

# PHILIPPINES

## Philippines legislation guide



**By Rafael A Morales**  
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Two important pieces of legislation were recently enacted in the Philippines. Easily the more significant one is Republic Act No. 10142, also known as the Financial Rehabilitation and Insolvency Act of 2010 (FRIA). The FRIA expressly repeals the outdated Insolvency Law of 1909 and impliedly amends the Rules of Procedure on Corporate Rehabilitation promulgated by the Supreme Court of the Philippines in 2008. It provides for three different modes of rehabilitating an insolvent corporate debtor, namely: (a) court-supervised rehabilitation, (b) pre-negotiated rehabilitation, and (c) out-of-court or informal restructuring or rehabilitation.

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### The Financial Rehabilitation and Insolvency Act does not cover banks, insurance companies and pre-need companies, as these entities are governed by other laws and regulations

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In a court-supervised rehabilitation proceeding, the court appoints a receiver and determines which claims against the debtor are valid. A rehabilitation plan is to be agreed upon by the debtor and creditors representing more than 50% of the claims of each class of creditors. If the plan is not finalised or approved by the court, the debtor will be liquidated. During the pendency of the proceedings, all claims against the debtor are suspended, and taxes as well as fees due from the debtor to the government are deemed waived. The amount of debt reduced or forgiven will not be subject to tax.

In a pre-negotiated rehabilitation, a debtor seeks court approval of a rehabilitation plan previously contracted by it with creditors representing at least 2/3 of its total liabilities (and at least 67% and 75% of its secured and unsecured obligations, respectively). Claims against the debtor are suspended while the proceedings are pending in court.

In the out-of-court mode, the debtor and creditors representing at least 85% of the debtor's total liabilities (and at least 67% and 75% of its secured and unsecured obligations, respectively) are to agree on a restructuring or rehabilitation plan. This plan becomes

binding on the contracting parties, as well as on the other creditors of the debtors. During the negotiations, a standstill of up to 120 days may be approved by creditors holding more than 50% of the total claims.

The FRIA does not cover banks, insurance companies and pre-need companies, as these entities are governed by other laws and regulations.

The other notable legislation is Republic Act No. 9856, which established a legal framework for real estate investment trusts (REITs). This law aims to develop the Philippine capital market, broaden participation in real estate ownership and promote the financing as well as development of infrastructure projects in the Philippines. A REIT is to be structured as a stock corporation listed on the Philippine Stock Exchange with a minimum paid-up capital of 300 million pesos. It must have at least 1,000 public shareholders individually owning a minimum of 50 shares, and collectively holding at least 1/3 of the REIT's outstanding capital stock.

A REIT will invest only in specified outlets, including real estate in the Philippines, as well as in income-generating real estate offshore. Other investment outlets include debt securities and listed shares issued by other listed companies, and government securities. REITs are entitled to certain tax incentives. Thus, dividends distributed by a REIT to its shareholders are deductible from its gross income. Payments to a REIT are subject to a creditable

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### A REIT will invest only in specified outlets, including real estate in the Philippines, as well as in income-generating real estate offshore

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withholding tax of 1%, instead of 6%. Further, documentary stamp taxes and registration fees on the sale or transfer of real estate to a REIT are to be reduced by 50%.

Hopefully these two pieces of legislation, coupled with renewed investors' confidence in the country on account of President Aquino's determination to eliminate graft and corruption in government, will make the Philippines a more attractive destination for foreign direct investments.

## Banking & Finance

### RECOMMENDED FIRMS

#### Tier 1

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

#### Tier 2

Castillo Laman Tan Pantaleon & San Jose

Picazo Buyco Tan Fider & Santos

PJS Law

Poblador Bautista & Reyes

Puno & Puno

Quisumbing Torres/Baker & McKenzie

#### Tier 3

Angara Abello Concepcion Regala & Cruz

Siguion Reyna Montecillo & Ongsiako

Villaraza Cruz Marcelo & Angangco

### Romulo Mabanta Buenaventura Sayoc & De Los Angeles

Romulo Mabanta Buenaventura Sayoc & De Los Angeles is a standout performer in the banking and finance sector. By virtue of its great size and formidable reputation for quality, the firm is supported by peers and clients to retain its top tier ranking this year. Peers praise partner Jose Mirasol as “an example of acknowledged quality”.

