

PROSKAUER ROSE LLP

HOLLYWOOD

PRESENTING  
THE

2002  
ANNUAL  
DEALS  
REPORT

A CORPORATE  
DEPARTMENT  
PRODUCTION

## 2002 ANNUAL DEALS REPORT

**The Corporate Department of Proskauer Rose LLP is pleased to present you with our Annual Deals Report for 2002.**

The Proskauer Corporate Department consists of over 140 attorneys worldwide, with offices in New York, Los Angeles, Paris, Boca Raton and Washington D.C. The Corporate Department counsels clients throughout the United States, Europe, Israel and Latin America in a full range of sophisticated transactions and in day to day representation as outside general counsel in business and regulatory matters.

In light of the recent implementation by Congress, the SEC and the national stock exchanges of major changes in areas of corporate governance, accountability and disclosure, Proskauer has formed the Corporate Governance/Corporate Defense Practice Group, a multi-disciplinary team of attorneys from our Corporate and Litigation practices. The group focuses on the manner in which corporations, CEOs and CFOs and Boards of Directors fulfill their responsibilities to investors, and has been actively advising many of our public company clients over the past year.

This Report highlights our dynamic transactional practice, including mergers and acquisitions, securities offerings, venture capital and fund transactions, financings and corporate restructurings. We are committed to excellence in the service of our clients.

We thank our clients for the work you have entrusted to us and look forward to working with you in 2003.



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2002 **CORPORATE DEALS**



### **24/7 Real Media**

Represented 24/7 (NASDAQ:TFSM), a leader in interactive marketing, in connection with:

- Its merger with Real Media, Inc., an international provider of marketing services to the digital advertising industry. The combined companies have the largest on-line advertising network and locally installed customer base for ads serving technology in the world. In connection with the

deal, our client changed its name to 24/7 Real Media.

- The acquisition of certain assets from certain subsidiaries of Elron Electronic Industries Ltd., in exchange for shares of 24/7 Real Media's common stock valued at approximately \$1.8 million. The assets included certain contracts, intangibles and employee relationships related to permission-based digital marketing communications solutions, including the intellectual property relating to

the products known as "Vflash", "NowBox" and "NowCode". Elron also indirectly made a \$1.25 million investment in 24/7 Real Media's preferred stock.

*Ronald R. Papa, Andrea S. Rattner, Richard H. Rowe, Henry O. Smith III, Solomon L. Warhaftig, Alexa D. Isbell, Ori Solomon, Lana T. Yang*

### **The Albert Fisher Group PLC**

Represented The Albert Fisher Group (OTC:AFHGF), a public U.K. company, in administrative receivership, in the sale of assets of its River Ranch Fresh Foods, Inc. subsidiary and certain of its affiliates in a management buy-out valued at approximately \$26 million.

*Steven L. Kirshenbaum, Gail S. Port, Solomon L. Warhaftig, Kelly Baldwin, Michael A. Katz, Ronald S. Kornreich, Mary H. Rose*

### **Alcatel**

Represented Alcatel (NYSE:ALA), one of France's largest industrial companies and a leading global supplier of high-tech equipment for telecommunications infrastructures, in connection with:

tion with:

- Its acquisition of Telera, Inc., a privately held corporation. In the merger, Alcatel issued or reserved an aggregate of 15,464,771 Class A ADSs and shares (valued at approximately \$81 million) for all of the outstanding equity securities of Telera. The transaction was structured to take advantage of the exemption from registration afforded by Section 3(a)(10) of the Securities Act through the use of a California Fairness Hearing.
- Its acquisition of Astral Point Communications, Inc., a privately held corporation. Astral Point creates next-generation SONET metropolitan optical systems. Under the terms of the merger

agreement, Alcatel issued an aggregate of 9 million Class A ADSs and shares for all of the outstanding capital stock, options and warrants of Astral Point. The acquisition has an implied value of €153 million.

*Lauren K. Boglivi, Stanley Komaroff, Janet B. Korins, Ronald R. Papa, Gail S. Port, Andrea S. Rattner, Richard H. Rowe, Delia B. Spitzer, Aliza R. Cinamon, Paula M. Corsaro, Deniz Haupt, Susan Joe, Michael A. Katz, Mark W. Levine, Amanda H. Nussbaum, Michael J. Perloff*

### **The Alpine Group, Inc.**

Represented Alpine (OTC:ALPG), one of the largest telephone wire and cable manufacturers in the U.S., in the following matters:

- The sale by Superior TeleCom, Inc. (OTC:SRTO) to Alpine of: Superior's electrical wire business; electronics subsidiary, DNE Systems, Inc.; and its interest in Superior Cables Ltd., an Israeli wire and cable company. Total consideration was \$85 million plus a warrant to Superior to purchase a 20% equity interest in the electrical wire business. In addition, we also assisted Alpine with its \$100 million financing of the acquisition.
- As the major stockholder of PolyVision, in connection with the acquisition of PolyVision by Steelcase, for approximately \$180 million in cash (including the assumption of debt and related transaction costs).

*Abraham Gutwein, Jack P. Jackson, Ronald R. Papa, Gail S. Port, Andrea S. Rattner, Janice K. Smith, Solomon L. Warhaftig, David M. Alin, Aliza R. Cinamon, Johnathan C. Duncan, Julian Gomez, Alak R. Goswami, Michael A. Katz, Michael R. Neidell, Jenifer deWolf Paine, Kristen W. Prohl*

### **Bed Bath & Beyond**

Represented Bed Bath & Beyond (NASDAQ:BBBY), a nationwide chain of stores selling domestic merchandise and home furnishings, in its acquisition of New Jersey-



### **The Pepsi Bottling Group, Inc.**

Represented The Pepsi Bottling Group (NYSE:PBG) in a \$1.2 billion acquisition of Pepsi-Gemex S.A. de C.V., the largest PepsiCo products bottler in the world outside the United States, in a "dual tender offer" involving the United States and Mexico. Pepsi Bottling is PepsiCo Inc.'s largest bottler and currently does business in six countries. The transaction consisted of a simultaneous offer in the United States open to holders of global depository receipts and United States holders of the underlying Mexican trust certificates and common shares. The Mexican offer was open to all holders of shares and Mexican trust certificates. The transaction was groundbreaking because it represented the first time a dual tender offer structure was used for a Mexico-United States tender offer. In addition, Mexican tender offer rules were first adopted in April 2002, making the transaction the first test of their interpretation and application. We also represented Pepsi Bottling in the financing of the Pepsi Gemex S.A. de C.V. acquisition which included a \$1 billion bridge loan agreement and \$1 billion Regulation 144A/Regulation S bond offering.

*Leon P. Gold, Jack P. Jackson, Arnie S. Jacobs, Carlos E. Martinez, Richard H. Rowe, Henry O. Smith III, Solomon L. Warhaftig, Allan R. Williams, Patricia L. Gannon, Robert Ivanschitz, Oliverio Lew, Valarie H. McPherson, Stacey Moore, Rachel Parsons, Carla Passos, Gary Ross, R. Bruce Steinert, Jr., Marissa J. Tiamfook, Ana Verma, Ido Warshavski, Melissa L. Westbrook*

based Harmon Stores, Inc., a health & beauty aid retailer. Harmon Stores, Inc. currently operates 28 stores in 3 states, representing an aggregate of approximately 178,000 square feet of store space.

*Klaus Eppler, Marvin M. Goldstein, Ira M. Golub, Abraham Gutwein, Gail S. Port, Peter G. Samuels, Solomon L. Warhaftig, Steven D. Weinstein, Jeremy J. Best, Craig A. Bitman, David A. Bondy, Aliza R. Cinamon, Michael A. Katz, Jacob Raddock, Ori Solomon*

### **Bollore S.A.**

Represented Bollore (Paris:BOTE), a public French company, in the acquisition by its affiliate, IER, of the U.S. assets of Thales E-Transactions, a manufacturer of airline ticketing products.

*Steven L. Kirshenbaum, Ronald S. Kornreich*

### **Cellu Tissue Holdings, Inc.**

Represented Cellu Tissue, a Charterhouse portfolio company, in the \$17 million acquisition of the Neenah, Wisconsin manufacturing facilities and related business assets from American Tissue Inc. and its affiliated debtors in their Chapter 11 proceedings. Cellu Tissue is an established leader in the design and production of high-quality, engineered carrier and process tissues for manufacturing and converting applications all over the world.

*David C. Friedman, James D. Meade, Stephen W. Rubin, Scott K. Rutsky, Lisa A. Chiappetta, Randall J. Cude, Jack B. Spizz*

# MERGERS & ACQUISITIONS

## **Ceres Terminals Inc.**

Represented Ceres Terminals, a privately held corporation, and its affiliates, in the sale of all of the outstanding shares of Ceres Terminals to Nippon Yusen Kabushiki Kaisha, a publicly held Japanese company listed on stock exchanges in Asia and Europe (operation as NYK). Ceres Terminals is engaged in the business of providing stevedoring and terminal operating services at 19 port facilities in 12 locations across the United States, Canada and the Netherlands. The transaction involved the distribution of the company's Dutch operations to a joint venture company to be owned equally by the sole shareholder of Ceres Terminals and NYK.

*Lawrence H. Budish, Solomon L. Warhaftig, Michael L. Eden, Michael A. Katz*

## **Charter Municipal Mortgage Acceptance Company**

Represented Charter Municipal Mortgage Acceptance Company ("Charter MAC") (AMEX:CHC), one of the nation's leading full-service multi-family finance companies, in the acquisition of 80% of PW Funding Inc. PW Funding originates and services multi-family apartment mortgage loans. Charter Mac Corporation, a wholly owned subsidiary of Charter MAC, an affiliate of the Related Companies, will pay between \$37 million and \$47 million depending on the costs of certain new servicing contracts on PW Funding's mortgages. The agreement also provides for puts and calls under which Charter MAC has the right to buy the balance of the outstanding shares of PW Funding over the next 2 to 3 years. In connection with the foregoing transaction,

Proskauer also represented Charter MAC and PW Funding and its subsidiaries in obtaining financing.

*Peter M. Fass, Steven A. Fishman, Janet B. Korins, Jason D. Fernbach, Samuel L. Martin, Michael A. Midura*

## **Charterhouse Group International, Inc.**

Represented Charterhouse, a leading private equity group that invests in middle market companies, in connection with:

- Its \$100 million acquisition of AAT Communications Corp. AAT is one of the largest privately held owners of towers and tower sites, and providers of site management services for the wireless communications industry owning, operating and managing approximately 5,700 wireless communications sites located throughout the United States. Co-investing with Charterhouse was Cequel III, a management company principally owned by Jerry Kent.
- The sale of Harvard Custom Manufacturing, a leading electronics contract manufacturer, to a group led by Harvard's management team.

*James D. Meade, Gail S. Port, Stephen W. Rubin, Solomon L. Warhaftig, Kelly Baldwin, Alexa D. Isbell, Michael A. Katz, Dain C. Landon, Emerson S. Moore II, Gary Ross, Ori Solomon*

## **Computer Horizons Corp.**

Represented Computer Horizons (NASDAQ:CHRZ), a leader in IT professional services, in the sale of the assets of a subsidiary, Princeton Softech, Inc., to financial buyers Apax Partners, Inc. and LLR Partners Inc. that was in the nature of a leveraged management buyout. The assets of Princeton Softech that were sold included all of the out-

standing stock of Princeton Softech's subsidiaries located in France, Australia, Germany, the United Kingdom and the Netherlands. The transaction was valued at approximately \$30 million.

*Robert A. Cantone, Henry O. Smith III, Solomon L. Warhaftig, Lowell D. Willinger, Christopher M. Jaskiewicz, Ian L. Levin, Kristen W. Prohl*

## **Comtech Telecommunications Corp.**

Represented Comtech (NASDAQ:CMTL), a maker of equipment used by satellite systems integrators, communications service providers, defense contractors and oil companies, in connection with the acquisition of certain assets of Advanced Hardware Architectures, Inc., a designer and developer of forward error correction integrated circuits and data coding technology solutions. Comtech acquired Advanced Hardware Architectures for its Turbo Product Code Chips, increasing Comtech's position in its existing market and expanding to other markets, such as wireless applications.

*Robert A. Cantone, Lana T. Yang*

## **Delaware North Companies, Inc.**

Represented Delaware North, one of the nation's largest privately held companies and a leader in foodservice, recreational and hospitality management, in connection with:

- Its \$35 million acquisition of Harrison Hot Springs Resort & Spa in British Columbia, Canada.
- Its acquisition of the *American Queen*, the *Delta Queen* and the *Mississippi Queen*, three stern-wheel vessels that provide luxury cruises on United States inland waterways. The *Delta Queen* is the only floating National Historic Landmark and the *American Queen* is the largest steamboat ever built. The vessels were purchased from the bankruptcy estate of American

Classic Voyages Co. for a purchase price of approximately \$80 million including the assumption of certain U.S. Maritime Administration-guaranteed notes and bonds associated with the *American Queen*. Proskauer advised and represented Delaware North in the auction process, the bankruptcy proceedings and the negotiation and consummation of definitive purchase documentation.

*Perry A. Cacace, Thomas W. Dollinger, Michael E. Feldman, Michael E. Foreman, Arnie S. Jacobs, Steven L. Kirshenbaum, Martin J. Oppenheimer, Neal S. Schelberg, Lisa A. Chiappetta, Michael L. Eden, Ronald S. Kornreich*

### **EuroPlex B.V.**

Represented EuroPlex, a European developer and operator of multiplex cinemas, with its investments, backed by Soros Private Equity Partners, in cineplex operations in Europe, including its \$10 million acquisition of Kinopolis Pioltello s.r.l., the Italian affiliate of the Kinopolis Group.

*Jean-Philippe Berthet, Lucien White*

### **EYT, Inc.**

Represented EYT (formerly known as Ernst & Young Technologies), a Charterhouse portfolio company providing information technology consulting and application services, in connection with the sale of its value-added reseller business to Cap Gemini Ernst & Young.

*Stephen W. Rubin*

### **Grupo Cinemex, S.A. de C.V.**

Represented Grupo Cinemex and certain of its stockholders in the sale of all of the company's outstanding capital stock to Onex Corporation and investment funds managed by Oaktree Capital Management, LLC. The total purchase price for the company was approximately \$285 million. Grupo Cinemex is a leading movie theater exhibition company in

Mexico and the largest exhibitor in Mexico City, where it has more than a 50% market share.

*Adam J. Kansler, Alan P. Parnes, Gail S. Port, Henry O. Smith III, Aliza R. Cinamon, Jon H. Oram*

### **Jenny Craig, Inc.**

Represented Jenny Craig in connection with its acquisition by ACI Capital Co., Inc., a private investment firm based in New York. The aggregate purchase price was approximately \$115 million. Sid and Jenny Craig, the principal stockholders of Jenny Craig, acquired a minority equity interest in the buyer. The matter included a merger agreement and voting agreement among the buyer, Sid and Jenny Craig and affiliated entities, and the filing of a going-private proxy statement with the SEC.

*Thomas W. Dollinger, Mitchell M. Gaswirth, Richard H. Rowe, Marvin Sears, Andrew Eitingon, Stephen F. Reed*

### **L-3 Communications Corporation**

Represented L-3 Communications (NYSE:LLL), a maker of secure and specialized systems for satellite, avionics and marine communications, in a public merger acquisition of Westwood Corporation. The target corporation is a leading provider of electrical and electronic equipment to the military.

