

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT

OCTOBER 16-17, 2018 • THE RITZ-CARLTON CHICAGO

CLE CREDIT
OPPORTUNITY

Globalization and Evolving Demands on Legal Departments in Cross-Border Transactions

October 17, 2018

9:40 a.m. – 10:55 a.m.



Speakers

- **Marci Winga Fabrega**, Chief M&A Counsel, *Ecolab*
- **Lucy Fato**, Executive Vice President, General Counsel, *AIG*
- **Wei Ling Lim**, General Counsel, Global Supply Chain, *Unilever*
- **Rachel Stern**, Executive Vice President, Strategic Resources, General Counsel, Secretary, *FactSet*

Facilitator

- **Kathleen Ruhland**
Partner, *DLA Piper*

Panel coordinator

- **Poonam Kumar**
Partner, *DLA Piper*

Panel coordinator

- **Ellen Dew**
Associate, *DLA Piper*

Agenda

- Overview and background
- Challenges of global expansion
- Managing and executing successful cross-border transactions
- Global compliance standards
- Effective board level communications

Overview

An increasingly connected global business environment, coupled with expectations of transparency from inside and outside an organization, have added new layers of legal complexity to cross-border transactions. A corporation's legal department creates value by providing leadership with the tools necessary to navigate today's highly complex business environment – often while serving as part of that same leadership team.

Panelists will explore the challenges of global business expansion, the evolving role of the general counsel as a business strategist, and the nuances of managing board and executive communications. Panelists will also discuss considerations for efficiently managing and executing cross-border transactions while successfully adhering to a varied set of global compliance standards in an evolving geopolitical and transactional landscape.

Challenges of global expansion

- Jurisdictional Considerations
 - Business demands and opportunities
 - Expand customer base
 - Expand geographic reach (emerging market opportunities)
 - Diversification of risks
 - Supply chain considerations
 - First mover advantage
 - Local country investment incentives
 - Access to natural resources and human capital
 - Doing business ethically
 - Transparency International Index
 - Geopolitical risk
 - Political uncertainty and instability

Challenges of global expansion

- Cultural considerations
 - Decision-making process may vary (timing, coordination, authority)
 - Differences in legal systems
 - Civil v. Common law
 - Role of the lawyers
 - Practical Limitations
 - Foreign government mandates
 - Enforceability and dispute resolution
 - Be informed by US practice and technology, but be willing to adapt

Challenges of global expansion

- Identify strategic objectives
 - 3rd party distributors/agents
 - Due diligence on business partners
 - Joint ventures
 - Greenfield operations
 - Acquisition
- Success factors
 - Correct valuation/deal price
 - Effective due diligence
 - Cultural considerations
 - Well planned and well executed integration plan
 - Positive economic decisions

Managing and executing cross-border transactions

- Key due diligence challenges
 - Local language considerations
 - Accuracy, reliability and availability of financial accounts
 - Lack of clarity on intellectual property rights
 - Differing legal and regulatory standards
 - Data privacy and cybersecurity concerns
 - Differing disclosure requirements
 - Publicly available information varies by jurisdiction

Managing and executing cross-border transactions

- Anti-bribery and corruption
 - Best addressed pre-signing
 - Structure protections in deal documents
 - Reps and warranties, disclosures
 - Closing conditions and indemnification
 - Effective due diligence
 - Potential target
 - Contact with government officials
 - Geographic risk and sector risk
 - Consider efficacy of engaging private investigators

Managing and executing cross-border transactions

- Antitrust/regulatory considerations
 - Increased regulation and attention to cross-border deals
 - Increased fines for noncompliance
 - New antitrust regulations and regulators are unpredictable
 - More than 100 countries have adopted merger control regulations; most jurisdictions have mandatory requirements
- CFIUS
 - National security implications of foreign investments into the US
 - Voluntary filing, but CFIUS may review depending on industry

Making the deal work: Post-acquisition integration

- Merger integration is a common 10-K risk factor
- Purchaser needs efficient integration of target group
 - Cost savings
 - Capture acquisition synergies
 - Streamline structure
- Realign divisional structures
- Transfer employees/facilitate workforce realignment
- Elimination of duplicate legal entities
- Position group for sales of unwanted entities/assets
- Integration limitations:
 - Deal frenzy – emphasis on deal completion
 - Regulatory issues impede integration planning
 - Lack of internal integration resources

Making the deal work: Post-acquisition integration (cont.)