The firm was heavily involved in matters concerning the Power Sector Assets and Liabilities Management (Psalm). In May 2009, the firm represented joint lead managers, Deutsche Bank, HSBC and Morgan Stanley, in Psalm’s US\$1 billion guaranteed notes issue.

In November 2009, the firm advised joint dealer managers Morgan Stanley, UBS, and Development Bank of the Philippines in Psalm’s exchange offer for new global bonds.

### SyCip Salazar Hernandez & Gatmaitan

A peer says: “SyCip Salazar Hernandez & Gatmaitan is well-equipped in the area of banking and finance.” Managing partner Rafael Morales is held in high regard in the community by both fellow professionals as well as clients, with many praising him as a “highly capable and ever-present in the legal community”.

A highlight transaction which Morales was involved in was the representation of ANZ Banking Group in a business sale agreement between the client and the Royal Bank of Scotland Group and ABN Amro Bank. The firm was primarily involved in the sale of the entire business

of RBS Philippines and the ABN Amro Manila overseas banking unit. This matter was completed in November 2009.

### Castillo Laman Tan Pantaleon & San Jose

Clients hold Castillo Laman Tan Pantaleon & San Jose in high esteem, with an impressed client saying, “the firm offers added value for all the extra things it was willing to do for the client. It does not make the client feel that the law firm puts limits in terms of what it is willing to do and the extent to which it would go to assist the client”. The capital markets practice at the firm is well-regarded by the market, and underpins the strength of the entire banking and finance department at the firm.

The firm represented DMCI Group companies Sem-Calaca Power Corporation and Semirara Mining Corporation in matters regarding a US\$211 million term loan from local banking institutions BDO, BPI and PNB in May 2010. This transaction was led by Yolanda Eleazar, who is praised by a client for “excellent client relations, and being especially client friendly”.

### Picazo Buyco Tan Fider & Santos

“The banking practice at Picazo Buyco Tan Fider & Santos has a fine collection of professionals,” comments a client. A heavyweight in the banking and finance sector, the firm enjoys a strong presence in the market, with frenetic involvement in high profile matters.

The capital markets team maintained a high volume of work this year, with star partner Gabriel Dee especially active on a few deals. Some noteworthy transactions Dee participated in include acting as counsel to the Bank of Philippines Islands relating to its US\$220 million rights offer, acting in Metropolitan Bank & Trust Company’s US\$110 million top-up offering, and advising Deutsche Bank in power generation company First Gen’s US\$300 million rights offering. “Gabriel Dee is a must-have inclusion as a leading banking practitioner,” answers a peer when asked about top professionals in the country.

### PJS Law

This has been a trying period for PJS Law, with the tragic and unexpected passing of founding partner David Puyat in March 2010. In terms of work however, the firm has continued to make “impressive progress” in the market, observes a competitor, and things have never been better. Clients note that the firm is very well-equipped to continue this growth, with one saying “the lawyers at the firm are very thorough and have a firm grasp of regulatory issues. Their service is prompt and their advice is sound”.

In the second quarter of 2010, the banking team

advised the joint issue managers of First Metro Investment, Bangko Sentral ng Pilipinas and the Bureau of Treasury with regards to the issuance of US\$500 million worth of debt securities, or borrowings, in Republic of the Philippine's multicurrency retail treasury bonds.

### **Poblador Bautista & Reyes**

Poblador Bautista & Reyes remains in solid contention for a leading spot in the banking and finance area, with one peer praising the firm for its "staying power in the Philippines legal market". The banking and finance practice at the firm retains its solid position in the rankings this year as it continues to play a considerable role in the legal industry.

The banking team represents United Overseas Bank Philippines in matters, with one particularly noteworthy transaction being its sale of a substantial amount of non-performing loans and other assets, worth over US\$22 million, to a special purpose vehicle.