*James P. Gerkis, Ross H. Klenoff, Rima Moawad*

### **The Laird Group, PLC**

Represented The Laird Group (London:LARD), a public U.K. company, in:

- \$29.5 million acquisition by its subsidiary, Laird Technologies, Inc., of BMI, Inc., a company engaged in the design and sale of electronics shielding products for the containment of electromagnetic interference.
- Sale by its subsidiary, Laird Technologies, Inc., of its majority

interest in Sauquoit Industries, Inc., a manufacturer of silver-coated fibers, fabrics and yarns, to Sauquoit's management.

*Steven L. Kirshenbaum, Gail S. Port, Solomon L. Warhaftig, Kelly Baldwin, Stuart T. Kapp, Michael A. Katz, Ronald S. Kornreich, Jon H. Oram*

### **Lincolnshire Equity Fund II, L.P.**

Represented Lincolnshire Equity Fund II in its acquisition of the stock of ATC Logistics of Maryland, Inc., Grupo Centurión de Mexico, S.A. de C.V. and related entities, all of which are engaged in the automobile part processing and logistics business. The transaction included an earn-out structure, including consideration payable up to a maximum of \$35 million in cash, a series of notes and the issuance of stock in the acquisition entity in a tax-free reorganization. Separate contribution and purchase agreements were required for the domestic and Mexican target companies.

*Robert J. Kafin, Arnold J. Levine, Alan P. Parnes, Gail S. Port, Janice K. Smith, Tammy Fried, Julian Gomez, Ronald S. Kornreich, Oliverio Lew, Steven A. Meetre, Stacey Moore, Renata C. Pompa, Robert M. Projansky*

### **Little Switzerland, Inc.**

Represented Little Switzerland, a retailer of luxury items with locations throughout the Caribbean, Alaska and Florida, in connection with its response to a tender offer by an affiliate of Tiffany & Co. for all the outstanding common stock of Little Switzerland at \$2.40 per share in cash. We also assisted Little Switzerland in the formation of a special committee of its board of directors to act on behalf of the company in the tender offer and handled the company's SEC filings.

*Jack P. Jackson, Richard H. Rowe, Michael L. Eden, Arthur G. Levy, Steven A. Meetre*

# MERGERS & ACQUISITIONS

## **Mendik Realty Company, Inc.**

Represented Mendik, and related persons, in the \$17.5 million sale to an affiliate of Vornado Realty Trust of the equity of Building Maintenance Service LLC, Guard Management Service Corp. and BMS Facilities Group LLC, which are engaged in the building maintenance, security and cleaning businesses.

*Janet B. Korins, Steven L. Lichtenfeld, David A. Bondy, John F. Fullerton III, Bruce N. Goldberger, Stuart J. Goldstein, Steven A. Meetre, Stacey Moore, Stephen M. Rodin*

## **Montreal Expos/ Florida Marlins**

Represented Montreal Expos, L.P., an entity controlled by Jeffrey H. Loria, in the sale of the Expos to Major League Baseball for approximately \$121 million. Simultaneously, we represented that same entity in connection with the purchase of the Marlins for approximately \$159 million from an entity owned by John Henry, who led the group that bought the Boston Red Sox.

*Ira Akselrad, Wayne D. Katz, Steven D. Weinstein, Craig A. Bitman, Michael J. Chiaravalloti, Amanda H. Nussbaum, Robert M. Projansky, Jack B. Spizz*

## **MP TotalCare, Inc.**

Represented MP TotalCare, a Charterhouse portfolio company, which provides respiratory medications and diabetic supplies, in connection with its acquisition of Express-Med, Inc., a fast-growing mail order medical supply company. We also assisted MP TotalCare in connection with its financing of the transaction, including its secured loan with GMAC-RFC Health Capital and its issuance of Series A

## **Preferred Stock to Charterhouse Equity Partners III, L.P.**

*James D. Meade, Stephen W. Rubin, Solomon L. Warhaftig, Emerson S. Moore II, Stacey Moore, Beth B. Smigel, Jack B. Spizz*

## **Pharmaceutical Technologies Development LLC**

Represented Pharmaceutical Technologies Development (“PTD”) in connection with its \$20 million sale to Biovail Laboratories, Inc. of all of the shares of PTD, which is engaged in the development and marketing of pharmaceutical products.

*Arnold J. Levine, Michael J. Chiaravalloti, Eric Friedlander*

## **The New York Times Company**

In connection with *The New York Times*’ (NYSE:NYT) acquisition of *The Washington Post*’s interest in Paris’ legendary daily newspaper, *The International Herald Tribune*, we counseled *The Times* on complex questions of French corporate, labor and antitrust law.

*William Krisel, Yasmine Tarasewicz, Jean-Baptiste Martin, Olivier Savelli*

## **Price Communications Corporation**

Represented Price Communications (NYSE:PR) in its \$1.7 billion transaction with Cellco Partnership (d/b/a Verizon Wireless), under which Price contributed its wireless telephone business, together with \$149 million in cash, to a partnership controlled by Cellco. In return, Price received a preferred interest in the partnership, exchangeable for stock of Verizon Wireless Inc. (if a Verizon Wireless IPO is completed by August 2007) or Verizon Communications Inc.

(if such an IPO is not completed). In addition, Cellco provided funds for the repayment of approximately \$700 million of Price’s public indebtedness.

*Robert K. Kane, Gail S. Port, Richard H. Rowe, Peter G. Samuels, Janice K. Smith, Solomon L. Warhaftig, Kelly Baldwin, Brad E. Berman, David A. Bondy, Deniz Haupt, Alan M. Hoffman, Elizabeth Hook, Ronald S. Kornreich, Amanda H. Nussbaum, Marissa J. Tiamfook*

## **Psilos Partners, L.P.**

Represented Comprehensive NeuroScience, Inc., a portfolio company of Psilos Partners, L.P., in its acquisition of Clinical Studies, Ltd.

*Julie M. Allen, Pamela L. Kramer*

## **Related Capital Company**

Representing Related Capital Company, a prominent real estate financial services company specializing in investments in multi-family housing, in the acquisition of Related by Charter Municipal Mortgage Acceptance Company (AMEX:CHC) (“Charter MAC”). Related currently serves as advisor to Charter MAC pursuant to a management agreement, and one of the effects of the transaction will be to internalize the management of Charter MAC. A special committee of independent directors of Charter MAC approved the terms of the transaction, which has a purchase price of \$338 million, subject to certain adjustments.

*Peter M. Fass, Steven Fishman, Stuart L. Rosow, Jason D. Fernbach, Michael A. Katz, Paul A. Kemnitzer, Samuel L. Martin, Jenifer deWolf Paine, Jacob Raddock, R. Bruce Steinert, Jr.*

## **STA International, Inc.**

Represented STA International, one of the largest student travel agencies in the world, in its acquisition of a student travel agency, and related business operations, from Counsel Travel Services, Inc. in its Chapter 11 proceedings.

*Sheldon I. Hirshon, Lisa A. Chiappetta, Sanjay Thapar*



## **Sterling Publishing Co., Inc.**

Represented Sterling Publishing (London:SPB), a publisher and distributor of primarily recreational and “how to” books, in connection with the sale of substantially all of its assets and business to Barnes & Noble for \$115 million.

*Bertram A. Abrams, Robert K. Kane, Aaron J. Schindel, Solomon L. Warhaftig, Michael A. Katz, Jenifer deWolf Paine, Beth B. Smigel*

## **TechSpace, Inc.**

Represented East Coast-based TechSpace, a company providing alternative office space and business infrastructure services, in its merger with West Coast-based Enfrastructure Inc. Prior to the closing of the merger, TechSpace’s preferred stock was repurchased from Safeguard Scientifics, Inc., a public technology operating company, and its major investors. The merger created an international technology office space company with offices on the East and West Coasts of the U.S., as well as Canada and Mexico.

*Thomas W. Dollinger, Jeffrey A. Horwitz, Richard H. Rowe, Lia Pistilli, Lana T. Yang*

## **Towers Perrin**

Represented Towers Perrin, a pension benefits and human resources consulting firm, in connection with:

- The acquisition of Working Concepts, Inc., which provides consulting services relating to the implementation, upgrades and maintenance of Peoplesoft HR software.
- The spin-off of The FutureWork Institute (“FWI”), their diversity consulting practice. In connection with the spin-off, Towers Perrin purchased shares of preferred stock of FWI.
- The acquisition of the publications and research databases, and certain related assets, of Executive Compensation Advisory Services, a division of Drake Beam Morin, Inc. (a sub-

siary of the Thomson Corporation).

- Tillinghast – Towers Perrin, a division of Towers Perrin, in connection with the sale of their Health & Welfare consulting practice to Reden and Anders, an indirect subsidiary of United Health Group.

*Ronald R. Papa, Bruce N. Goldberger, Michael A. Katz, Beth B. Smigel, Ori Solomon*

## **Veronis Suhler Stevenson and The Official Information Company**

Represented VS&A Communications Partners II, L.P., an affiliate of Veronis Suhler Stevenson, a New York merchant bank specializing in media properties, and The Official Information Company in connection with the sale of all of the issued and outstanding shares of The Official Information Company to US Investigations Services, Inc. for \$245 million. In connection with the sale, The Official Information Company defeased all of the covenants under the indenture for its publicly issued senior subordinated notes, sold the preferred interests in an affiliated company to the sellers and amended its credit facility.

*Bertram A. Abrams, Robert K. Kane, Donald “Rocky” E. Thompson, Solomon L. Warhaftig, Michael A. Katz, Stacey Moore, Y. Dave Silberman*

## **Weight Watchers**

Represented Weight Watchers of San Diego and the Inland Empire, Inc. in connection with the sale of its business to Weight Watchers International, Inc. (NYSE:WTW), the franchisor.

*Bert H. Deixler, Jeffrey A. Horwitz, Christopher R. Kelly, Hayes F. Michel, Dale A. Schreiber, Solomon L. Warhaftig, Michael H. Weiss, Kristen W. Prohl, Joanna Smith, Yuval Tal*

## **WHAM-O, Inc.**

Represented WHAM-O, a Charterhouse portfolio company and the leading innovator of out-

door fun (owner of Frisbee, Hacky Sack, Hula Hoop, Slip ‘N Slide), in its acquisition of two divisions of Earth and Ocean Sports, including two of Earth and Ocean Sports’ surf and sports industry’s leading brands, BZ Pro Boards and Sledz. With this acquisition WHAM-O becomes the global leader in the surf and snow categories. We also assisted in the related bridge financing from an affiliate of Charterhouse.

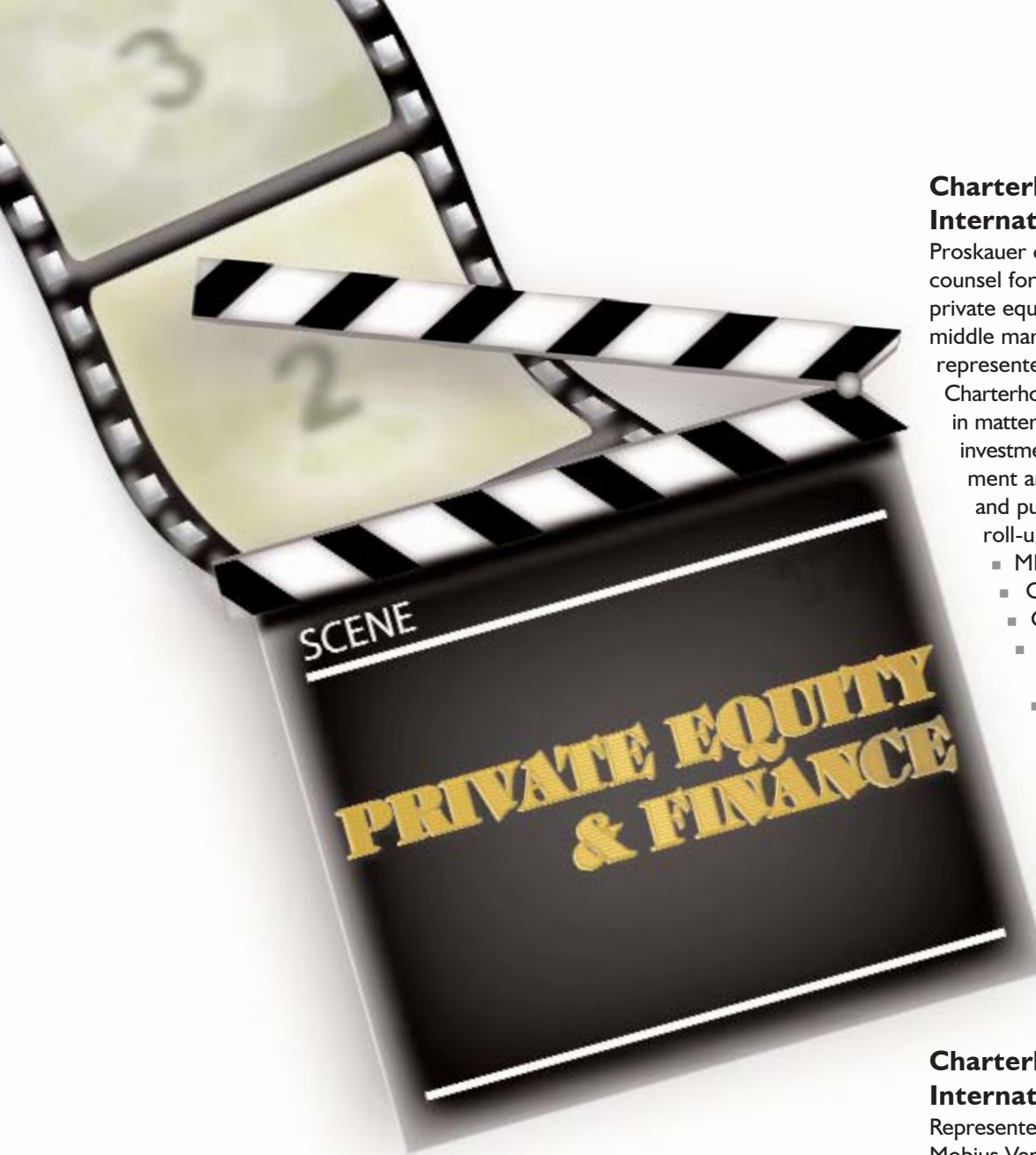
*Stephen W. Rubin, Jack B. Spizz*

## **X Technologies, Inc.**

Represented X Technologies, a developer of interventional cardiology devices, in an agreement to be acquired by Guidant Corporation (NYSE:GDT), one of the largest U.S. medical device companies. The all-cash \$160 million deal, which is contingent on U.S. regulatory approval of X Technologies’ product, is the largest cash acquisition of an Israeli start-up in the past several years. Simultaneously with the signing of the merger agreement, X Technologies entered into a \$13.4 million credit facility with Guidant to help finance operations through the closing of the merger.

*Alan P. Parnes, Paul I. Rachlin, Michael A. Katz, Ronald S. Kornreich, Gary Ross, Y. Dave Silberman*





### **Banco San José/ Banco Interfin**

Represented Banco San José and Banco Interfin, two of the largest Costa Rican banks, in a \$50 million mortgage securitization conducted through a private placement.

*Carlos E. Martinez, Oliverio Lew*

### **Blackfin Capital, LLC**

Represented Blackfin Capital, a private investment company, in connection with the restructuring of debt of various portfolio companies.

*Robert A. Cantone, Christopher M. Jaskiewicz*

### **Capital IQ, Inc.**

Represented Capital IQ, the leading provider of integrated business information and productivity applications, in connection with the sale of Series C convertible preferred stock to Constellation Ventures Capital II, L.P., a Bear Stearns affiliate, and the restructuring of arrangements with holders of Series A and Series B preferred stock.

