in the acquisition of the Adams candy business from Pfizer Inc., and in the sale of Cadbury's international beverage business to The Coca-Cola Company
- Citigroup in connection with various mergers and acquisitions transactions, including its sale of EMI Music Publishing to Sony and EMI Recorded Music to Universal Music Corp, its acquisition of Metalmark, its acquisition of Old Lane Partners, its sale of Citicorp Electronic Financial Services, Inc. to JPMorgan Chase Bank and numerous credit card-related transactions

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Integrated approach. When we assemble a legal team to address the needs of our clients worldwide, we work collaboratively, bringing together collective approaches, ideas, skills, experiences, cultures, and backgrounds to support the innovative solutions clients can expect by partnering with us.

Effective results. Successful outcomes don't result from lucky breaks. They're tactically created and the product of collaboration and commitment. Whether locally or globally, clients value our ability to offer one-stop sourcing for a wide spectrum of issues, from day-to-day concerns to complex, time-sensitive transactions that can affect their businesses long-term. But a one-stop range of services does not mean a one-size-fits-all approach. No two clients are alike and neither are our approaches. Each solution is as unique as each of our clients — carefully crafted to position clients for success whenever and wherever required.