The firm is well-regarded in the restructuring and insolvency area, with the team having kept busy this year on several transactions relating to corporate rehabilitations. Managing partner Mario Bautista was the lead in assisting client Permanent Plans, a notable entity in the educational pre-need industry, in filing a petition for its corporate rehabilitation.

### **Puno & Puno**

Puno & Puno retains a respected position in the market and the rankings this year, especially on the back of its performance in the area of project finance. Peers comment that its expertise in the areas of energy and projects is a "foundation and cornerstone" of the firm's formidable reputation.

The firm advised Panay Energy Development, acting as the borrower, and Claredon Towers Holdings, acting as the sponsor, on a US\$311 million greenfield project completed in March 2010. The matter involved the partial financing of a 2x82MW coal-fired power plant in Iloilo through credit facilities from a syndicate of local financial institutions.

### **Quisumbing Torres/Baker & McKenzie**

The banking and finance practice at Quisumbing Torres consists of an "established team of professionals", notes one peer. The firm is respected for its "long-standing reputation for excellence", a competitor says. After another consistent year in the banking and finance industry, the firm remains a notable contender in the rankings.

In a highlight cross-border transaction, the team led by market veteran Felix Sy continues to act for a Beijing-based international engineering contractor

regarding the client's continuing equity investment, development, financing and construction of two wind energy projects in Northern Luzon, Philippines. Other work for the same client includes matters relating to the Timbaban Hydropower project and the 225MW Agus 3 Hydroelectric power project in the Philippines.

### **Angara Abello Concepcion Regala & Cruz**

Angara Abello Concepcion Regala & Cruz is a solid player in the banking and finance sectors. The firm excels in the area of restructuring and insolvency and "is deservedly regarded as top class" in that area, notes a competitor.

Gilbert Gallos is the lead in a transaction in progress for the restructuring and insolvency team, acting for the Energy Development Corp. (EDC) and Goldman Sachs in the rehabilitation of Bayan Telecommunications. The deal has been continuing since 2001 and the total value involved in this case has been reported as US\$611 million.

The firm represents Rizal Commercial Banking Corporation (RCBC) in its banking and capital markets transactions. Key lawyer Eusebio Tan has been involved in several unresolved transactions for RCBC, with a few notable matters being an equity investment in Pres. JP Laurel Rural Bank, and investments in the Rural Bank of Bautista, Kaunlaran Rural Bank and Rural Bank of Malasiqui.

### **Other active firms**

#### **Quasha Ancheta Pena & Nolasco**

Founded in 1950, the mid-sized firm of Quasha Ancheta Pena & Nolasco has been an active player across a spectrum of practice areas. Its core areas are corporate and investment law, banking, mergers and acquisitions, intellectual property, tax and labour and employment. The firm recently promoted Janice Ramirez and Ma Natividad A Tankiang to the partnership. Quasha Ancheta uniquely offers legal advice in Japanese and is a member of Interlaw. The firm's esteemed clientele range from domestic corporations to multinational institutions, with names including ANZ Bank, Bloomberg, Daewoo Construction, Fuji-Xerox and Trevi Corporation.

## Corporate/M&A

### RECOMMENDED FIRMS

#### Tier 1

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

#### Tier 2

Angara Abello Concepcion Regala & Cruz

Picazo Buyco Tan Fider & Santos

PJS Law

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#### Tier 3

Castillo Laman Tan Pantaleon & San Jose

Siguion Reyna Montecillo & Ongsiako

Villaraza Cruz Marcelo & Angangco

### Romulo Mabanta Buenaventura Sayoc & De Los Angeles

Unanimously acknowledged as a market leader in the area of corporate work, Romulo Mabanta Buenaventura Sayoc & De Los Angeles continues to sit atop the rankings this year. Partner Agustin Montilla is praised by a peer as “a solid practitioner and remarkable individual”.

The corporate team at the firm was kept very busy in the last 12 months, maintaining a steady work flow and delivering quality results for its clients that include Energy Development Corporation, Ford Credit International and Philippines National Oil Company.

A notable transaction at the tail end of 2008 was the sale of eTelecare Global Solutions to a joint venture between Ayala Corporation and Providence Equity Partners. The firm represented eTelecare Global Solutions in this US\$300 million valued matter.