*Arnold J. Levine, Janice K. Smith,  
Mark W. Levine, Gary Ross*

### **Charterhouse Group International, Inc.**

Proskauer continued as outside counsel for Charterhouse, a leading private equity group that invests in middle market companies. We represented the following Charterhouse portfolio companies in matters including fund-raising, investments, portfolio management and restructuring, private and public financing, exits and roll-up transactions:

- MP Total Care;
- Cross Country, Inc.;
- Cellu Paper Holdings, Inc.;
- Harvard Custom Manufacturing;
- AAT Communications Corp.;
- EYT, Inc.;
- Top Image Systems; and
- Wham-O.

*James D. Meade,  
Stephen W. Rubin,  
Solomon L. Warhaftig,  
Emerson S. Moore II,  
Jack B. Spizz*

### **Charterhouse Group International, Inc.**

Represented Charterhouse and Mobius Venture Capital, Inc., a leading venture capital firm, in a series of high-yield convertible subordinated debt financings of Interliant Inc., aggregating in the amount of \$30 million.

*Stephen W. Rubin*

### **EuroPlex B.V.**

Represented EuroPlex, a European developer and operator of multiplex cinemas, with its investments, backed by Soros Private Equity Partners, in cineplex operations in Europe, including its \$10 million acquisition of Kinopolis Pioltello s.r.l., the Italian affiliate of the Kinopolis Group.

*Jean-Philippe Berthet, Lucien White*

## Fabriquest, Inc.

Represented Fabriquest, a business-to-business e-commerce provider that facilitates the purchase of manufacturing services, in connection with venture capital and electronic commerce matters.

*William M. Hart, Christopher M. Jaskiewicz*

## GNB Bank (Panama) S.A.

Represented GNB Bank, a Panamanian financial institution, in its transactions with Geosor Corporation, an affiliate of George Soros, relating to securing an option to acquire equity in Phone 1 Globalwide Inc., and in its granting debt and equity financing to Phone 1, Inc.

*David W. Sloan, Donald "Rocky" E. Thompson, Oliverio Lew*

## Henry Schein, Inc.

Represented Henry Schein (NASDAQ:HSIC) in connection with obtaining a \$200 million unsecured revolving credit facility from a group of banks led by J.P. Morgan Chase.

*Jack P. Jackson, Janice K. Smith, Stacey Moore*

## Impulse Dynamics N.V.

Represented Impulse Dynamics, a developer of implantable cardiac devices, in connection with raising \$25 million in private equity, including investments from Johnson & Johnson. Also represented the company in connection with a \$250 million transaction involving the grant of an option to Guidant Corporation (NYSE:GDT) to acquire certain technology of the company.

*Paul I. Rachlin, Stuart L. Rosow, Matthew Sabloff, Avshalom Yotam*

## Insignia Financial Group, Inc.

Represented Insignia (NYSE:IFS) with its issuance of \$25 million of convertible preferred stock in exchange for an outstanding series

## J.P. Morgan Chase

We continued our long-standing representation of J.P. Morgan Chase (NYSE:JPM) in private equity investments, ranging from early-stage venture capital to large acquisition and corporate finance transactions.

We also continued to represent J.P. Morgan Chase in connection with fund formation and placement activities.

*Thomas W. Dollinger, Jack P. Jackson, Adam J. Kansler, William Krisel, Bruce L. Lieb, Alan P. Parnes, Janice K. Smith, Michael J. Chiaravalloti, Steven Chiodini, Tammy Fried, Amanda H. Nussbaum, Charles Parsons, Marc A. Persily, Stephen F. Reed, Ori Solomon*



of convertible preferred stock, the issuance of \$12.5 million of convertible preferred stock for cash, as well as a \$37.5 million credit facility in a private transaction.

*Jack P. Jackson, Solomon L. Warhaftig, Allan R. Williams, Stacey Moore, Rachel Parsons, Ido Warshavski*

## Investor Growth Capital

Represented Investor Growth Capital in connection with its investments in Aplion Network, Inc., Atrica, Inc., Mahi Networks and White Rock Networks.

*Julie M. Allen, Pamela L. Kramer, Sarah Deitch Persily, Melissa L. Westbrook*

## J.P. Morgan Investment Management

Represented JPMIM funds in investments in venture capital and buyout limited partnership interests aggregating over \$300 million.

*Jacob I. Friedman, Howard N. Lefkowitz, Stephen A. Devaney, Amanda H. Nussbaum, Avshalom Yotam*

## KSH Investment Group, Inc.

Represented KSH Investment Group, an investment banking group specializing in small capitalization companies, acting as placement agent, in the sale of \$1 million of convertible preferred stock for Nesco Industries, Inc. Nesco is engaged in providing indoor air quality management services and environmental remediation of hazardous materials.

*Kathy H. Rocklen, Melissa L. Westbrook*

## Lincolnshire Equity Fund II, L.P.

Represented Lincolnshire Equity Fund II in its acquisition of the stock of ATC Logistics of Maryland, Inc., Grupo Centurión de Mexico, S.A. de C.V. and related entities, all of which are engaged in the automobile part processing and logistics business. The transaction included an earn-out structure, including

# PRIVATE EQUITY & FINANCE

consideration payable up to a maximum of \$35 million in cash, a series of notes and the issuance of stock in the acquisition entity in a tax-free reorganization. Separate contribution and purchase agreements were required for the domestic and Mexican target companies.

*Robert J. Kafin, Arnold J. Levine, Alan P. Parnes, Gail S. Port, Janice K. Smith, Tammy Fried, Julian Gomez, Ronald S. Kornreich, Oliverio Lew, Steven A. Meetre, Stacey Moore, Renata C. Pompa, Robert M. Projansky*

## Merrill Lynch

Represented Merrill Lynch (NYSE:MER) in private equity investments, including its investments in Latin American portfolio companies.

*James P. Gerkis, Bruce L. Lieb, Alexa D. Isbell, Mark W. Levine, Rima Moawad*

## Millennium Technology Ventures

Represented Millennium Technology Ventures, a venture capital fund based in New York City that invests primarily in communications infrastructure, systems, tools and enabling technologies, in connection with venture capital investments in Carta, Inc., Commerce Systems, Inc., Lightspeed Interactive, Inc. and Applied Minds, Inc.

*Adam J. Kansler, Alan P. Parnes, Janice K. Smith, Steven A. Meetre, Marc A. Persily, Ori Solomon*

## Mobius Venture Capital, Inc.

Represented Mobius Venture Capital funds and Charterhouse Equity Partners III, L.P. in the purchase of Series A Convertible Preferred Stock of EYT, Inc. EYT, which was formerly known as Ernst & Young Technologies, owns and operates a major technology con-

sulting business. Mobius, formerly known as SoftBank Venture Capital, is one of the largest venture capital firms with more than \$1.5 billion under management.

*Stephen W. Rubin, Jack B. Spizz*

## Or Music LLC

Represented Or Music, a new record label, in a \$4 million private equity and debt financing.

*Jeffrey A. Horwitz, Solomon L. Warhaftig, Lana T. Yang*

## Philadelphia Eagles

We continued our representation of the Philadelphia Eagles in a broad range of transactions relating to the development and financing of its new football-based stadium, which is scheduled to open in August 2003. These matters included the Eagles' \$140 million naming rights deal with Lincoln Financial as well as a number of other significant marketing, sponsorship, media and concessions transactions.

*Joseph M. Leccese, Jon H. Oram*

## PIPE Transactions

Represented institutional investor in Private Investment in Public Entities (PIPEs) transactions for leading investors/hedge funds including:

- Aspen Technology with its purchase of approximately \$50 million of convertible preferred stock and warrants and purchase of approximately \$50 million of common stock and warrants.
- Blue Rhino with its purchase of approximately \$24 million of common stock and additional investment rights.
- Cephalon with its \$55 million convertible debt transaction.
- EarthShell with its purchases aggregating approximately \$20

million of common stock off-shelf registration and \$10 million secured convertible debt and warrant transaction.

*Adam J. Kansler, Gary Malhotra*

## Related Capital Company

Proskauer continued its representation of Related Capital, a prominent real estate financial services company specializing in investments in multi-family housing, in connection with:

- Raising over \$775 million from institutional investors for investments in affordable housing eligible for federal and state tax credits and in other projects eligible for historic rehabilitation tax credits. We also handled the investment of these funds in over 60 residential projects, which included the substantial rehabilitation of obsolete public housing projects in various cities in public/private joint ventures. We are also assisting Related Capital in advising banks in meeting their Community Reinvestment Act commitments.
- Closing of a transaction involving the largest allocation of Low Income Housing Tax Credits ever in California. Related committed to invest almost \$50 million in a partnership which is demolishing and redeveloping a former public housing project in the North Beach section of San Francisco. Also providing financing for the project were Citibank, the San Francisco Housing Authority, the City of San Francisco, BRIDGE Housing Corporation and John Stewart Companies.

*Ira Akselrad, Alan S. Cohen, Charles E. Dropkin, Janet B. Korins, Mark A. Kreitman, Kenneth Krug, Arnold J. Levine, George A. Pincus, Gail S. Port, Stuart L. Rosow, Susan A. Arbeit, Kelly Baldwin, Steven A. Beede, Aliza R. Cinamon, Jason D. Fernbach, John Fox-Snyder, Stuart T. Kapp, Pamela L. Kramer, Emerson S. Moore II, Nkechi C. Odu, Michael E. Sievers, Michael C. Swiader, Lucien White*

## **Salomon Smith Barney**

Proskauer served as underwriters' counsel for a group of underwriters led by Salomon Smith Barney in the offer and sale of \$340 million in bonds to provide financing for the Ochsner Clinic Foundation, a Louisiana integrated health care system. The bonds, which are tax exempt and issued through a Louisiana municipal authority, serve to refinance existing indebtedness of Ochsner and to fund facilities improvements at Ochsner's hospital and clinic facilities.

*Edward S. Kornreich, Paul I. Rachlin, Stuart L. Rosow, Herschel Goldfield, Michael A. Katz, Susan R. Lewis, Samuel L. Martin, Amanda H. Nussbaum, Gary Ross, Beth B. Smigel, Susan Wiener*

## **Towers Perrin**

Represented Towers Perrin, a pension benefits and human resources consulting firm, in connection with the recapitalization and Series 1 and 2 preferred stock financing of Kadiri Inc.

*Ronald R. Papa, Ori Solomon*

## **Verizon Investment Management**

Represented Verizon Investment Management in connection with the acquisition by Bell Atlantic Master Trust of over \$600 million of partnership interests in venture capital, buyout and real estate funds.

*Jacob I. Friedman, Howard N. Lefkowitz, Stephen A. Devaney, Amanda H. Nussbaum, Y. Dave Silberman, Yelena Simonyuk, Avshalom Yotam*

## **Veronis Suhler Stevenson and The Official Information Company**

Represented VS&A Communications Partners II, L.P., an affiliate of Veronis Suhler Stevenson, a New York merchant bank specializing in media properties, and The Official Information Company in connection with the sale of all of the issued and outstanding shares of The Official Information Company to US

Investigations Services, Inc. for \$245 million. In connection with the sale, The Official Information Company defeased all of the covenants under the indenture for its publicly issued senior subordinated notes, sold the preferred interests in an affiliated company to the sellers and amended its credit facility.

*Bertram A. Abrams, Robert K. Kane, Donald "Rocky" E. Thompson, Solomon L. Warhaftig, Michael A. Katz, Stacey Moore, Y. Dave Silberman*

## **W.R. Huff Asset Management Co.**

Representing W.R. Huff, an independent investment management firm, and other bondholders in the debt restructurings of various Argentine debtors, including Cablevision S.A., Mastellone Hnos. S.A. and Multicanal S.A.

*Michael E. Foreman, Steven M. Kayman, Carlos E. Martinez, Peter G. Samuels, Oliverio Lew*

## **Zurich Capital Markets Inc.**

Represented Zurich Capital Markets and various of its affiliates in connection with credit facilities totaling in excess of \$1 billion to various domestic and offshore borrowers including funds of hedge funds.

*Charles E. Dropkin, Stephen A. Devaney, Emerson S. Moore II, Y. Dave Silberman*





### 24/7 Real Media, Inc.

Represented 24/7 (NASDAQ:TFSM), a leader in interactive marketing, in connection with:

- Its merger with Real Media, Inc., an international provider of marketing services to the digital advertising industry. The combined companies have the largest on-line advertising network and locally installed customer base for ads serving technology in the world. In connection with the deal, our client changed its name to 24/7 Real Media.
- The acquisition of certain assets from certain subsidiaries of Elron Electronic Industries Ltd., in exchange for shares of 24/7 Real Media's common stock valued at

approximately \$1.8 million. The assets included certain contracts, intangibles and employee relationships related to permission-based digital marketing communications solutions, including the intellectual property relating to the products known as "Vflash", "NowBox" and "NowCode". Elron also indirectly made a \$1.25 million investment in 24/7 Real Media's preferred stock.

- The private placement of \$8 million of preferred stock and warrants to Sunra Capital Holdings Limited and affiliated parties.

*Adam J. Kansler, Ronald R. Papa, Andrea S. Rattner, Richard H. Rowe, Henry O. Smith III, Solomon L. Warhaftig, Stephen A. Devaney, Alexa D. Isbell, Ori Solomon, Lana T. Yang*

### Alcatel

Continued our representation of Alcatel (NYSE:ALA), one of France's largest industrial companies and a leading global supplier of high-tech equipment for telecommunications infrastructures, in the following matters:

- The acquisition of Telera, Inc., a privately held corporation. In the merger, Alcatel issued or reserved an aggregate of 15,464,771 Class A ADSs and shares (valued at approximately \$81 million) for all of the outstanding equity securities of Telera. The transaction was structured to take advantage of the exemption from registration afforded by Section 3(a)(10) of the Securities Act through the use of a California Fairness Hearing.
- The acquisition of Astral Point Communications, Inc., a privately held corporation. Astral Point creates next-generation SONET metropolitan optical systems. Under the terms of the merger agreement, Alcatel issued an aggregate of 9 million Class A ADSs and shares for all of the outstanding capital stock, options and warrants of Astral Point. The acquisition has an implied value of €153 million.

*Lauren Boglivi, Stanley Komaroff, Janet B. Korins, Ronald R. Papa, Gail S. Port, Andrea S. Rattner, Richard H. Rowe, Delia B. Spitzer, Aliza R. Cinamon, Paula M. Corsaro, Deniz Haupt, Susan Joe, Michael A. Katz, Mark W. Levine, Amanda H. Nussbaum, Michael J. Perloff*

### Artesyn Technologies, Inc.

Represented Artesyn (NASDAQ:ATSN), a leading supplier of power conversion products and communications subsystems for the communications industry, in the restructuring of its \$125 million credit line with a consortium of banks led by Bank of America, N.A. *Sheldon I. Hirshon, Donald "Rocky" E. Thompson, John Fox-Snyder, Marcy Hahn-Saperstein, Stuart T. Kapp*

## Big City Radio, Inc.

Continued our representation of Big City Radio (AMEX:YFM) and affiliates in connection with an out-of-court restructuring of approximately \$184 million of senior discount notes and the related sale of 12 radio stations.

*Alan B. Hyman, Alan P. Parnes, Scott K. Rutsky,  
Lisa A. Chiappetta, Brian S. Lepsis*

## Capital IQ, Inc.

Represented Capital IQ, the leading provider of integrated business information and productivity applications, in connection with the sale of Series C convertible preferred stock to Constellation Ventures Capital II, L.P., a Bear Stearns affiliate, and the restructuring of arrangements with holders of Series A and Series B preferred stock. The deal was valued at \$6 million.

