



In our latest edition we recap significant transactions involving Bermuda public companies over the period of Q2 through Q3 2015.

Q2 and Q3 of 2015 presented an unsettled period for global markets, with fears of a China-led global slowdown and concerns over U.S. interest rates shaking confidence. Despite positive signs of growth in Q2, IPO activity flattened in Q3 with 42 initial public offerings in U.S. markets, representing a decrease of 33% from the same period in 2014. The total amount raised in Q3 was US\$6.7 billion, well below the US\$36.7 billion raised in the same period last year. The volatility in equity markets saw a number of IPOs listing at a discount and led to Digicel Group Limited, the Bermuda-based telecommunications group, deciding in early October not to proceed with its planned IPO on the NYSE at that time. Conversely, global markets have seen record M&A activity, with US\$3.2 trillion in transactions to date in 2015. This represents a 32% increase over the same period in 2014.

These global trends are reflected among Bermuda public companies listed on the NYSE and Nasdaq. The May 2015 edition of this update highlighted robust IPO activity, but other than Axovant Sciences Ltd.'s US\$315 million listing (highlighted on page 2), and Markit Ltd.'s US\$685 million secondary offering in June, Q2 and Q3 of 2015 have been characterised instead by M&A transactions – no fewer than 17 acquisitions were completed among Bermuda companies listed on these exchanges. This edition's featured M&A transaction is EXOR SpA of Italy's US\$6.9 billion agreement to buy PartnerRe Ltd. which derailed the proposed combination of PartnerRe and AXIS Capital Holdings Limited. As this transaction has been the highest profile contested merger in the Bermuda public companies market this year we have prepared a time-line summary of the significant events in the saga that resulted in PartnerRe paying US\$315 million to AXIS to terminate their amalgamation agreement.

We have included further details of market developments in this edition of our update, which we hope will be of interest to our legal colleagues, clients and Bermuda market followers.

HIGHLIGHTED TRANSACTIONS

NYSE

- **Kosmos Energy Ltd.** (NYSE:KOS) announced an amendment and restatement of its revolving credit facility. Borrowing capacity has been increased to US\$400 million, up from US\$300 million. (June)

- **Kosmos Energy Ltd.** (NYSE:KOS) filed a mixed securities Shelf Registration. (June)
- **Frontline Ltd.** filed a US\$100 million mixed securities Shelf offering and a US\$55 million ordinary share offering by selling shareholders. (June)
- ECAF I Ltd entered into an agreement to acquire a portfolio of 33 aircraft from **FLY Leasing Limited** (NYSE:FLY) for approximately US\$990 million. (June)
- **Brookfield Infrastructure Partners L.P.** (NYSE:BIP) filed a mixed securities Shelf Registration in respect of Limited Partnership Units and Preferred Limited Partnership Units valued at approximately US\$3 billion. (June)
- **Axovant Sciences Ltd.** (NYSE:AXON) completed an IPO of 21 million common shares raising US\$315 million. (June)
- AustralianSuper Pty Ltd acquired a 49% stake in eight Washington DC office buildings from **Brookfield Property Partners L.P.** (NYSE:BPY) for approximately US\$280 million. (June)
- **C&J Energy Services, Ltd.** (NYSE:CJES) filed a selling shareholder Shelf Registration in respect of common shares valued at approximately US\$60 million. (July)
- Wealthy Foundation Holdings Inc acquired a 0.39% stake of **SeaDrill Limited** (NYSE:SDRL) for US\$18.4 million in cash. (July)
- **Nabors Industries Ltd.** (NYSE:NBR) announced the execution of an amendment to its existing committed, unsecured revolving credit facility, increasing its borrowing capacity to US\$2.2 billion. (July)
- **Endurance Specialty Holdings Ltd.** (NYSE:ENH) filed a Shelf Registration in respect of 300,000 common shares valued at approximately US\$20 million. (July)
- **Endurance Specialty Holdings Ltd.** (NYSE:ENH) completed the acquisition of the remaining 99.99% stake in **Montpelier Re Holdings Ltd.** (NYSE:MRH) for US\$1.83 billion. (July)
- GasLog Partners LP (NYSE:GLOP) acquired from **GasLog Ltd.** (NYSE:GLOG) 100% of the ownership interests in the entities that own and charter the LNG carriers the Methane Alison Victoria, the Methane Shirley Elisabeth and the Methane Heather Sally. GasLog Partners LP issued 7.5 million common units representing partnership interests in connection with the vessels' acquisition raising approximately US\$180 million. (July)