- Critical Success Factors
 - Identify strategic objectives
 - Minimize disruption – develop detailed plan
 - Minimize integration costs (*e.g.*, tax costs)
 - Capture opportunities to improve overall structure
 - Identifying interdependencies
 - Good communication
 - Speed

Global compliance considerations

- Balancing global and local compliance standards
 - Environmental
 - Industry regulations
 - Import/export regulations
 - Data protection
 - Accounting standards and revenue recognition
 - Labor regulations

Effective board communications

- General counsel's role as business strategist
- Identify success factors
 - Business strategy alignment
 - Transaction planning
 - Effective due diligence
- Identify key risks
 - Market risk
 - Company reputation
 - Financial risk
 - Technology/data risk
- Timing of communications
- Gaining consensus

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT



Marci Winga Fabrega
Chief M&A Counsel
Ecolab

Marci Winga Fabrega is Chief M&A Counsel at Ecolab, where she leads the legal team supporting Ecolab's dynamic, global mergers and acquisitions activities and other strategic initiatives. In addition to M&A work, her role includes managing various aspects of technology licensing, joint venture formation and restructuring, divestitures, investments, anti-trust/merger control, due diligence, integration support, transition services and transaction-related disputes and commercial arrangements.

Ms. Fabrega received her J.D. and LL.M., International Law from Duke University School of Law, and her B.S., Economics/International Business/French from the University of Iowa.

www.dlapiperwomenssummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT



Lucy Fato

Executive Vice President and General Counsel
AIG

Lucy Fato is Executive Vice President and General Counsel of AIG, overseeing the Global Legal, Compliance and Regulatory functions. Prior to AIG, Ms. Fato was Managing Director, Head of the Americas and General Counsel of Nardello & Co., a global private investigative firm headquartered in New York City.

Previously, Ms. Fato was Executive Vice President and General Counsel of McGraw Hill Financial (now known as S&P Global). Prior to joining McGraw Hill Financial, Ms. Fato was Vice President, Deputy General Counsel and Corporate Secretary at Marsh & McLennan Companies. She began her legal career at the law firm Davis Polk & Wardwell where she spent fourteen years, including five as a Partner in the Capital Markets group.

Ms. Fato is a member of the Department of Financial Services (DFS) State Insurance Advisory Board and a member of the Advisory Board of Nardello & Co.

In 2009, she was inducted into the YWCA-NYC Academy of Women Leaders. She also serves on the Board of Trustees of the Randall's Island Park Alliance (RIPA), a nonprofit organization that works with the City of New York and local communities to maintain the park for the wellbeing of all New Yorkers. In 2015, she was RIPA's business honoree, and was named by *Ethisphere Magazine* as one of the "Attorneys Who Matter" in 2015 and 2017 for her dedication to furthering corporate ethics. Ms. Fato was recognized in 2017 as an "Outstanding Woman in the Legal Profession" by the New York County Lawyers Association.

Lucy is a frequent speaker on topics such as risk and crisis management, corporate governance, and legal and compliance operations and best practices. She graduated Phi Beta Kappa from the University of Pittsburgh with a B.A. in Business and Economics, and received her J.D. from the University of Pittsburgh, School of Law. She is admitted to the State Bars of New York and California.

www.dlapiperwomenssummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT



Rachel Stern

Executive Vice President, Strategic Resources General Counsel and Secretary
FactSet

Rachel Stern serves as the Executive Vice President, Strategic Resources; General Counsel; and Secretary of FactSet (NYSE, NASDAQ: FDS), a leading global financial information services company. Ms. Stern's operational experience includes Real Estate Strategy, Facilities Management, Human Resources, Investor Relations, M&A, Data Procurement and Governance, and Offshore Site Management in India and the Philippines. A member of the executive management team, she sits on FactSet's Executive and Operating Committees, and Enterprise Risk and Disclosure Committees.