*Arnold J. Levine, Janice K. Smith,  
Mark W. Levine, Gary Ross*

## Charterhouse Group International, Inc.

Represented Charterhouse, a leading private equity group that invests in middle market companies, in connection with:

- Its \$100 million acquisition of AAT Communications Corp. AAT is one of the largest privately held owners of towers and tower sites, and providers of site management services for the wireless communications industry owning, operating and managing approximately 5,700 wireless communications sites located throughout the United States. Co-investing with Charterhouse was Cequel III, a management company principally owned by Jerry Kent.
- The sale of Harvard Custom Manufacturing, a leading electronics contract manufacturer, to a group led by Harvard's management team.

*James D. Meade, Gail S. Port, Stephen W. Rubin,  
Solomon L. Warhaftig, Kelly Baldwin,  
Alexa D. Isbell, Michael A. Katz, Dain C. Landon,  
Emerson S. Moore II, Gary Ross, Ori Solomon*

## The Alpine Group, Inc.

Represented Alpine (OTC:ALPG), one of the largest telephone wire and cable manufacturers in the U.S., in the following matters:

- The sale by Superior TeleCom, Inc. (OTC:SRTO) to Alpine of: Superior's electrical wire business; electronics subsidiary, DNE Systems, Inc.; and its interest in Superior Cables Ltd., an Israeli wire and cable company. Total consideration was \$85 million plus a warrant to Superior to purchase a 20% equity interest in the electrical wire business. In addition, we also assisted Alpine with its \$100 million financing of the acquisition.
  - Proskauer also counseled Superior in connection with an amendment to its senior credit facility, and with a \$160 million receivables funding facility with General Electric Capital Corporation.
  - As the major stockholder of PolyVision, in connection with the acquisition of PolyVision by Steelcase, for approximately \$180 million in cash (including the assumption of debt and related transaction costs).

*Abraham Gutwein, Jack P. Jackson, Ronald R. Papa,  
Gail S. Port, Andrea S. Rattner, Janice K. Smith,  
Solomon L. Warhaftig, David M. Alin, Ricky Chung,  
Aliza R. Cinamon, Johnathan C. Duncan, Julian Gomez,  
Alak R. Goswami, Michael A. Katz, Arthur G. Levy, Stacey Moore,  
Michael R. Neidell, Jennifer deWolf Paine, Kristen W. Prohl*



## Computer Horizons Corp.

Represented Computer Horizons (NASDAQ:CHRZ), a leader in IT professional services, in connection with:

- Its formation of CHC Healthcare Solutions, LLC with ZA Consulting LLC, to join their respective HIPAA compliance, healthcare information technology and other compliance business practices.
- The sale of the assets of a subsidiary, Princeton Softech, Inc., to financial buyers Apax Partners, Inc. and LLR Partners Inc. that was in the nature of a leveraged management buyout. The assets of Princeton Softech that were sold included all of the outstanding stock of Princeton Softech's subsidiaries located in France, Australia, Germany, the United

Kingdom and the Netherlands. The transaction was valued at approximately \$30 million.

*Robert A. Cantone, Henry O. Smith III,  
Solomon L. Warhaftig, Lowell D. Willinger,  
Christopher M. Jaskiewicz, Ian L. Levin,  
Kristen W. Prohl*

## Comtech Telecommunications Corp.

Represented Comtech (NASDAQ:CMTL), a maker of equipment used by satellite systems integrators, communications service providers, defense contractors and oil companies, in connection with the acquisition of certain assets of Advanced Hardware Architectures, Inc., a designer and developer of forward error correction integrated circuits and data coding technology solutions. Comtech acquired Advanced Hardware Architectures

# TECHNOLOGY, MEDIA & TELECOMMUNICATIONS

for its Turbo Product Code Chips, increasing Comtech's position in its existing market and expanding to other markets, such as wireless applications.

*Robert A. Cantone, Lana T. Yang*

## **EYT, Inc.**

Represented EYT (formerly known as Ernst & Young Technologies), a Charterhouse portfolio company providing information technology consulting and application services, in connection with the sale of its value added reseller business to Cap Gemini Ernst & Young.

*Stephen W. Rubin*

## **Fabriquest, Inc.**

Represented Fabriquest, a business-to-business e-commerce provider that facilitates the purchase of manufacturing services, in connection with venture capital and electronic commerce matters.

*William M. Hart, Christopher M. Jaskiewicz*

## **GNB Bank (Panama) S.A.**

Represented GNB Bank, a Panamanian financial institution, in its transactions with Geosor Corporation, an affiliate of George Soros, relating to securing an option to acquire equity in Phone 1 Globalwide Inc., and in its granting debt and equity financing to Phone 1, Inc.

*David W. Sloan, Donald "Rocky" E. Thompson, Oliverio Lew*

## **Gray Television Inc.**

Represented Gray Television (NYSE:GTN) in connection with:

- Its public offering of high-yield bonds and its follow-on underwritten public offering of its common stock. The bond offering yielded gross proceeds of \$100

million and was applied by Gray to repay borrowings under its senior credit facility. The stock offering yielded gross proceeds of approximately \$282.5 million, and was applied by Gray to the approximately \$500 million acquisition of 15 local broadcast stations from Stations Holding Company, Inc., which had filed for reorganization under Chapter 11. The combined Gray Television/Stations Holding Company is now the country's largest independent owner of CBS affiliated stations and will reach approximately 5% of the total U.S. television households.

- Its \$40 million Series C Convertible Preferred Stock private placement.

*Robert A. Cantone, Michael E. Foreman, Arnie S. Jacobs, Dain C. Landon, Brian S. Lepsis, Mark W. Levine, Arthur G. Levy, Michael R. Neidell, Kristen W. Prohl, Beth B. Smigel, Marissa J. Tiamfook, Ellen Yu*

## **L-3 Communications Corporation**

Represented L-3 Communications (NYSE:LLL), a maker of secure and specialized systems for satellite, avionics and marine communications, in a public merger acquisition of Westwood Corporation. The target corporation is a leading provider of electrical and electronic equipment to the military.

*James P. Gerkis, Ross H. Klenoff, Rima Moawad*

## **The Laird Group, PLC**

Represented The Laird Group (London:LARD), a public U.K. company, in:

- \$29.5 million acquisition by its subsidiary, Laird Technologies, Inc., of BMI, Inc., a company engaged in the design and sale of electronics shielding products for the containment of electromagnetic interference.

- Sale by its subsidiary, Laird Technologies, Inc., of its majority interest in Sauquoit Industries, Inc., a manufacturer of silver-coated fibers, fabrics and yarns, to Sauquoit's management.

*Steven L. Kirshenbaum, Gail S. Port, Solomon L. Warhaftig, Kelly Baldwin, Stuart T. Kapp, Michael A. Katz, Ronald S. Kornreich, Jon H. Oram*

## **MarketAxess Corporation**

Represented MarketAxess, a leading Internet-based multidealer research and trading platform for credit products, in a Series I Convertible Preferred financing by Bank of America. Bank of America increased its strategic equity participation in the company.

*Adam J. Kansler, Michael E. Callahan, Ori Solomon*

## **Maxcom Telecomunicaciones S.A. de C.V.**

Represented Maxcom Telecomunicaciones, a Mexican local telephone company, in its debt restructuring and recapitalization. In addition, Maxcom's capital structure was reorganized which allowed for a change of control while complying with Mexican foreign ownership restrictions.

*Michael E. Foreman, Janet B. Korins, Carlos E. Martinez, Richard H. Rowe, Solomon L. Warhaftig, Allan R. Williams, Robert Ivanschitz, Oliverio Lew, Amanda H. Nussbaum, Carla Passos, Lia Pistilli*

## **Millennium Technology Ventures**

Represented Millennium Technology Ventures, a venture capital fund based in New York City that invests primarily in communications infrastructure, systems, tools and enabling technologies, in connection with venture capital investments in Carta, Inc., Commerce Systems, Inc., Lightspeed Interactive, Inc. and Applied Minds, Inc.

*Adam J. Kansler, Alan P. Parnes, Janice K. Smith, Steven A. Meetre, Marc A. Persily, Ori Solomon*





## **Mobius Venture Capital, Inc.**

Represented Mobius Venture Capital funds and Charterhouse Equity Partners III, L.P. in the purchase of Series A Convertible Preferred Stock of EYT, Inc. EYT, which was formerly known as Ernst & Young Technologies, owns and operates a major technology consulting business. Mobius, formerly known as SoftBank Venture Capital, is one of the largest venture capital firms with more than \$1.5 billion under management.

*Stephen W. Rubin, Jack B. Spizz*

## **Price Communications Corporation**

Represented Price Communications (NYSE:PR) in its \$1.7 billion transaction with Cellco Partnership (d/b/a Verizon Wireless), under which Price contributed its wireless telephone business, together with \$149 million in cash, to a partnership controlled by Cellco. In return, Price received a preferred interest in the partnership, exchangeable for stock of Verizon Wireless Inc. (if a Verizon Wireless IPO is completed by August 2007) or Verizon Communications Inc. (if such an IPO is not completed). In addition, Cellco provided funds for the repayment of approximately \$700 million of Price's public indebtedness.

*Robert K. Kane, Gail S. Port, Richard H. Rowe, Peter G. Samuels, Janice K. Smith, Solomon L. Warhaftig, Kelly Baldwin, Brad E. Berman, David A. Bondy, Deniz Haupt, Alan M. Hoffman, Elizabeth Hook, Ronald S. Kornreich, Amanda H. Nussbaum, Marissa J. Tiamfook*

## **TechSpace, Inc.**

Represented East Coast-based TechSpace, a company providing alternative office space and business infrastructure services, in its merger with West Coast-based Enfrastructure Inc. Prior to the closing of the merger, TechSpace's preferred stock was repurchased

from Safeguard Scientifics, Inc., a public technology operating company, and its major investors. The merger created an international technology office space company with offices on the East and West Coasts of the U.S., as well as Canada and Mexico.

*Thomas W. Dollinger, Jeffrey A. Horwitz, Richard H. Rowe, Lia Pistilli, Lana T. Yang*

## **Veronis Suhler Stevenson and The Official Information Company**

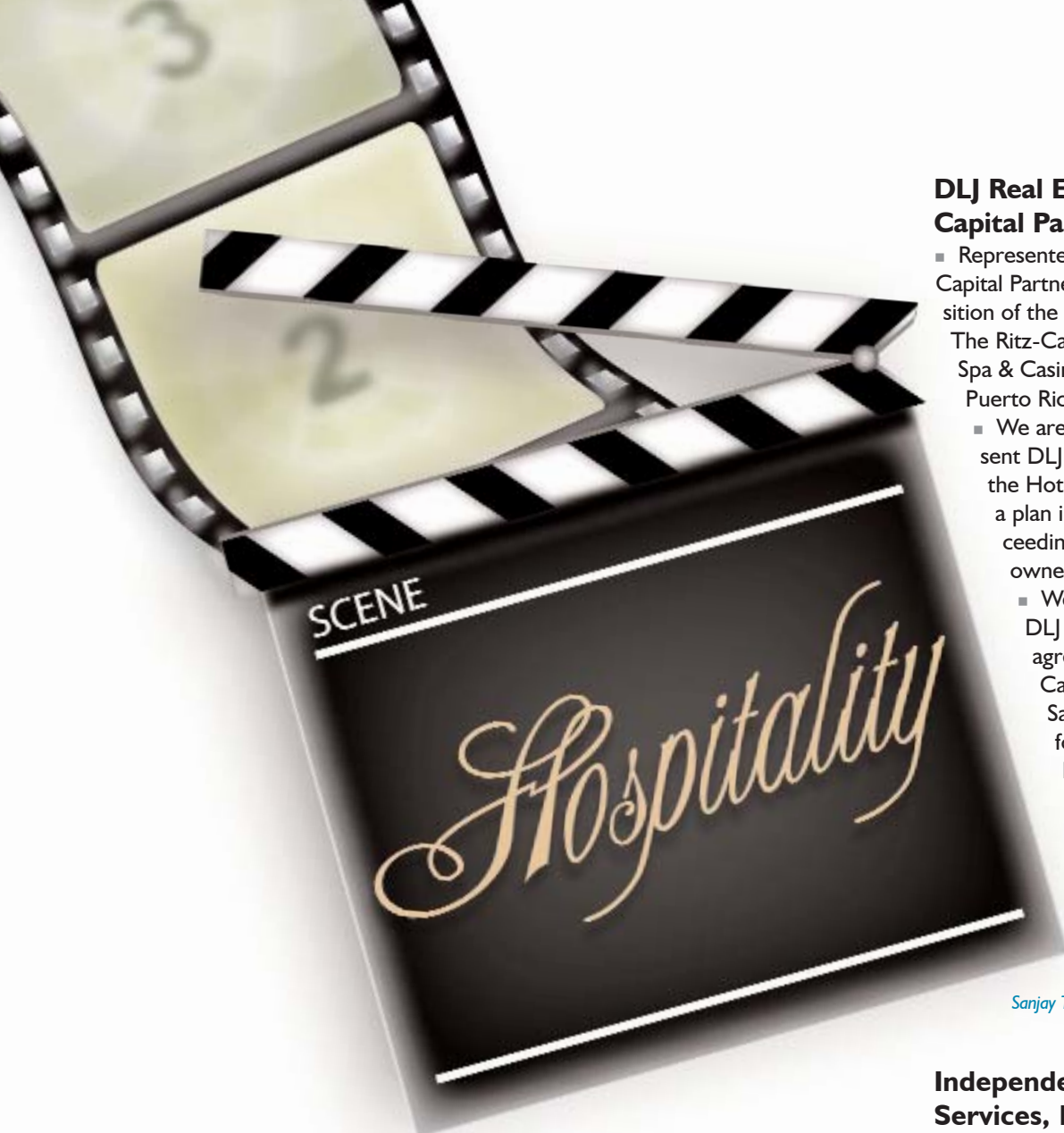
Represented VS&A Communications Partners II, L.P., an affiliate of Veronis Suhler Stevenson, a New York merchant bank specializing in media properties, and The Official Information Company in connection with the sale of all of the issued and outstanding shares of The Official Information Company to US Investigations Services, Inc. for \$245 million. In connection with the sale, The Official Information Company defeased all of the covenants under the indenture for its publicly issued senior subordinated notes, sold the preferred interests in an affiliated company to the sellers and amended its credit facility.

*Bertram A. Abrams, Robert K. Kane, Donald "Rocky" E. Thompson, Solomon L. Warhaftig, Michael A. Katz, Stacey Moore, Y. Dave Silberman*

## **W.R. Huff Asset Management Co.**

Representing W.R. Huff, an independent investment management firm, and other bondholders in the debt restructurings of various Argentine debtors, including Cablevision S.A., Mastellone Hnos. S.A. and Multicanal S.A.

*Michael E. Foreman, Steven M. Kayman, Carlos E. Martinez, Peter G. Samuels, Oliverio Lew*



### **Accor S.A.**

Represented Accor (Paris:AC), a worldwide lodging company, in continued investments in WorldRes, an on-line hotel reservation and distribution network. Accor acquired notes and warrants issued by WorldRes for a purchase price of \$2 million. Accor also made a \$1 million investment in WorldRes.com's Series A-1 Preferred Stock. In addition to providing needed capital for WorldRes, these transactions also involved a restructuring of WorldRes' management structure to provide Accor with increased control.