- **Axalta Coating Systems Ltd.** (NYSE:AXTA) acquired its distributor, Metalak Benelux B.V., from owner Bas van de Ven for an undisclosed sum. (July)
- **Genpact Limited** (NYSE:G) entered into a credit agreement with Genpact International, Inc., Headstrong Corporation and Genpact Global Holdings (Bermuda) that provides for an US\$800 million term credit facility and a US\$350 million revolving credit facility. (July)
- **Frontline Ltd.** (NYSE: FRO) and Frontline 2012 Ltd. (OTCNO: FRNT) entered into an agreement to merge with Frontline Ltd. to be the surviving company. (July)
- **Invesco Ltd.** (NYSE:IVZ) and its indirect subsidiary Invesco Finance PLC entered into a five-year unsecured US\$1.25 billion third amended and restated credit agreement with a syndicate of banks, financial institutions and other institutional lenders. (August)
- **Axovant Sciences Ltd.** (NYSE:AXON) filed a Shelf Registration in respect of 9.5 million common shares valued at approximately US\$112 million. (August)
- **Hiscox, Ltd.** (LSE:HSX) completed the acquisition of specialist UK classic car insurer, RH Specialist Insurance, from Willis Group Holdings Public Limited Company (NYSE:WSH) for an undisclosed sum. (August)
- The funds managed by **Brookfield Property Partners L.P.** (NYSE:BPY) agreed to acquire Center Parcs (UK) Group Limited from funds managed by The Blackstone Group L.P. (NYSE:BX) for US\$3.75 billion. (August)
- **PartnerRe Ltd.** (NYSE:PRE) agreed to be acquired by EXOR SpA (BIT:EXO) and paid **AXIS Capital Holdings Limited** (NYSE:AXS) US\$315 million to terminate their agreement. (August)
- Sumitomo Life Insurance Company entered into a definitive merger agreement to acquire Symetra Financial Corporation (NYSE:SYA) from **White Mountains Insurance Group, Ltd.** (NYSE:WTM), Berkshire Hathaway Inc. (NYSE:BRK.A) and others for US\$3.7 billion in cash. (August)
- Dynagas Ltd., **GasLog Ltd.** (NYSE:GLOG) and **Golar LNG Ltd.** (NasdaqGS:GLNG) entered into an LNG carrier pooling agreement to market their vessels, which are currently operating in the LNG shipping spot market. The LNG Carrier Pool – to be named “The Cool Pool” – will initially consist of 14 vessels powered by fuel efficient Tri Fuel Diesel Electric propulsion technology. (August)
- **Freescale Semiconductor, Ltd.** (NYSE:FSL) acquired image cognition technology developer CogniVue Corporation from Mtekvision Asset Inc., BEST Funds and others for an undisclosed amount. (September)
- **Tsakos Energy Navigation Limited** (NYSE:TNP) filed a Shelf Registration in respect of a secondary offering of its common shares valued at US\$2.6 million. (September)
- **C&J Energy Services, Ltd.** (NYSE:CJES) entered into a waiver and second amendment and a third amendment to the credit agreement governing its existing senior secured credit facilities, reducing the revolving credit facility commitment from US\$600 million to US\$400 million. (September)

AXOVANT IPO

2015 has been another booming year in the U.S. Biotech sector. Conyers has advised on a number of high-profile Biotech deals with a Bermuda component including the most notable which was the IPO in June for New York-based Axovant Sciences Ltd. (NYSE: AXON) that raised US\$315 million and gave the newly-listed company an immediate post-IPO valuation of US\$3 billion.

This is the largest Biotech IPO in history which saw Axovant offer 21 million of its common shares, including exercise in full of a green shoe option. Roivant Sciences Ltd., the Bermuda parent company of Axovant, retained 75% ownership.