### SyCip Salazar Hernandez & Gatmaitan

“The corporate practice at SyCip Salazar Hernandez & Gatmaitan possesses great strength in its numbers, being the largest firm in the country in terms of head count, as well as in the quality professionals at its disposal,” comments a rival. The national firm remains a great mover in the market, and thus retains its top tier ranking this year.

A noteworthy transaction for the corporate team was its representation of One Taipan Holdings, acting for the buyer in its acquisition of 100% of the shares of Monte Oro Resources and Energy in Monte Oro Grid Resources

Corporation (MOGRC). This transaction was valued at US\$640 million and completed in March 2010.

The firm is advising Pfizer with regards to its acquisition of Wyeth and concerns relating to Wyeth’s interests in the Philippines.

### Angara Abello Concepcion Regala & Cruz

Peers remark on the consistency of the corporate practice at Angara Abello Concepcion Regala & Cruz, with one noting the firm is “solid and deserves its reputation in the market”. Well-supported by its dispute resolution team, the corporate team retains its considerable position in the rankings this year.

A highlight transaction for the team was advising San Miguel Corporation in its investment in a local company with a controlling interest in a listed company as part of its expansion. The well-regarded Judy Hao headed up this transaction, which was completed in January 2010. Another notable transaction was the June 2009 matter for client Nakashima Holdings, involving the respected Tadeo Hilado, relating to a due diligence examination for the client’s purchase of shares in Mikado Philippines Corporation.

### Picazo Buyco Tan Fider & Santos

Picazo Buyco Tan Fider & Santos retains its solid place in the rankings this year through support and acclaim from competitors and clients alike. One peer says: “The lawyers at the firm are good at what they do.”

A notable transaction for the corporate team was advising San Miguel Corporation (SMC) with regards to its acquisition of a 49% voting interest in Top Frontier Investment Holdings, which in turn holds a 26.3% interest in SMC. Led by Gemma Santos and Peter Barot, this US\$2 billion matter was completed in January 2010.

### PJS Law

Marred by the loss of founding partner David Puyat in March 2010, the corporate practice at “up and coming” PJS Law continues its “pleasantly surprising growth” in the market, says a peer.

A client adds: “As a client, PJS Law’s service is comparative to any of the big firms, and I even venture to say it provides international standards in its dealings. The lawyers make you feel you are getting the service of a big firm, though they remain boutique and personal in their execution of the service.”

A notable transaction for the firm was its representation of a leading financial institution in Europe, and the second largest bank in Germany, in its acquisition of an upscale hotel.

### **Poblador Bautista & Reyes**

A long-standing presence in the Philippines legal market, Poblador Bautista & Reyes has a corporate practice that is ably supplemented by its prowess in litigation. A peer notes that the firm “possesses a notable history and great reputation” in corporate matters in the country.

A highlight transaction for the firm this year was acting as legal adviser for client Q-Tech Alliance Holdings, with Alexander Poblador and Raymund Rodriguez in the lead, which completed its US\$860 million purchase of the shareholding of Kirin of Japan in local blue chip corporation San Miguel, valued to be equal to about a 20% equity holding.

### **Puno & Puno**

Puno & Puno possesses a corporate practice of “consistent quality”, notes a competitor. Bolstered by its vaunted energy and projects teams, the firm continues to secure mandates from leading energy entities in the country. The firm’s well-regarded place in the market is reflected by its solid position in this year’s rankings.

The firm advised First Gen Corporation in the acquisition of an equity interest in an energy generating facility in Mindanao.

Partner Roderico V Puno is praised by peers as a “capable professional who knows his stuff”. Along with Jonathan P Serrano, the corporate team continues to provide service to clients such as Tokyo Electric Power Corporation and Marubeni Corporation.

### **Quisumbing Torres/Baker & McKenzie**

The Philippine arm of Baker & McKenzie, Quisumbing Torres, remains a highly respected and visible player in the corporate sector. The firm is able to take advantage of its global network in securing clients from both within the country and from other jurisdictions as well, maintaining a diverse flow of work.