*Steven Fishman, Jeffrey A. Horwitz, Michael A. Midura*

### **Boykin Management Company**

Represented Boykin Management Company Limited Liability Company ("BMC"), an entity principally owned by Robert W. Boykin, Chairman of the Board and Chief Executive Officer of Boykin Lodging Company (a NYSE hotel REIT), in connection with the sale by BMC to Boykin Lodging Company of membership interests in 16 companies holding leases for 25 hotel properties in 14 states, in consideration for REIT securities and OP Units.

*Ira Akselrad, Perry A. Cacace, Michael E. Feldman, Jeffrey A. Horwitz, Allan R. Williams, Nicholas Athanail, David A. Bondy, Andrea Morgan, Yuval Tal, Lana T. Yang*

### **DLJ Real Estate Capital Partners**

- Represented DLJ Real Estate Capital Partners ("DLJ") in its acquisition of the debt encumbering The Ritz-Carlton San Juan Hotel, Spa & Casino located in San Juan, Puerto Rico (the "Hotel").
- We are continuing to represent DLJ in its acquisition of the Hotel through the filing of a plan in the bankruptcy proceedings of the current owner.
- We also represented DLJ in the management agreement with The Ritz-Carlton Hotel Company San Juan Inc. providing for its operation of the Hotel.

*Michael E. Feldman, Jeffrey A. Horwitz, Steven M. Kayman, Lawrence J. Lipson, Matthew H. Triggs, Ronald S. Kornreich, Christopher L. Pennington, Lia Pistilli, Yelena Simonyuk,*

*Sanjay Thapar, Stephanie Reed Traband*

### **Independent Fiduciary Services, Inc. & LaSalle Investment Management**

Proskauer continued its representation of Independent Fiduciary Services, Inc., the independent fiduciary, and LaSalle Investment Management, Inc., the qualified professional asset manager, on behalf of the Plumbers and Pipefitters National Pension Fund (the "Fund") in connection with the Fund's \$800 million development project of the Diplomat Resort and Country Club and Spa, a first-class convention center hotel and luxury country club and spa with approximately 1,060 guest rooms, located in Hollywood/Hallendale, Florida.

*Ira Akselrad, Rory Judd Albert, Michael E. Feldman, Jeffrey A. Horwitz, Steven E. Obus, George A. Pincus, Myron D. Rumeld, Wendy J. Schriber, Steven D. Weinstein, Gary Malhotra, Robert M. Projansky, Yuval Tal*

## **Kerzner International Limited**

Represented Kerzner (NYSE:KZL), a resort operator, in providing mezzanine standby credit facilities relating to the development of a six-star resort in the Maldives. An affiliate of Kerzner will act as the manager/operator of the resort. All the operative transaction documents were governed by English, Maldives and Malaysian law.

*James P. Gerkis, Wendy J. Schriber,  
Gary Malhotra, Rima Moawad,  
Stephen M. Rodin*

## **NYC & Company, Inc.**

Represented NYC & Company, the official tourism marketing organization of New York City, in connection with intellectual property licensing transactions.

*William M. Hart, Christopher M. Jaskiewicz,  
Kristen W. Prohl*

## **Vornado**

Represented New York's Hotel Pennsylvania, a 1,700-room hotel with 400,000 square feet of commercial space, in connection with various meeting space, food and beverage, group room and other commercial agreements, including a pay-per-view system agreement and a central reservation system agreement. Hotel Pennsylvania is owned by Vornado Realty Trust (NYSE:VNO), one of the largest property owners in New York City.

*Michael E. Feldman, Lawrence J. Lipson,  
Christopher M. Jaskiewicz*

## **Delaware North Companies, Inc.**

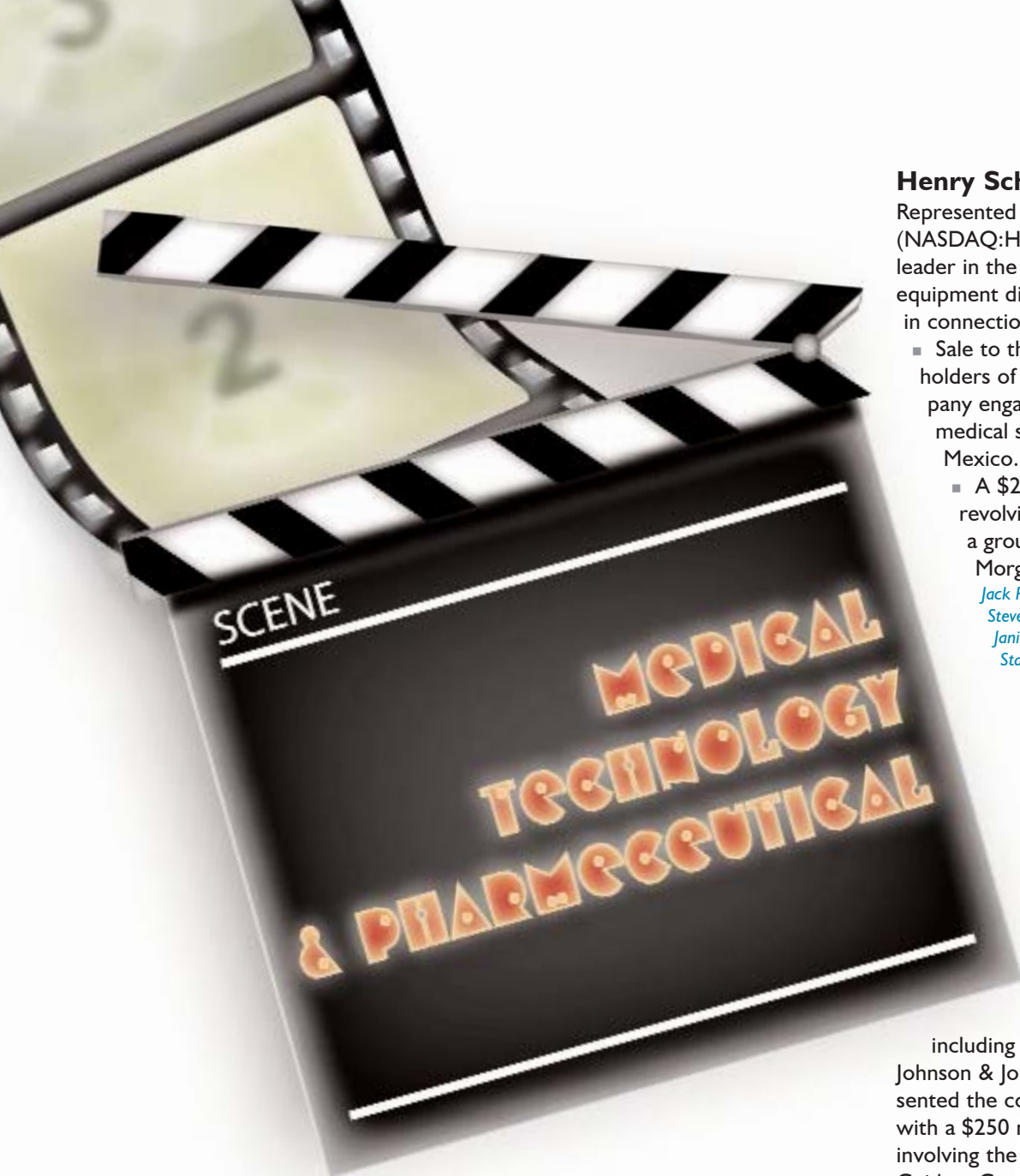
Represented Delaware North, one of the nation's largest privately held companies and a leader in foodservice, recreational and hospitality management, in connection with:

- Its \$35 million acquisition of Harrison Hot Springs Resort & Spa in British Columbia, Canada.
- Its acquisition of the *American Queen*, the *Delta Queen* and the *Mississippi Queen*, three stern-wheel vessels that provide luxury cruises on U.S. inland waterways. The *Delta Queen* is the only floating National Historic Landmark and the *American Queen* is the largest steamboat ever built. The vessels were purchased from the bankruptcy estate of American Classic Voyages Co. for a purchase price of approximately \$80 million, including the assumption of certain U.S. Maritime Administration-guaranteed notes and bonds associated with the *American Queen*. Proskauer advised and represented Delaware North in the auction process, the bankruptcy proceedings and the purchase.

*Perry A. Cacace, Thomas W. Dollinger, Michael E. Feldman,  
Michael E. Foreman, Arnie S. Jacobs, Steven L. Kirshenbaum,  
Martin J. Oppenheimer, Neal S. Schelberg, Lisa A. Chiappetta,  
Michael L. Eden, Ronald S. Kornreich*



**SPOTLIGHT  
DEAL**



### **Computer Horizons Corp.**

Represented Computer Horizons (NASDAQ:CHRZ), a leader in IT professional services, in connection with its formation of CHC Healthcare Solutions, LLC with ZA Consulting LLC, to join their respective HIPAA compliance, healthcare information technology and other compliance business practices.

*Robert A. Cantone, Christopher M. Jaskiewicz*

### **Cross Country, Inc.**

Represented Charterhouse portfolio company, Cross Country

(NASDAQ:CCRN), and the selling shareholders of Cross Country, in a registered secondary offering where Charterhouse Equity Partners III, L.P., Morgan Stanley Private Equity and several other stockholders sold 9 million shares of Cross Country's common stock (approximately 27% of Cross Country's outstanding stock). Cross Country is a leading provider of healthcare staffing services with an active client base of over 3,000 hospitals, pharmaceutical companies and healthcare providers across all 50 States.

*Stephen W. Rubin, Ross H. Klenoff, Stacey Moore, Jack B. Spizz*

### **Henry Schein, Inc.**

Represented Henry Schein (NASDAQ:HSIC), a worldwide leader in the dental supply and equipment distribution business, in connection with:

- Sale to the remaining shareholders of its interest in a company engaged in dental and medical supply distribution in Mexico.
- A \$200 million unsecured revolving credit facility from a group of banks led by J.P. Morgan Chase.

*Jack P. Jackson,  
Steven L. Kirshenbaum,  
Janice K. Smith,  
Stacey Moore*

### **Impulse Dynamics N.V.**

Represented Impulse Dynamics, a developer of implantable cardiac devices, in connection with raising \$25 million in private equity,

including investments from Johnson & Johnson. Also represented the company in connection with a \$250 million transaction involving the grant of an option to Guidant Corporation (NYSE:GDT) to acquire certain technology of the company.

*Paul I. Rachlin, Stuart L. Rosow,  
Matthew Sabloff, Avshalom Yotam*

### **MP TotalCare, Inc.**

Represented MP TotalCare, a Charterhouse portfolio company which provides respiratory medications and diabetic supplies, in connection with:

- Acquisition of Express-Med, Inc., a fast-growing mail order medical supply company. We also assisted MP TotalCare in connection with its financing of the transaction, including its secured loan with GMAC-RFC Health Capital and

its issuance of Series A Preferred Stock to Charterhouse Equity Partners III, L.P.

- Chapter II proceeding of American Homepatient, Inc. MP TotalCare is a party to a pharmacy management agreement and lease agreement with American Homepatient pursuant to which it provides, among other things, management, supervisory, administrative and other non-medical services required in connection with retail pharmacy operations.

*James D. Meade, Stephen W. Rubin, Solomon L. Warhaftig, Lisa A. Chiappetta, Emerson S. Moore II, Stacey Moore, Beth B. Smigel, Jack B. Spizz*

### **Pharmaceutical Technologies Development LLC**

Represented Pharmaceutical Technologies Development (“PTD”) in connection with its \$20 million sale to Biovail Laboratories, Inc. of all of the shares of PTD, which is engaged in the development and marketing of pharmaceutical products.

*Arnold J. Levine, Michael J. Chiaravalloti, Eric Friedlander*

### **Psilos Partners, L.P.**

Represented Comprehensive NeuroScience, Inc., a portfolio company of Psilos Partners, L.P., in its acquisition of Clinical Studies, Ltd.

*Julie M. Allen, Pamela L. Kramer*

### **Salomon Smith Barney**

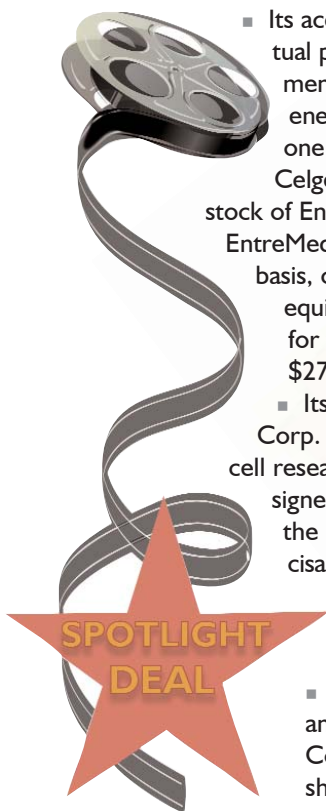
Proskauer served as underwriters’ counsel for a group of underwriters led by Salomon Smith Barney in the offer and sale of \$340 million in bonds to provide financing for the Ochsner Clinic Foundation, a Louisiana integrated health care system. The bonds, which are tax exempt and issued through a Louisiana municipal authority, serve to refinance existing indebtedness of Ochsner and to fund facilities

## **Celgene Corporation**

Represented Celgene (NASDAQ:CELG), a public biotechnology company, in connection with:

- Its acquisition of exclusive rights to several intellectual properties from EntreMed, Inc. and the settlement of related litigation. The transaction broadened Celgene’s intellectual property estate for one of its most significant programs, the lmiDs. Celgene also invested in convertible preferred stock of EntreMed and received warrants to purchase EntreMed common stock which, on an as-converted basis, collectively represented a 49% common equity interest in EntreMed. Total consideration for the EntreMed transaction was approximately \$27 million.
- Its agreement to make a loan to Anthrogenesis Corp. (d/b/a Lifebank), a company involved in stem cell research, for a 90-day period. The parties also signed a merger agreement, which gave Celgene the sole option to acquire Anthrogenesis, exercisable during the 90-day period. Upon Celgene’s election not to exercise the option, the loan to Anthrogenesis was converted into Anthrogenesis common stock.
- Filing an S-3 Registration Statement with amendments with the Securities and Exchange Commission. The S-3 utilized a “universal shelf” registration process. Under the universal shelf process, Celgene may offer any combination of common stock or debt securities up to a total amount of \$500 million, by filing a prospectus supplement.

*Robert A. Cantone, Arnie S. Jacobs, Andrea S. Rattner, Solomon L. Warhaftig, Paula M. Corsaro, Eric Friedlander, Susan Joe, Michael A. Katz, Dain C. Landon, Michael R. Neidell, Ori Solomon, Ido Warshavski*



improvements at Ochsner’s hospital and clinic facilities.

*Edward S. Kornreich, Paul I. Rachlin, Stuart L. Rosow, Herschel Goldfield, Michael A. Katz, Susan R. Lewis, Samuel L. Martin, Amanda H. Nussbaum, Gary Ross, Beth B. Smigel, Susan Wiener*

### **X Technologies, Inc.**

Represented X Technologies, a developer of interventional cardiology devices, in an agreement to be acquired by Guidant Corporation (NYSE:GDT), one of the largest U.S. medical device companies. The all-cash \$160 million deal, which is contingent on

U.S. regulatory approval of X Technologies’ product, is the largest cash acquisition of an Israeli start-up in the past several years. Simultaneously with the signing of the merger agreement, X Technologies entered into a \$13.4 million credit facility with Guidant to help finance operations through the closing of the merger.

*Alan P. Parnes, Paul I. Rachlin, Michael A. Katz, Ronald S. Kornreich, Gary Ross, Y. Dave Silberman*



### **Charterhouse Group International, Inc.**

Represented Charterhouse, a leading private equity group that invests in middle market companies, in a global offering of shares of Intertek Testing Services Limited.