Axovant is an innovative drug developer in the Alzheimer's space and draws attention to the depth of funding and expertise available for pharmaceutical development on the East Coast. The Axovant IPO is notable for being the first biopharmaceutical IPO to use a Bermuda company for the listing vehicle.

Axovant was advised by Conyers from the inception of the IPO process and became the latest in a growing number of U.S. biopharmaceutical companies which have chosen to domicile in Bermuda.

NASDAQ

- **Marvell Technology Group Ltd.** (NasdaqGS:MRVL) filed a Shelf Registration in respect of 7,721,312 common shares valued at approximately US\$109 million. (June)
- **Central European Media Enterprises Ltd.** (NasdaqGS:CETV) filed a Shelf Registration in respect of 6 million common shares valued at approximately US\$14 million. (June)
- Canada Pension Plan Investment Board completed the acquisition of a 9.87% stake in **Enstar Group Limited** (NasdaqGS:ESGR) for approximately US\$270 million from First Reserve Fund XII, L.P., managed by First Reserve Corporation, FR XII-A Parallel Vehicle, L.P., FR Torus Co-Investment, L.P. and FR XI Offshore AIV, L.P. (June)
- **Golar LNG Ltd.** (NasdaqGS:GLNG) announced the formation of a 50/50 joint venture with Stolt-Nielsen Limited to pursue opportunities in small-scale LNG production and distribution. Stolt-Nielsen also made a strategic investment in Golar through open market purchases, representing an ownership stake of approximately 2.3%. (June)
- Frontline 2012 Ltd. (OTCNO:FRNT) agreed to spin-off its 44.9% stake in **Golden Ocean Group Limited** (NasdaqGS:GOGL). (June)
- **Markit Ltd.** (Nasdaq-GS:MRKT) completed a US\$685 million secondary offering that included purchasing US\$350 million of its common shares from the selling shareholders via the underwriters. (June)



- **Markit Ltd.** (NasdaqGS:MRKT) agreed to acquire Information Mosaic Holdings Ltd. from Skandinaviska Enskilda Banken AB (publ) and others for an undisclosed amount. (July)
- **Energy XXI** (NasdaqGS:EXXI) completed the sale of the East Bay Field for US\$21 million to a private buyer. (July)
- UBM plc (LSE:UBM) acquired the remaining 60.1% stake in eMedia Asia Limited from **Global Sources Ltd.** (Nasdaq:GSOL) for US\$9 million in cash. (July)
- **VimpelCom Ltd.** (NasdaqGS:VIP) acquired the remaining 38% stake in CJSC WestBaltTelecom for an undisclosed amount. (August)
- **VimpelCom Ltd.** (NasdaqGS:VIP) acquired the remaining 27.78% stake in ZAO Samara Telecom for an undisclosed amount. (August)
- **Energy XXI Ltd.** (NasdaqGS:EXXI) acquired the remaining 80% stake in M21K, LLC for US\$25 million. (August)
- **Markit Ltd.** (NasdaqGS:MRKT) agreed to acquire CoreOne Technologies LLC from Symphony Technology Group and others for approximately US\$200 million in cash. (August)
- **Markit Ltd.** (NasdaqGS:MRKT) completed the acquisition of Option Computers Limited, funded by a combination of cash and revolving credit facility. (September)
- **Argo Group International Holdings, Ltd.** (NasdaqGS:AGII) filed a mixed securities Shelf Registration. (September)

EXOR OUTBIDS AXIS FOR PARTNERRE TIMELINE OF EVENTS:

- ▶ In **late 2014** PartnerRe identified AXIS as an attractive candidate for PartnerRe's strategic goals at that time and the companies had exploratory discussions regarding a potential merger of equals.
- ▶ **25 January 2015**, AXIS and PartnerRe announced their agreement to amalgamate, in a shares-only deal with a market value of US\$11 billion, which would create the world's fifth-largest property-and-casualty reinsurer.
- ▶ **14 April** EXOR, a listed European company controlled by Italy's Agnelli family with a market capitalization of approximately US\$11 billion and controlling stake in Fiat Chrysler Automobiles, announced a US\$6.4 billion cash offer for 100% of the common shares of PartnerRe at US\$130 per share.
- ▶ **4 May** PartnerRe and AXIS reaffirmed their deal which now included a special dividend sweetener of US\$11.50 per PartnerRe common share and termination fees increased by US\$30 million to US\$280 million. On the same day, PartnerRe rejected EXOR's offer on the basis that it undervalued PartnerRe.
- ▶ **12 May** EXOR raised its offer for PartnerRe to US\$6.8 billion or US\$137.50 per common share, which it represented as a 10% premium to the revised AXIS-PartnerRe deal.
- ▶ **20 May** PartnerRe turned down EXOR's offer on value and terms, but said it was prepared to engage in discussions. AXIS and PartnerRe continued to work towards consummating their amalgamation and on 1 June filed a joint proxy statement that set 24 July as the date for their respective special general meetings to consider the amalgamation.
- ▶ **3 June** EXOR filed a claim in the Supreme Court of Bermuda requesting PartnerRe to disclose certain non-public information related to PartnerRe's beneficial owners, which the Court denied on 5 June.
- ▶ **7 July** EXOR sent PartnerRe a revised merger agreement which included a "go shop" provision to permit PartnerRe to solicit third party bids and a commitment to conduct an exchange offer which would benefit the holders of PartnerRe's preferred shares.
- ▶ **10 July** AXIS and PartnerRe announced they were exploring deal enhancements and as a result the special general meetings were rescheduled to 7 August.
- ▶ **16 July** AXIS and PartnerRe announced an increase in the special dividend to US\$17.50 per PartnerRe common share and matched EXOR's offer to the holders of PartnerRe's preferred shares.
- ▶ **20 July** EXOR added a special dividend sweetener of US\$3 per PartnerRe common share to its offer.
- ▶ **21 July** PartnerRe recognised that EXOR's offer would be reasonably likely to result in a "Superior Proposal" and agreed to negotiations with EXOR.
- ▶ **3 August** PartnerRe announced it had agreed to be acquired by EXOR and would pay US\$315 million to AXIS to terminate their agreement.
- ▶ The PartnerRe special general meeting to consider the merger with EXOR will be held on **19 November**. It is expected the merger will be approved and that the deal will close during the first quarter of 2016.



AWARDS AND ACCOLADES

Chambers & Partners named Conyers the sole Band 1 firm for Bermuda corporate and finance work in its 2015 directory. David Cooke and Graham Collis were also recognised in Band 1.

We have also again been recognised as a top-tier Firm in the 2016 edition of Legal 500 (in all categories including Corporate & Commercial) with more ranked lawyers than any other firm in Bermuda.

Conyers Dill & Pearman has been recognised for Bermuda as a Tier 1 law firm in IFLR1000's 2016 edition in the Financial and Corporate – Offshore Firms category.

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Founded in 1928, Conyers Dill & Pearman is an international law firm advising on the laws of Bermuda, the British Virgin Islands, the Cayman Islands and Mauritius. With a global network that includes 140 lawyers spanning eight offices worldwide, Conyers provides responsive, sophisticated, solution-driven legal advice to clients seeking specialised expertise on corporate and commercial, litigation, restructuring and insolvency, and trust and private client matters. Conyers is affiliated with the Codan group of companies, which provide a range of trust, corporate secretarial, accounting and management services.

2015 Q3 LEAGUE TABLES

ONLY OFFSHORE FIRM

Ranked by deal count for Global Equity/Equity Linked/Rights Issuer Advisers¹

Ranked by value for Americas Rankings – US Target Completed²

HIGHEST RANKED OFFSHORE FIRM

By deal count for Global Equity IPO Issuer Advisers¹

By deal count for Global Equity and Equity related deals³

¹ Source: Bloomberg – Corporate Finance Q3 2015 League Tables

² Source: Thomson Reuters – M&A Q3 2015 League Tables

³ Source: Thomson Reuters – Global Capital Markets – Global Debt & Equity Q3 2015 League Tables