A landmark transaction for the firm was its involvement in dealing with the Philippine aspects of the merger between Merck and Schering-Plough. Domestic issues that were dealt with by the team include the implementation and integration of the operations of at least four local subsidiaries which consisted of corporate, commercial as well as labour matters. Corporate partner Jocelyn Gregorio-Reyes is involved in this continuing transaction, which has been valued at US\$41.1 billion.

### **Castillo Laman Tan Pantaleon & San Jose**

While better known for its expertise in capital markets and banking and finance work, Castillo Laman Tan Pantaleon & San Jose possesses a corporate team that is

“visible in the market”, says a competitor. “The firm is honest, efficient and the lawyers there do things on time, especially when it comes to meeting deadlines,” says a client. Prominent clients that it advises include Merck, Rainmaker, Takeda Pharmaceuticals and Solvay Pharma Philippines.

## **Construction & Real Estate**

### **RECOMMENDED FIRMS**

#### **Tier 1**

Angara Abello Concepcion Regala & Cruz

Picazo Buyco Tan Fider & Santos

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

#### **Tier 2**

Castillo Laman Tan Pantaleon & San Jose

Poblador Bautista & Reyes

Puno & Puno

Quisumbing Torres/Baker & McKenzie

### **Angara Abello Concepcion Regala & Cruz**

Angara Abello Concepcion Regala & Cruz retains its top tier ranking after another busy year in the construction and real estate sector. The firm is well-regarded for both its litigation capability as well as its depth of practice.

The firm acted for Procter & Gamble Distributing (Philippines) regarding the purchase of property owned by the National Red Cross. The matter was handled by corporate and special projects head Tadeo F Hilado.

Led by Eusebio Tan, the firm advised Focus Corporation in the development of resort complexes and other tourism facilities in Clark Freeport Zone in the past year.

### **Picazo Buyco Tan Fider & Santos**

The expertise available in the already strong corporate and finance practices at Picazo Buyco Tan Fider & Santos is strengthened by the quality of its construction and real estate team, which remains in the top rung of the rankings this year.

Led by partner Cynthia L de la Paz, the team represented Araneta Center in a matter regarding its first hotel project to be operated and managed by an international hotel chain. Matters of concern included documentation for the relevant hotel management and the contemplation of financing for the project.

The firm advised Sun Life of Canada (Philippines) with regards to the construction of an office building, to be named SunLife Tower, in Bonifacio Global City, Taguig, Metro Manila.

### **Romulo Mabanta Buenaventura Sayoc & De Los Angeles**

Romulo Mabanta Buenaventura Sayoc & De Los Angeles is a traditional heavyweight in the legal industry and remains on top of the rankings this year.

The firm provides representation to a range of clients, and one of its highlights was acting for the Roman Catholic Archbishop of Manila in negotiating for the execution of a long term lease agreement of a notable hospital.

Another noteworthy transaction for the firm in June 2009 was acting for JP Morgan and BDO Capital, as joint lead managers, in Travellers International Hotel Group's US\$200 million senior secured term credit facility agreement and mortgage trust indenture.

### **SyCip Salazar Hernandez & Gatmaitan**

With "quality professionals in depth" at the firm, as noted by a peer, SyCip Salazar Hernandez & Gatmaitan has a respected construction and real estate practice that befits its reputation as a premier firm in the country.

The firm acted for a consortium that acquired a majority of shares in Fort Bonifacio Development Corporation, which is the owner and developer of prime lands converted from military use under the Bases Conversion Act.

The team, led by head of department Emmanuel C Paras, advised the owners of the Condominium Building, which is located at Makati City, to assist in the sale of the building and the parcels of land on which the building stands. The deal was completed in March 2010 and was valued at about US\$8.2 million.

### **Castillo Laman Tan Pantaleon & San Jose**

Castillo Laman Tan Pantaleon & San Jose possesses a well-regarded corporate and finance practice, which is buoyed by the strength of its construction and real estate team.