*James D. Meade*

### **Cross Country, Inc.**

Represented Charterhouse portfolio company, Cross Country (NASDAQ:CCRN), and the selling shareholders of Cross Country, in a registered secondary offering where Charterhouse Equity Partners III, L.P., Morgan Stanley Private Equity and several other stockholders sold 9 million shares of Cross Country's common stock (approximately 27% of Cross Country's outstanding stock).

Cross Country is a leading provider of healthcare staffing services with an active client base of over 3,000 hospitals, pharmaceutical companies and healthcare providers across all 50 States.

*Stephen W. Rubin, Ross H. Klenoff, Stacey Moore, Jack B. Spizz*

### **24/7 Real Media, Inc.**

Represented 24/7 (NASDAQ:TFSM), a leader in interactive marketing, in the private placement of \$8 million of preferred stock and warrants to Sunra Capital Holdings Limited and affiliated parties.

*Adam J. Kansler, Ronald R. Papa, Richard H. Rowe, Henry O. Smith III, Stephen A. Devaney, Ori Solomon, Lana T. Yang*

### **Banco San José/ Banco Interfin**

Represented Banco San José and Banco Interfin, two of the largest Costa Rican banks, in a \$50 million mortgage securitization conducted through a private placement.

*Carlos E. Martinez, Oliverio Lew*

### **Celgene Corporation**

Represented Celgene (NASDAQ:CELG), a public biotechnology company, in filing an S-3 Registration Statement with amendments with the Securities and Exchange Commission. The S-3 utilized a "universal shelf" registration process. Under the universal shelf process, Celgene may offer any combination of common stock or debt securities up to a total amount of \$500 million, by filing a prospectus supplement.

*Robert A. Cantone, Arnie S. Jacobs, Paula M. Corsaro, Dain C. Landon*

### **Dress Barn, Inc.**

Represented Dress Barn (NASDAQ:DBRN) in its tender offer for 8 million shares of its common stock for an aggregate purchase price of \$120 million. The tender offer was in the form of a "Dutch Auction" which permits each shareholder to specify the price, within a range of \$15 and \$17 per share, at which the shareholder would be willing to sell his or her shares. Dress Barn selected the lowest price per share within that range that permitted it to purchase 8 million shares.

*Klaus Eppler, Steven L. Kirshenbaum, Henry O. Smith III, Paula M. Corsaro, Deniz Haupt*

## Eagle National Holding Company

Represented Eagle National, a Florida corporation, in connection with its issuance of \$15.5 million of its trust preferred stock underwritten by Salomon Smith Barney and Sandler O'Neill & Partners, L.P.

*David W. Sloan, Solomon L. Warhaftig, Alan M. Hoffman, Oliverio Lew*

## Insignia Financial Group, Inc.

Represented Insignia (NYSE:IFS) with its issuance of \$25 million of convertible preferred stock in exchange for an outstanding series of convertible preferred stock, and the issuance of \$12.5 million of convertible preferred stock for cash, as well as a \$37.5 million credit facility, in a private transaction.

*Jack P. Jackson, Solomon L. Warhaftig, Allan R. Williams, Stacey Moore, Rachel Parsons, Ido Warshavski*

## Kramont Realty Trust

Represented Kramont Realty Trust (NYSE:KRT), a real estate investment trust (REIT) which acquires, develops, manages and operates about 90 neighborhood shopping centers in 16 states (primarily in the East and Southeast), in a sale of common shares under its S-3 Registration Statement. We represented Kramont in the initial registration of \$150 million of securities and on subsequent take-downs off the shelf, of which this was the latest.

*Richard H. Rowe, Gail Sanger, Steven A. Beede, Ido Warshavski*

## KSH Investment Group, Inc.

Represented KSH Investment Group, an investment banking group specializing in small capitalization companies, acting as placement agent, in the sale of \$1 million of convertible preferred stock for Nesco Industries, Inc. Nesco is engaged in providing indoor air

## Gray Television Inc.

Represented Gray Television (NYSE:GTN) in connection with its public offering of high-yield bonds and its follow-on underwritten public offering of its common stock. The bond offering yielded gross proceeds of \$100 million and was applied by Gray to repay borrowings under its senior credit facility. The stock offering yielded gross proceeds of approximately \$282.5 million, and was applied by Gray to the approximately \$500 million acquisition of 15 local broadcast stations from Stations Holding Company, Inc., which had filed for reorganization under Chapter 11. The combined Gray Television/Stations Holding Company is now the country's largest independent owner of CBS affiliated stations and will reach approximately 5% of the total U.S. television households. We also represented Gray in its \$40 million Series C Convertible Preferred Stock private placement.

*Robert A. Cantone, Michael E. Foreman, Arnie S. Jacobs, Dain C. Landon, Brian S. Lepsis, Mark W. Levine, Arthur G. Levy, Michael R. Neidell, Kristen W. Prohl, Beth B. Smigel, Marissa J. Tiamfook, Ellen Yu*



quality management services and environmental remediation of hazardous materials.

*Kathy H. Rocklen, Melissa L. Westbrook*

## Little Switzerland, Inc.

Represented Little Switzerland, a retailer of luxury items with locations throughout the Caribbean, Alaska and Florida, in connection with its response to a tender offer by an affiliate of Tiffany & Co. for all the outstanding common stock of Little Switzerland at \$2.40 per share in cash. We also assisted Little Switzerland in the formation of a special committee of its board of directors to act on behalf of the company in the tender offer and handled the company's SEC filings.

*Jack P. Jackson, Richard H. Rowe, Michael L. Eden, Arthur G. Levy, Steven A. Meetre*

## Maxcom Telecomunicaciones S.A. de C.V.

Represented Maxcom Telecomunicaciones, a Mexican local telephone company, in its debt restructuring and recapitalization. The restructuring involved the exchange of \$275 million of 13 3/4% Series B Senior Notes due 2007 for \$175 million lower-yield senior notes and limited voting rights representing 15% of the company's total equity. Approximately 94.3% of all outstanding Series B Senior Notes were tendered in the exchange. Maxcom Telecomunicaciones also received a \$66.2 million capital infusion from existing and new shareholders. The exchange offer was carried out pursuant to a Section 3(a)(9) exemption from registration under the Securities Act of 1933,

# SECURITIES OFFERINGS

while the capital infusion was made pursuant to a Section 4(2) private placement exemption under the same act. In addition, Maxcom Telecomunicaciones' capital structure was reorganized to allow for an effective change of control while complying with Mexican foreign ownership restrictions. This restructuring gave Maxcom Telecomunicaciones the financial flexibility to resume the building of its network to cover the major cities of Mexico.

*Michael E. Foreman, Janet B. Korins, Carlos E. Martinez, Richard H. Rowe, Solomon L. Warhaftig, Allan R. Williams, Robert Ivanschitz, Oliverio Lew, Amanda H. Nussbaum, Carla Passos, Lia Pistilli*

## **The Pepsi Bottling Group, Inc.**

Represented The Pepsi Bottling Group (NYSE:PBG) in a \$1.2 billion acquisition of Pepsi-Gemex S.A. de C.V., the largest PepsiCo products bottler in the world outside the United States, in a "dual tender offer" involving the United States and Mexico. Pepsi Bottling is PepsiCo Inc.'s largest bottler and currently does business in six countries. The transaction consisted of a simultaneous offer in the United States open to holders of global depository receipts and United States holders of the underlying Mexican trust certificates and common shares. The Mexican offer was open to all holders of shares and Mexican trust certificates. The transaction was groundbreaking because it represented the first time a dual tender offer structure was used for a Mexico-United States tender offer. In addition, Mexican tender offer rules were first adopted in April 2002, making the transaction the first test of their

interpretation and application. We also represented Pepsi Bottling in the financing of the Pepsi Gemex S.A. de C.V. acquisition which included a \$1 billion bridge loan agreement and \$1 billion Regulation 144A/Regulation S bond offering.

*Leon P. Gold, Jack P. Jackson, Arnie S. Jacobs, Carlos E. Martinez, Richard H. Rowe, Henry O. Smith III, Solomon L. Warhaftig, Allan R. Williams, Patricia L. Gannon, Robert Ivanschitz, Oliverio Lew, Valarie H. McPherson, Stacey Moore, Rachel Parsons, Carla Passos, Gary Ross, R. Bruce Steinert, Jr., Marissa J. Tiamfook, Ana Vermal, Ido Warshavski, Melissa L. Westbrook*

## **Wheeling Island Gaming**

Represented Wheeling Island Gaming, a wholly owned subsidiary of Delaware North, in its \$125 million 144A high-yield debt financing.

*Julie M. Allen, Arnie S. Jacobs, Sarah Deitch Persily, Melissa L. Westbrook*







## **Montreal Expos/ Florida Marlins**

Represented Montreal Expos, L.P., an entity controlled by Jeffrey H. Loria, in the sale of the Expos to Major League Baseball for approximately \$121 million. Simultaneously, we represented that same entity in connection with the purchase of the Marlins for approximately \$159 million from an entity owned by John Henry, who led the group that bought the Boston Red Sox.

*Ira Akselrad, Wayne D. Katz,  
Steven D. Weinstein,  
Craig A. Bitman,  
Michael J. Chiaravalloti,  
Amanda H. Nussbaum,  
Robert M. Projansky,  
Jack B. Spizz*

## **National Basketball Association**

Represented the NBA in the grant of an expansion team for Charlotte, North Carolina for \$300 million to Robert Johnson, the founder of Black Entertainment Television. The new Charlotte team will begin play in the 2004-05 NBA season. In connection with the expansion transaction, we represented the league in the negotiation of definitive development and operating agreements with the City of Charlotte for a new \$260 million state-of-the-art arena in downtown Charlotte.

*Wayne D. Katz, Joseph M. Leccese, Jennifer D. Duberstein, Jon H. Oram*

## **Philadelphia Eagles**

We continued our representation of the Philadelphia Eagles in a broad range of transactions relating to the development and financing of its new football-based stadium, which is scheduled to open in August 2003. These matters included the Eagles' \$140 million naming rights deal with Lincoln Financial, as well as a number of other significant marketing, sponsorship, media and concessions transactions.

*Joseph M. Leccese, Jon H. Oram*

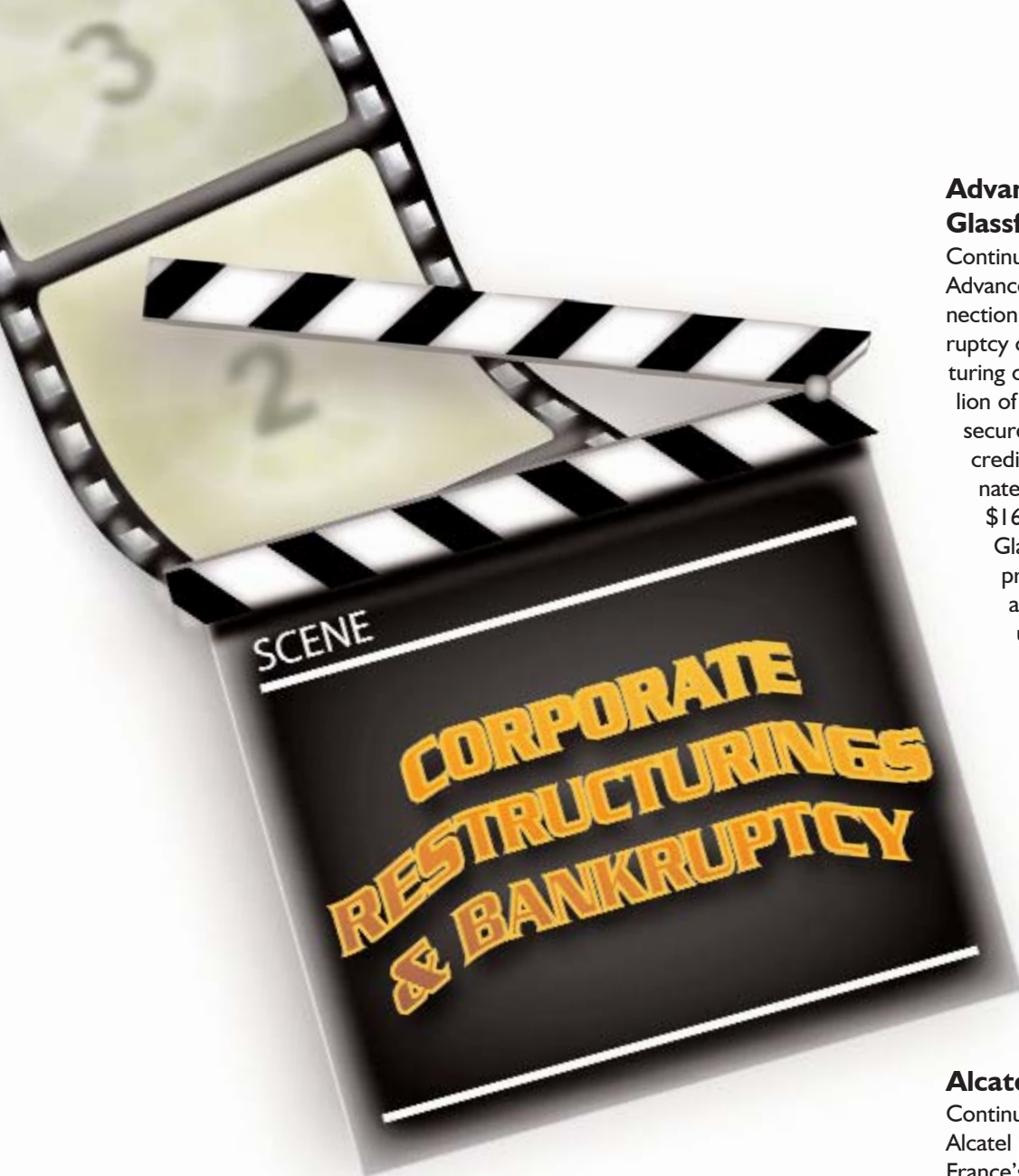
## **Women's National Basketball Association**

Advised the WNBA on its recent restructuring that will allow individual team ownership by both NBA and non-NBA owners.

*Wayne D. Katz, Joseph M. Leccese,  
Jennifer D. Duberstein, Jon H. Oram*



**SPOTLIGHT  
DEAL**



### **1515 Broadway Associates, L.P.**

Represented 1515 Broadway Associates in the sale of 1515 Broadway (the Viacom Building in Times Square) to an entity owned by SL Green Realty Corporation through a pre-packaged Chapter 11 plan of reorganization for consideration in the approximate amount of \$484 million, including cash and the acquisition of certain indebtedness of the Partnership.

*Peter M. Fass, Michael E. Foreman, Christopher Kelly, Janet B. Korins, Stuart L. Rosow, Scott K. Rutsky, Dina R. Johnson, Beth B. Smigel*

### **Accor S.A.**

Represented Accor (Paris:AC), a worldwide lodging company, in continued investments in WorldRes, an on-line hotel reservation and distribution network. Accor acquired notes and warrants issued by WorldRes for a purchase price of \$2 million. Accor also made a \$1 million investment in WorldRes.com's Series A-1 Preferred Stock. In addition to providing needed capital for WorldRes, these transactions also involved a restructuring of WorldRes' management structure to provide Accor with increased control.