Prior to joining FactSet, Ms. Stern was an associate at Cravath, Swaine & Moore, LLP. She clerked for Chancellor William Allen of the Delaware Court of Chancery.

Ms. Stern is a Trustee of The Baldwin School (Bryn Mawr), and a Director of the Westchester Fairfield Chapter of the Association of Corporate Counsel. She is a member of the board of directors of Baron Capital Management, Inc.

Rachel Stern graduated from the University of Pennsylvania Law School, where she was an Executive Editor of the Law Review. She received her B.A. with a double major in Economics and Art History from Yale University. She earned an M.A. from the University of London and studied at the University of Vienna as a Fulbright Scholar. Ms. Stern has completed more than 24 marathons and two ultramarathons, and lives with her husband and three daughters in Westchester, New York.

www.dlapiperwomensummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT



Wei Ling Lim

General Counsel, Global Supply Chain
Unilever

Wei Ling Lim graduated from University of Auckland New Zealand in 1994.

Ms. Lim started her career with Unilever six years ago in Singapore. She heads the Supply Chain Legal and Enterprise Support Legal team globally and partners with multiple stakeholders to ensure the smooth running of Unilever's Supply Chain. Ms. Lim also leads the Global Smarter Contracting project in Unilever.

www.dlapiperwomenssummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT



Kathleen Ruhland

Global Co-Chair Leadership Alliance for Women
Co-Chair, Food and Beverage Sector
Managing Partner, Minneapolis Office
Partner, Corporate
DLA Piper

Kathy Ruhland advises clients on cross-border transactions, including global M&A, restructuring and joint ventures, in established and emerging markets throughout the world.

Recognized by third parties for providing superior client service, Ms. Ruhland advises a number of world-leading corporations. Her recent work includes transactions in the Middle East and Europe, as well as India, Hong Kong and China.

Ms. Ruhland holds the following firm Leadership positions:

- Steering Committee, Global Alignment and Integration
- Co-Chair, Food and Beverage Sector
- Co-Chair, Global Leadership Alliance for Woman (LAW)
- Member of DLA Piper's governing Policy Committee

Ms. Ruhland advises privately and publicly held companies in the following areas:

Mergers, acquisitions and divestitures

Advises companies in various industries in global M&A transactions which often involve multiple jurisdictions. Effective in directing large teams of lawyers and accountants to assist clients in structuring, negotiating, implementing and closing global transactions.

Joint ventures and strategic alliances

Advises companies in negotiating, structuring, operating and exiting international equity joint venture arrangements, licensing, distribution and manufacturing agreements, collaborative marketing arrangements and other strategic alliances.

www.dlapiperwomenssummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.

DLA PIPER GLOBAL WOMEN'S LEADERSHIP SUMMIT

Pre-and Post-acquisition integration and restructurings

Advises companies on global post-acquisition integration and restructurings including significant experience in global supply chain structures, complex reorganizations involving multiple jurisdictions and other group restructurings.

Foreign direct investment

Advises companies regarding the international legal and tax aspects of the establishment of branch and subsidiary operations, setting up manufacturing operations, and advising clients regarding local investment incentives.

International compliance

Advises US multinationals on compliance issues under US laws affecting cross-border transactions including the Office of Foreign Control Sanctions Programs, anti-boycott legislation and the Foreign Corrupt Practices Act (FCPA).

Global tax planning

Advises companies on international tax matters in connection with international transactions, reorganizations and other international tax planning matters.

Kathy Ruhland earned her J.D., *magna cum laude*, from William Mitchell College of Law, and her B.A., *cum laude*, from the University of St. Thomas.

www.dlapiperwomenssummit.com

© 2018 DLA Piper. DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com. All rights reserved. Attorney advertising.