In a landmark transaction for the firm the team, led by Roberto N Dio, Nini Priscilla Sison-Ledesma, Rommel V Cuison and Noel Neil Q Malimban, represented property owner Armed Forces & Police Mutual Benefit Association in a US\$156 million transaction regarding the Ayala Heights Extension. This is yet to be completed and is regarded as one of "the biggest remaining land development projects in Metro Manila".

### **Poblador Bautista & Reyes**

The well-established firm Poblador Bautista & Reyes boasts not only a quality litigation department, but also

a "solid construction and real estate practice that is involved in the deals around", notes a peer.

A highlight deal for the firm is its continued representation of client Carmelray Industrial and its affiliates in the varied aspects of its integrated development of a landholding south of Metro Manila, which is to be used as an urban centre alternative to that of Metro Manila.

Another notable transaction for the team was its representation of Ayala Land in litigation with positive judgments upholding its title to 17 hectares of prime property in Las Pinas City in Southern Metro Manila, and its purchase of two parcels of prime property in Baguio City.

## **Dispute Resolution**

### **RECOMMENDED FIRMS**

#### **Tier 1**

Angara Abello Concepcion Regala & Cruz

#### **Tier 2**

Poblador Bautista & Reyes

Villaraza Cruz Marcelo & Angangco

#### **Tier 3**

Platon Martinez Flores San Pedro Leaño

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

### **Angara Abello Concepcion Regala & Cruz**

"The dispute resolution capabilities at Angara Abello Concepcion Regala & Cruz are tremendous," concedes a rival. The dispute resolution team at the firm is among the largest in the country, and peers and clients attest to the "quality of the professionals" that can be found there.

The firm successfully represented Smartmatic International in a matter filed with the Supreme Court that challenged the legality of the automation contract for the Philippines 2010 national and local elections, and its awarding to the joint venture of the client and Total Information Management. Successfully resolved in February 2010 with the legal affirmation of the contract and award to the joint venture, this matter was handled by Victor P Lazatin and Gilberto D Gallos.

### **Poblador Bautista & Reyes**

Poblador Bautista & Reyes is renowned for its "excellent litigators", says a peer. The dispute resolution team at the

firm provides “admittedly good quality advice and work”, notes a rival.

A key client for the team is Fort Bonifacio Development Corporation, for which the firm is acting in litigation involving telecommunications-related disputes in its development Bonifacio Global City. This is a mixed-use financial, business and residential conclave adjacent to the country’s present central business district.

The firm provided advice to client IBM Philippines in a litigation matter involving claims of supposed defective software supplied for an extensive public accounting application.

is well-regarded and its energy and natural resources department is no different, with a peer commenting on its “undoubted quality”.

A noteworthy transaction for the firm was advising client Philippine Metal-Lurgical Group on the planned acquisition of a manganese mining project located on government-reserve land occupied and owned by the Armed Forces of the Philippines.

The team advised Golden Rim on a proposed mining joint venture. This transaction concerned the acquisition of an interest in an existing mining project through a transfer of shares and options to purchase.

## Energy & Natural Resources

### RECOMMENDED FIRMS

#### Tier 1

Quisumbing Torres/Baker & McKenzie

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

#### Tier 2

Puno & Puno

PJS Law

Villaraza Cruz Marcelo & Angangco

#### Tier 3

Carag Jamora Somera & Villareal

Fortun Narvasa & Salazar

### Quisumbing Torres/Baker & McKenzie

The energy and natural resources team at Quisumbing Torres is “a well-run outfit; the mining team especially is of high quality”, notes a peer. With the combined resources and multi-jurisdictional expertise of the Baker & McKenzie global network, the Philippines firm is ranked in the top tier this year.

The firm, led by market veteran Felix Sy, is advising a Beijing-based international engineering contractor regarding its involvement in two wind energy projects in Northern Luzon, Philippines. A highlight renewable energy transaction for the same client was working on its equity investment and financing in the Timbaban Hydropower project and the 225MW Agus 3 Hydroelectric power project in the Philippines.