*Steven Fishman, Jeffrey A. Horwitz, Michael A. Midura*

### **Advanced Glassfiber Yarns LLC**

Continued our representation of Advanced Glassfiber Yarns in connection with their Chapter 11 bankruptcy cases involving the restructuring of approximately \$185 million of indebtedness under a senior secured term loan and revolving credit facility, and senior subordinated notes in the amount of \$160 million. Advanced Glassfiber Yarns is a leading producer of glass yarns that are used in electronics products, telecommunications gear, automotive equipment and other industrial applications.

*Alan B. Hyman, Scott K. Rutsky, Janice K. Smith, Michael J. Chiaravalloti, Jennifer D. Duberstein, Dina R. Johnson, Brian S. Lepsis, Lia Pistilli*

### **Alcatel**

Continued our representation of Alcatel (NYSE:ALA), one of France's largest industrial companies and a leading global supplier of high-tech equipment for telecommunications infrastructures, as the primary trade creditor in the restructurings of several telecommunications companies, including:

- Global Crossing, with Alcatel's aggregate claims in the \$200-\$350 million range, and advised Alcatel in its capacity as co-chair of the creditors committee.
- 360networks Corporation ("360"), with Alcatel's aggregate claims in excess of \$250 million, in which Alcatel, in an effort to satisfy 360's outstanding obligations to Alcatel and a bank syndicate, forced the sale of two of 360's affiliates: TeleBermuda International and GlobeNet.

- FLAG Telecom (“FLAG”), with Alcatel’s claims in the \$120-\$150 million range, in the construction of a global settlement of all of Alcatel’s claims against FLAG and its European and Asian subsidiaries.

*Michael E. Foreman, Jack P. Jackson, Steven E. Obus, Michael E. Callahan, Andre G. Castaybert, Y. Dave Silberman, Sanjay Thapar*

### Artesyn Technologies, Inc.

Represented Artesyn (NASDAQ:ATSN), a leading supplier of power conversion products and communications subsystems for the communications industry, in the restructuring of its \$125 million credit line with a consortium of banks led by Bank of America, N.A.

*Sheldon I. Hirshon, Donald “Rocky” E. Thompson, John Fox-Snyder, Marcy Hahn-Saperstein, Stuart T. Kapp*

### Big City Radio, Inc.

Continued our representation of Big City Radio (AMEX:YFM) and affiliates in connection with an out-of-court restructuring of approximately \$184 million of senior discount notes and the related sale of 12 radio stations.

*Alan B. Hyman, Alan P. Parnes, Scott K. Rutsky, Lisa A. Chiappetta, Brian S. Lepsis*

### Blackfin Capital, LLC

Represented Blackfin Capital, a private investment company, in connection with the restructuring of debt of various portfolio companies.

*Robert A. Cantone, Christopher M. Jaskiewicz*

### Cellu Paper Holdings, Inc.

Represented Cellu Paper Holdings, a Charterhouse portfolio company, in refinancing existing debt of approximately \$62 million. Cellu Paper Holdings is a leading manufacturer of tissue paper and other paper products. The refinancing had both senior and subordinated tranches and involved U.S. and

### Maxcom Telecomunicaciones S.A. de C.V.

Represented Maxcom Telecomunicaciones, a Mexican local telephone company, in its debt restructuring and recapitalization. The restructuring involved the exchange of \$275 million of 13 3/4% Series B Senior Notes due 2007 for \$175 million lower-yield senior notes and limited voting stock with liquidation preference rights representing 15% of the company’s total equity. Approximately 94.3% of all outstanding Series B Senior Notes were tendered in the exchange. Maxcom Telecomunicaciones also received a \$66.2 million capital infusion from existing and new shareholders. The exchange offer was carried out pursuant to a Section 3(a)(9) exemption from registration under the Securities Act of 1933, while the capital infusion was made pursuant to a Section 4(2) private placement exemption under the same act. In addition, Maxcom Telecomunicaciones’ capital structure was reorganized to allow for an effective change of control while complying with Mexican foreign ownership restrictions. This restructuring gave Maxcom Telecomunicaciones the financial flexibility to resume the building of its network to cover the major cities of Mexico.

*Michael E. Foreman, Janet B. Korins, Carlos E. Martinez, Richard H. Rowe, Solomon L. Warhaftig, Allan R. Williams, Robert Ivanschitz, Oliverio Lew, Amanda H. Nussbaum, Carla Passos, Lia Pistilli*

Canadian tax planning as a result of Cellu Paper Holdings’ Canadian operations.

*David C. Friedman, Jack P. Jackson, James D. Meade, Gail S. Port, Stephen W. Rubin, Scott K. Rutsky, Donald W. Savelson, Solomon L. Warhaftig, Lisa A. Chiappetta, Aliza R. Cinamon, Randall J. Cude, Johnathan C. Duncan, Bruce N. Goldberger, Apryl E. Hand, Emerson S. Moore II, Stacey Moore, Gary Ross, Jack B. Spizz*

### Happy Kids Inc.

Represented Happy Kids, a designer and marketer of custom licensed and branded children’s apparel, in restructuring \$130 million in outstanding debt and its equity position. The restructuring reduced the company’s outstanding term debt by half and eliminated a \$20 million equity position of an LBO fund that

included preferred stock and 49% of the company’s common stock. The transaction was conducted on a dual out-of-court/bankruptcy track and eventually resulted in avoiding bankruptcy and restructuring the company’s capital structure out-of-court.

*Michael E. Foreman, Sheldon I. Hirshon, Jeffrey A. Horwitz, Dale A. Schreiber, David A. Bondy, Lisa A. Chiappetta, Dain C. Landon, Maryse S. Selit, Yuval Tal, Sanjay Thapar, Ido Warshavski, Lana T. Yang*

### Lechters, Inc.

Represented Lechters in their Chapter 11 proceedings and the liquidation and wind-up of their estates and assets in excess of \$110 million in debt.

*Alan B. Hyman, Jeffrey W. Levitan, Brian S. Lepsis, Lia Pistilli, Maryse S. Selit*



# CORPORATE RESTRUCTURINGS & BANKRUPTCY

## ML Media

Represent ML Media in their assertion of claims in connection with a certain leveraged recapitalization agreement with Century Communications and Adelphia Communications pursuant to which ML Media sought to enforce a redemption obligation in excess of \$279 million plus interest and fees.

*Jeffrey W. Levitan, Bradley I. Ruskin, Scott Eggers, Brian S. Lepsis, Lia Pistilli, Sanjay Thapar*

## MP TotalCare, Inc.

Represented MP TotalCare, a Charterhouse portfolio company, which provides respiratory medications and diabetic supplies, in the Chapter 11 proceeding of American Homepatient, Inc. MP TotalCare is a party to a pharmacy management agreement and lease agreement with American Homepatient pursuant to which it provides, among other things, management, supervisory, administrative and other non-medical services required in connection with retail pharmacy operations.

*Stephen W. Rubin, Lisa A. Chiappetta*

## The Museum Company

Represented the Chapter 11 debtors in the restructuring of \$50 million of debt, including a sale transaction regarding the company's store operations.

*Alan B. Hyman, Jeffrey W. Levitan, Lisa A. Chiappetta, Dina R. Johnson, Rachel Parsons, Lia Pistilli*

## Provell, Inc.

Represented Provell (OTC:PRVLQ) in their Chapter 11 proceedings and the concomitant restructuring of debt and preferred

stock valued at over \$100 million, including preparation of new debt and equity instruments to be distributed under a reorganization plan.

*Allan B. Hyman, Jeffrey W. Levitan, Susan Joe, Rachel Parsons, Maryse S. Selit, Lucien White*

## Reckson Associates Realty Corp.

Representing Reckson (NYSE:RA), a real estate investment trust (REIT) that owns and leases about 180 office and industrial properties in the New York metropolitan area, in connection with its \$210 million investment with Frontline Capital Group, including Reckson's claim in the Frontline bankruptcy and various related matters.

*Peter M. Fass, Michael E. Foreman, Sarah S. Gold, Steven M. Kayman, Christopher R. Kelly, Peter G. Samuels, John R. Braatz, Michael J. Chiaravallotti, Maryse S. Selit*

## STA International, Inc.

Represented STA International, one of the largest student travel agencies in the world, in its acquisition of a student travel agency, and related business operations, from Counsel Travel Services, Inc. in its Chapter 11 proceedings.

*Sheldon I. Hirshon, Lisa A. Chiappetta, Sanjay Thapar*

## Sun Capital Healthcare, Inc.

- Represented Sun Capital Healthcare in connection with providing funding, through accounts receivable factoring facilities, to the following Chapter 11 debtors: Med Diversified, Inc. and affiliates; Lincoln Hospital Medical Center, Inc.; InterCare Health Systems, Inc., d/b/a City of Angels Medical Center; and

Parkview Community Hospital Medical Center.

- Represented SCHSPV, Inc., an affiliate of Sun Capital Healthcare, in providing an accounts receivable factoring facility to OrthoRehab, Inc.

*Michael E. Foreman, Lia Pistilli, Mary H. Rose, Sanjay Thapar*

## Tandycrafts

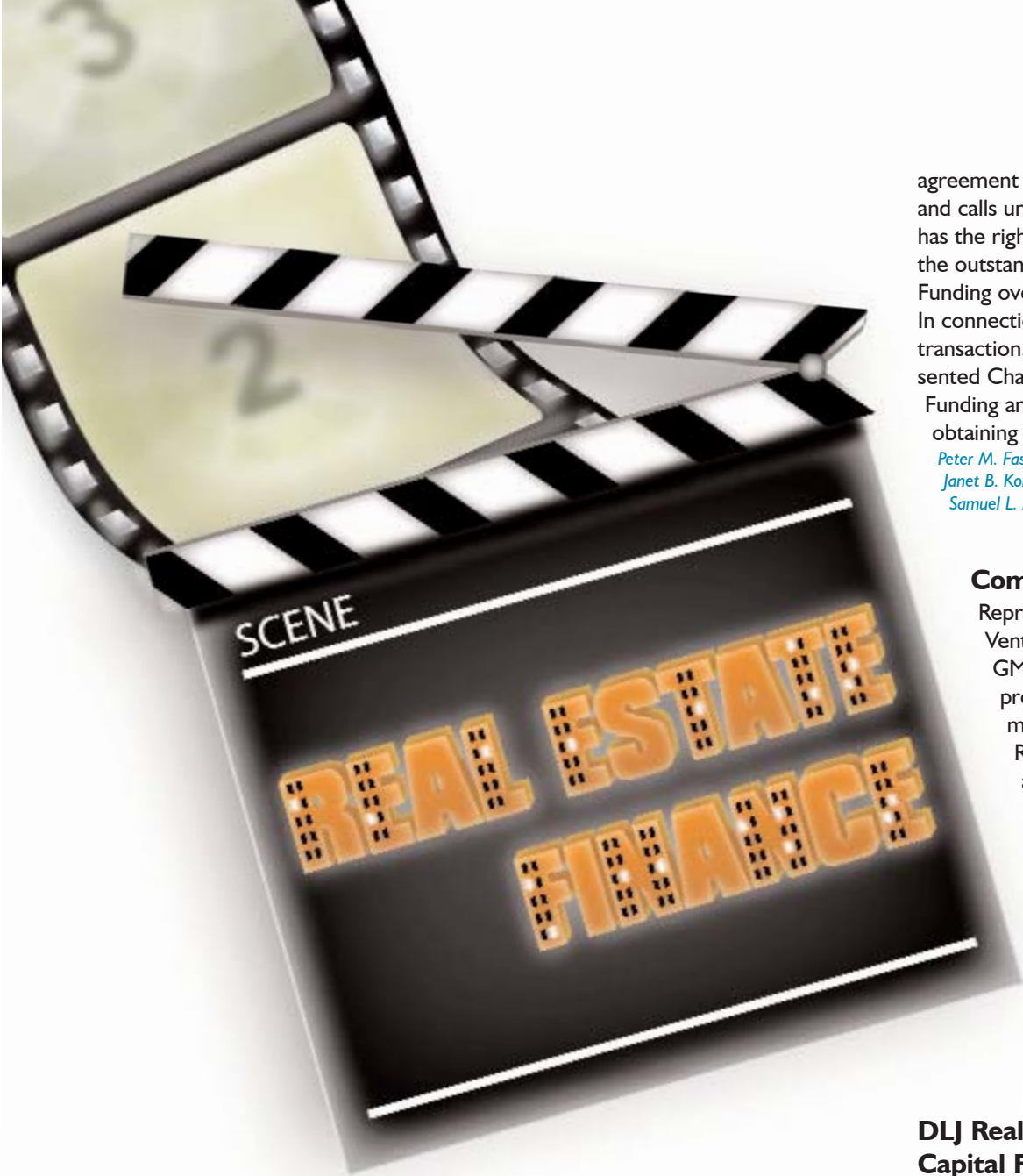
Continued our representation of Tandycrafts (NASDAQ:TACR), a leading manufacturer and distributor of photo frames, wall décor and other accents for the home décor market, and its subsidiaries in their Chapter 11 bankruptcy cases involving approximately \$50 million of secured and unsecured indebtedness. Tandycrafts sold substantially all of their assets to Pinnacle Frames and Accents, Inc., an affiliate of Newcastle Partners, L.P., for cash consideration in the approximate amount of \$23 million, plus the assumption of certain liabilities.

*Lawrence H. Budish, Alan B. Hyman, Scott K. Rutsky, Dina R. Johnson, Brian S. Lepsis*

## W.R. Huff Asset Management Co.

Representing W.R. Huff, an independent investment management firm, and other bondholders in the debt restructurings of various Argentine debtors, including Cablevision S.A., Mastellone Hnos. S.A. and Multicanal S.A.

*Michael E. Foreman, Steven M. Kayman, Carlos E. Martinez, Peter G. Samuels, Oliverio Lew*



### **Boykin Management Company**

Represented Boykin Management Company Limited Liability Company (“BMC”), an entity principally owned by Robert W. Boykin, Chairman of the Board and Chief Executive Officer of Boykin Lodging Company (a NYSE hotel REIT), in connection with the sale by BMC to Boykin Lodging Company of membership interests in 16 companies holding leases for 25 hotel properties in 14 states, in consideration for REIT securities and OP Units.

*Ira Akselrad, Perry A. Cacace, Michael E. Feldman, Jeffrey A. Horwitz, Allan R. Williams, Nicholas Athanail, David A. Bondy, Andrea Morgan, Yuval Tal, Lana T. Yang*

### **Charter Municipal Mortgage Acceptance Company**

Represented Charter Municipal Mortgage Acceptance Company (“Charter MAC”) (AMEX:CHC), one of the nation’s leading full-service multi-family finance companies, in the acquisition of 80% of PW Funding Inc. PW Funding originates and services multi-family apartment mortgage loans. Charter Mac Corporation, a wholly owned subsidiary of Charter MAC, an affiliate of the Related Companies, will pay between \$37 million and \$47 million depending on the costs of certain new servicing contracts on PW Funding’s mortgages. The

agreement also provides for puts and calls under which Charter MAC has the right to buy the balance of the outstanding shares of PW Funding over the next 2 to 3 years. In connection with the foregoing transaction, Proskauer also represented Charter MAC and PW Funding and its subsidiaries in obtaining financing.

*Peter M. Fass, Steven A. Fishman, Janet B. Korins, Jason D. Fernbach, Samuel L. Martin, Michael A. Midura*

### **Commercial Ventures**

Represented Commercial Ventures, an affiliate of GMAC, in the purchases of preferred equity from a manufactured housing REIT, opportunity fund and office property, in excess of \$250 million.