### Romulo Mabanta Buenaventura Sayoc & De Los Angeles

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

### SyCip Salazar Hernandez & Gatmaitan

One peer says: “SyCip Salazar Hernandez & Gatmaitan is without a doubt up there, by virtue of its size and the quality individuals available there.” The firm remains in the thick of energy and natural resources activity in the country, and thus is in the top tier of the rankings this year.

The firm advised Kepco SPC Power on the financing for a 2X100 MW coal-fired power generating facility in Naga, Cebu, Philippines. This transaction is valued at US\$270 million and was completed in March 2010.

Another notable matter for the team was advising Banco de Oro Unibank, which was acting as lender, in the financing for the operation of a bio-ethanol plant and the development of a sugarcane plantation. This transaction was signed off in April 2010, and estimated to be worth US\$95.8 million.

### Puno & Puno

“Puno & Puno is ever-present in the energy industry here,” notes a rival. “The firm gets in on the biggest deals and has a strong market presence.” The energy and natural resources team at the firm is acclaimed by both peers and clients, and remains in contention for the top tier of the rankings.

A landmark transaction for the firm was acting for Sithe Global Camaya and Arlington Mariveles Netherlands Holding in the financing of GNPowder Mariveles Coal Plant’s 2x300MW clean pulverised coal-fired power plant in Mariveles, which is in the province of Bataan. The deal was valued at US\$1 billion and was completed in January 2010.

### PJS Law

“Professional at all times, PJS Law has always provided timely and relevant advice,” comments a client. The firm continues to grow in both capability and reputation, and retains a solid position in the rankings this year.

The firm is the process of advising clients Aboitiz Power, Therma Power and Taiwan Cogeneration in

the development and operation of a coal-fired power generation plant in the Subic Bay Freeport Zone. Phase 1 of this transaction has been valued at US\$547 million.

The team advised on the successful bid of Therma Luzon, a subsidiary of the Aboitiz Power, for management of the 700-MW Pagbilao coal-fired power facility in Quezon Liabilities Management Corporation. Valued at US\$691 million, this transaction was successfully completed in October 2009.

## Intellectual Property

### RECOMMENDED FIRMS

#### Tier 1

Angara Abello Concepcion Regala & Cruz

Carag Jamora Somera & Villareal

Quisumbing Torres/Baker & McKenzie

SyCip Salazar Hernandez & Gatmaitan

#### Tier 2

Castillo Laman Tan Pantaleon & San Jose

Poblador Bautista & Reyes

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

Villaraza Cruz Marcelo & Angangco

#### Tier 3

Esguerra & Blanco

Quasha Ancheta Pena & Nolasco

### Angara Abello Concepcion Regala & Cruz

Angara Abello Concepcion Regala & Cruz is regarded as a top tier firm based on the strength of its litigation work as well as on the support of both clients and competitors. The firm continues to provide valuable legal counsel and advice to distinguished clients such as San Miguel Corporation, Hershey's Chocolate & Confectionary Corporation and Collective Brands on IP matters.

The firm is a highly regarded IP resource and expert, as evidenced by the Japan External Trade Organization's (Jetro) request in 2009 for the IP practice's assistance in the preparation of a manual entitled 'How to measure against Counterfeits in the Philippines'.

### Quisumbing Torres/Baker & McKenzie

While the past 12 months saw the tragic passing of Christopher Lim in August 2009, the IP practice at Quisumbing Torres has nevertheless had a strong year. The global network afforded to the firm by its Baker &

McKenzie association provides a versatile legal expertise that is hugely beneficial to both its domestic and international clients.

The firm provides anti-piracy planning and assistance to clients from various industries. In one particular case, the IP team handled the registration and enforcement issues for a trade organisation that consisted of computer software publishers as well as a jeans and clothing brand. Work conducted includes the prosecution of copyright infringement cases or other related litigation.

### SyCip Salazar Hernandez & Gatmaitan

Possessing arguably the largest headcount among all the firms in the country, SyCip Salazar Hernandez & Gatmaitan continues to enjoy a top tier position with regards to its IP practice. Clients enjoy working with the firm, citing its "breadth of service" as an advantage when instructing its lawyers in transactions that involve multiple practice areas. The IP department represents an array of esteemed clients across industries, including pharmaceutical companies such as Abbott Laboratories, Hoffman La Roche and Merck, and global entities such as Sony and Revlon.