*Steven A. Fishman, Steven L. Lichtenfeld*

### **DLJ Real Estate Capital Partners**

Represented DLJ Real Estate Capital Partners (“DLJ”) in connection with:

- Recapitalization and financing of Library Square, LLC, an entity that owns the Library Tower building located in downtown Los Angeles. The transaction included a reorganization of the entities owning Library Tower, a buy-out of some of its pre-transaction owners, a simultaneous loan made in two separate parts (to two separate Library Square entities) by Credit Suisse First Boston and a preferred stock investment in DLJ.
- Acquisition of the debt encumbering The Ritz-Carlton San Juan Hotel, Spa & Casino located in San Juan, Puerto Rico (“Hotel”).

# REAL ESTATE FINANCE

- We are continuing to represent DLJ in its acquisition of the Hotel through the filing of a plan in the bankruptcy proceedings of the current owner.

*Elana R. Butler, Michael E. Feldman, Michael E. Foreman, Steven M. Kayman, Janet B. Korins, Steven L. Lichtenfeld, Lawrence J. Lipson, Gail S. Port, Ronald Sernau, Matthew H. Triggs, Ricky Chung, Jeffrey Levitin, Arthur G. Levy, Christopher L. Pennington, Lia Pistilli, Yelena Simonyuk, Beth B. Smigel, Yuval Tal, Sanjay Thapar, Stephanie Reed Traband*

## **GMAC Commercial Mortgage Corporation**

Represented GMAC Commercial Mortgage in a \$150 million preferred capital investment in ARC Real Estate Holdings, LLC, an entity engaged in the ownership and operation of manufactured housing communities and manufactured home rental units. The financing was provided by GMAC in connection with a transaction involving a restructuring of ARC IV REIT, Inc., the parent entity of ARC, and a simultaneous senior financing by Morgan Stanley of \$560 million.

*Perry A. Cacace, Steven A. Fishman, Michael E. Foreman, Janet B. Korins, Steven L. Lichtenfeld, Lawrence J. Lipson, Gail S. Port, David A. Bondy, Ricky Chung, Aliza R. Cinamon, Jason D. Fernbach, Tammy Fried, Jeffrey Levitin, Arthur G. Levy, Gary Malhotra, Gregory Moundas, Beth B. Smigel*

## **Kerzner International Limited**

Represented Kerzner (NYSE:KZL), a resort operator, in providing mezzanine standby credit facilities relating to the development of a six-star resort in the Maldives. An affiliate of Kerzner will act as the manager/operator of the resort. All the operative transaction documents

were governed by English, Maldives and Malaysian law.

*James P. Gerkis, Wendy J. Schriber, Gary Malhotra, Rima Moawad, Stephen M. Rodin*

## **Kimco Realty Corporation**

Represented Kimco Realty (NYSE:KIM), a real estate investment trust (REIT) that primarily owns and operates neighborhood and community shopping centers, in connection with the development of real estate syndication businesses, both public and private, including securities, partnership and REIT matters.

*Peter M. Fass, Steven A. Fishman, Janet B. Korins, Mark W. Levine, Michael A. Midura*

## **Kramont Realty Trust**

Represented Kramont Realty Trust (NYSE:KRT), a real estate investment trust (REIT) which acquires, develops, manages and operates about 90 neighborhood shopping centers in 16 states (primarily in the East and Southeast), in a sale of common shares under its S-3 Registration Statement. We represented Kramont in the initial registration of \$150 million of securities and on subsequent take-downs off the shelf, of which this was the latest.

*Richard H. Rowe, Gail Sanger, Steven A. Beede, Ido Warshavski*

## **Metro Storage LLC**

Represented Metro Storage and its principal shareholders in a tender offer for limited partnership interests in connection with a contested acquisition of a group of self-storage facilities from an affiliate of the principal shareholders of Metro Storage.

*Peter M. Fass, Steven A. Fishman, John Siegal, Je Moon, Christopher L. Pennington*

## **PRM Realty Group, LLC**

Represented PRM Realty Group and its joint venture partner, Galt Capital, L.P., in a private offering of debt, the proceeds of which are to be used for the acquisition and development of real estate in the Caribbean, principally in the U.S. Virgin Islands. The deal was valued at \$100 million.

*Peter M. Fass, Janet B. Korins, Michael A. Midura, Michael C. Swiader*

## **Reckson Associates Realty Corp.**

Representing Reckson (NYSE:RA), a real estate investment trust (REIT) that owns and leases about 180 office and industrial properties in the New York metropolitan area, in connection with its \$210 million investment with Frontline Capital Group, including Reckson's claim in the Frontline bankruptcy and various related matters.

*Peter M. Fass, Michael E. Foreman, Sarah S. Gold, Steven M. Kayman, Christopher R. Kelly, Peter G. Samuels, John R. Braatz, Michael J. Chiaravalloti, Maryse S. Selit*

## Related Capital Company

Proskauer continued its representation of Related Capital, a prominent real estate financial services company specializing in investments in multi-family housing, in connection with:

- Raising over \$775 million from institutional investors for investments in affordable housing eligible for federal and state tax credits and in other projects eligible for historic rehabilitation tax credits.

We also handled the investment of these funds in over 60 residential projects, which included the substantial rehabilitation of obsolete public housing projects in various cities in public/private joint ventures. We are also assisting Related Capital in advising banks in meeting their Community Reinvestment Act commitments.

- The Acquisition of Related by Charter Municipal Mortgage Acceptance Company (AMEX:CHC) ("Charter MAC"). Related currently serves as advisor to Charter MAC pursuant to a management agreement, and one of the effects of the transaction will be to internalize the management of Charter MAC. A special committee of independent directors of Charter MAC approved the terms of the transaction, which has a purchase price of \$338 million, subject to certain adjustments.

- Closing of a transaction involving the largest allocation of Low Income Housing Tax Credits ever in California. Related committed to invest almost \$50 million in a partnership which is demolishing and redeveloping a former public housing project in the North Beach section of San Francisco. Also providing financing for the project were Citibank, the San Francisco Housing Authority, the City of San Francisco, BRIDGE Housing Corporation and John Stewart Companies.

*Ira Akselrad, Alan S. Cohen, Charles E. Dropkin, Peter M. Fass, Steven Fishman, Janet B. Korins, Mark A. Kreitman, Kenneth Krug, Arnold J. Levine, George A. Pincus, Gail S. Port, Stuart L. Rosow, Susan A. Arbeit, Kelly Baldwin, Steven A. Beede, Aliza R. Cinamon, Jason D. Fernbach, John Fox-Snyder, Stuart T. Kapp, Michael A. Katz, Paul A. Kemnitzer, Pamela L. Kramer, Samuel L. Martin, Emerson S. Moore II, Nkechi C. Odu, Jenifer deWolf Paine, Jacob Raddock, Michael E. Sievers, R. Bruce Steinert, Jr., Michael C. Swiader, Lucien White*



SPOTLIGHT  
DEAL



### **The Alpine Group, Inc.**

Represented Alpine (OTC:ALPG), one of the largest telephone wire and cable manufacturers in the U.S., in connection with:

- The sale by Superior TeleCom, Inc. (OTC:SRT0) to Alpine of: Superior's electrical wire business; electronics subsidiary, DNE Systems, Inc.; and its interest in Superior Cables Ltd., an Israeli wire and cable company. Total consideration was \$85 million plus a warrant to Superior to purchase a 20% equity interest in the electrical wire business. In addition, we also assisted Alpine

with its \$100 million financing to make the acquisition.

- Proskauer also counseled Superior in connection with an amendment to its senior credit facility, and with a \$160 million receivables facility with General Electric Capital Corporation.

*Abraham Gutwein, Jack P. Jackson, Ronald R. Papa, Gail S. Port, Andrea S. Rattner, Janice K. Smith, Solomon L. Warhaftig, David M. Alin, Ricky Chung, Aliza R. Cinamon, Johnathan C. Duncan, Julian Gomez, Alak R. Goswami, Michael A. Katz, Arthur G. Levy, Stacey Moore, Michael R. Neidell, Jenifer deWolf Paine, Kristen W. Prohl*

### **Banco San José/ Banco Interfin**

Represented Banco San José and Banco Interfin, two of the largest Costa Rican banks, in a \$50 million mortgage securitization conducted through a private placement.

*Carlos E. Martinez, Oliverio Lew*

### **Ceres Terminals Inc.**

Represented Ceres Terminals, a privately held corporation, and its affiliates in the sale of all of the outstanding shares of Ceres Terminals to Nippon Yusen Kabushiki Kaisha, a publicly held Japanese company listed on stock exchanges in Asia and Europe (operation as NYK). Ceres Terminals is

engaged in the business of providing stevedoring and terminal operating services at 19 port facilities in 12 locations across the United States, Canada and the Netherlands. The transaction involved the distribution of the company's Dutch operations to a joint venture company to be owned equally by the sole shareholder of Ceres Terminals and NYK.

*Lawrence H. Budish, Solomon L. Warhaftig, Michael L. Eden, Michael A. Katz*

### **Computer Horizons Corp.**

Represented Computer Horizons (NASDAQ:CHRZ), a leader in IT professional services, in the sale of the assets of a subsidiary, Princeton Softech, Inc., to financial buyers Apax Partners, Inc. and LLR Partners Inc. that was in the nature of a leveraged management buyout. The assets of Princeton Softech that were sold included all of the outstanding stock of Princeton Softech's subsidiaries located in France, Australia, Germany, the



United Kingdom and the Netherlands. The transaction was valued at approximately \$30 million.

*Robert A. Cantone, Henry O. Smith III, Solomon L. Warhaftig, Lowell D. Willinger, Christopher M. Jaskiewicz, Ian L. Levin, Kristen W. Prohl*

### **EuroPlex B.V.**

Represented EuroPlex, a European developer and operator of multiplex cinemas, with its investments, backed by Soros Private Equity Partners, in cineplex operations in Europe, including its \$10 million acquisition of Kinopolis Pioltello s.r.l., the Italian affiliate of the Kinopolis Group.

*Jean-Philippe Berthet, Lucien White*

### **GNB Bank (Panama) S.A.**

Represented GNB Bank, a Panamanian financial institution, in its transactions with Geosor Corporation, an affiliate of George Soros, relating to securing an option to acquire equity in Phone I Globalwide Inc., and in its granting debt and equity financing to Phone I, Inc.

*David W. Sloan, Donald "Rocky" E. Thompson, Oliverio Lew*

### **Grupo Cinemex, S.A. de C.V.**

Represented Grupo Cinemex and certain of its stockholders in the sale of all of the company's outstanding capital stock to Onex Corporation and investment funds managed by Oaktree Capital Management, LLC. The total purchase price for the company was approximately \$285 million. Grupo Cinemex is a leading movie theater exhibition company in Mexico and the largest exhibitor in Mexico City, where it has more than a 50% market share.

*Adam J. Kansler, Alan P. Parnes, Gail S. Port, Henry O. Smith III, Aliza R. Cinamon, Jon H. Oram*

### **Alcatel**

Continued our representation of Alcatel (NYSE:ALA), one of France's largest industrial companies and a leading global supplier of high-tech equipment for telecommunications infrastructures, in the following matters:

- The acquisition of Telera, Inc., a privately held corporation. In the merger, Alcatel issued or reserved an aggregate of 15,464,771 Class A ADSs and shares (valued at approximately \$81 million) for all of the outstanding equity securities of Telera. The transaction was structured to take advantage of the exemption from registration afforded by Section 3(a)(10) of the Securities Act through the use of a California Fairness Hearing.
- The acquisition of Astral Point Communications, Inc., a privately held corporation. Astral Point creates next-generation SONET metropolitan optical systems. Under the terms of the merger agreement, Alcatel issued an aggregate of 9 million Class A ADSs and shares for all of the outstanding capital stock, options and warrants of Astral Point. The acquisition has an implied value of €153 million.

- Represented Alcatel as the primary trade creditor in the restructuring and settlement of claims, aggregating in excess of \$750 million, against several telecommunications companies, including Global Crossing, 360networks and FLAG Telecom; and advised Alcatel in its capacity as co-chair of the creditors committee with respect to the Global Crossing matter.

*Lauren Boglivi, Michael E. Foreman, Jack P. Jackson, Stanley Komaroff, Janet B. Korins, Steven E. Obus, Ronald R. Papa, Gail S. Port, Andrea S. Rattner, Richard H. Rowe, Delia B. Spitzer, Michael E. Callahan, Andre G. Castaybert, Aliza R. Cinamon, Paula M. Corsaro, Deniz Haupt, Susan Joe, Michael A. Katz, Mark W. Levine, Amanda H. Nussbaum, Michael J. Perloff, Y. Dave Silberman, Sanjay Thapar*



### **Kerzner International Limited**

Represented Kerzner (NYSE:KZL), a resort operator, in providing mezzanine standby credit facilities relating to the development of a six-star resort in the Maldives. An affiliate of Kerzner will act as the manager/operator of the resort. All the operative transaction documents were governed by English, Maldives and Malaysian law.

*James P. Gerkis, Wendy J. Schriber, Gary Malhotra, Rima Moawad, Stephen M. Rodin*

### **Lincolnshire Equity Fund II, L.P.**

Represented Lincolnshire Equity Fund II in its acquisition of the stock of ATC Logistics of Maryland, Inc., Grupo Centurión de Mexico, S.A. de C.V. and related entities, all of which are engaged in the automobile part processing and logistics business. The transaction included an earn-out structure, including consideration payable up to a maximum of \$35 million in cash, a series of notes and the issuance of stock in the acquisition entity in a tax-free

# INTERNATIONAL

reorganization. Separate contribution and purchase agreements were required for the domestic and Mexican target companies.

*Robert J. Kafin, Arnold J. Levine, Alan P. Parnes, Gail S. Port, Janice K. Smith, Tammy Fried, Julian Gomez, Ronald S. Kornreich, Oliverio Lew, Steven A. Meetre, Stacey Moore, Renata C. Pompa, Robert M. Projansky*

## **Maxcom Telecomunicaciones S.A. de C.V.**

Represented Maxcom Telecomunicaciones, a Mexican local telephone company, in its debt restructuring and recapitalization. In addition, Maxcom's capital structure was reorganized which allowed for a change of control while complying with Mexican foreign ownership restrictions.

*Michael E. Foreman, Janet B. Korins, Carlos E. Martinez, Richard H. Rowe, Solomon L. Warhaftig, Allan R. Williams, Robert Ivanschitz, Oliverio Lew, Amanda H. Nussbaum, Carla Passos, Lia Pistilli*

## **Merrill Lynch**

Represented Merrill Lynch (NYSE:MER) in private equity investments, including its investments in Latin American portfolio companies.

*James P. Gerkis, Bruce L. Lieb, Alexa D. Isbell, Mark W. Levine, Rima Moawad*

## **The Pepsi Bottling Group, Inc.**

Represented The Pepsi Bottling Group (NYSE:PBG) in a \$1.2 billion acquisition of Pepsi-Gemex S.A. de C.V., the largest PepsiCo products bottler in the world outside the United States, in a "dual tender offer" involving the United States and

Mexico. Pepsi Bottling is PepsiCo Inc.'s largest bottler and currently does business in six countries.

*Leon P. Gold, Jack P. Jackson, Arnie S. Jacobs, Carlos E. Martinez, Richard H. Rowe, Henry O. Smith III, Solomon L. Warhaftig, Allan R. Williams, Patricia L. Gannon, Robert Ivanschitz, Oliverio Lew, Valarie H. McPherson, Stacey Moore, Rachel Parsons, Carla Passos, Gary Ross, R. Bruce Steinert, Jr., Marissa J. Tiamfook, Ana Vermal, Ido Warshavski, Melissa L. Westbrook*



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