The firm represented Warner Lambert & Pfizer in their defence against a petition for the cancellation of the Lipitor patent, which was filed by a local generic drug company. The client was advised by the IP team in its claim that the generic producer was infringing its patent.

### Castillo Laman Tan Pantaleon & San Jose

Castillo Laman Tan Pantaleon & San Jose possesses an all-round IP practice, which is only further augmented by its litigation capabilities. The firm boasts a reputation that is built on a foundation of quality work, with clients being "very happy with its quality of service", as one comments. Notable pharmaceutical clients include the leading names of Wyeth, GlaxoSmithKline and Bristol-Myers Squibb, and other global clients include LVMH, Mitsubishi and ExxonMobil.

The team has been involved in several patent cases over the last year. Notable matters include the representation of Eli Lilly & Co in a patent infringement action before the trial court, and advising Pfizer in a patent infringement matter in court.

### Poblador Bautista & Reyes

Renowned for its contentious expertise, the IP practice at Poblador Bautista & Reyes remains a force in the local market. The firm garners considerable approval from peers and clients, with one client recommending the firm for its "high standard, responsiveness and apparent quality".

The IP team is acting for Sanofi-aventis in a litigation matter against a local generics pharmaceutical company with regards to the infringement of the client's patent rights to the pharmaceutical formulation of Clopidogrel, which is sold under the name Plavix.

The firm assisted Microsoft Philippines in conducting successful raids against large retailers of pre-loaded personal computers and laptops, which carried pirated copies of its client's software.

### **Romulo Mabanta Buenaventura Sayoc & De Los Angeles**

Rated among the largest firms in the country, Romulo Mabanta Buenaventura Sayoc & De Los Angeles remains a solid player in the area of IP. The Philippines-based firm runs an office out of Hong Kong as well, providing the outfit with valuable cross-border and multi-jurisdiction capabilities.

The firm combines all-round IP support with its other qualified practice areas, as well as providing specialised IP services tailored to suit the needs of its clients. A peer commends the firm for providing a "one stop shop service to its clients".

### **Esguerra & Blanco**

"One for the future," notes one client of firm Esguerra & Blanco. "It is definitely a firm to be watched out for." The IP department at this full-service firm is highly rated by market observers, with managing partner Ramon Esguerra hailed as "one of the pioneers in the field of IP protection and enforcement".

A notable case for the firm was its advising of Yahoo! in the opposition of Alaska Milk's registration of trade mark ALASKA YAMOO! for milk and milk product advertising. The Court of Appeals ruled in favour of Alaska Milk in July 2009.

### **Other active firms**

#### **Hechanova Bugay & Vilchez**

Hechanova Bugay & Vilchez is a full-service law firm with a strong IP department. Clients applaud the firm's consistent quality, with one in particular noting "the firm is always my first choice".

The firm is heavily involved in the IP goings-on in the country, with high profile representation of clients such as Honda Motor, Panasonic Electric Works and Bausch & Lomb.

A highlight transaction for the firm is its continued representation of Crocodile International in its trade mark battle with Lacoste, which rages on across various jurisdictions.

### **Kapunan Lotilla Garcia & Castillo**

The full service corporate firm Kapunan Lotilla Garcia & Castillo is especially well-regarded for its expertise in intellectual property. Offering an all-round approach to IP rights, the firm provides experience and advice on all of trade marks, patents and copyrights. Key senior partner Lorna P Kapunan is well known for her global experience on IP matters and is regarded as an expert in the country.

## **Labour & Employment**

### **RECOMMENDED FIRMS**

#### **Tier 1**

Angara Abello Concepcion Regala & Cruz

Platon Martinez Flores San Pedro Leaño

Quisumbing Torres/Baker & McKenzie

Siguion Reyna Montecillo & Ongsiako

#### **Tier 2**

Poblador Bautista & Reyes

SyCip Salazar Hernandez & Gatmaitan

#### **Tier 3**

Castillo Laman Tan Pantaleon & San Jose

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

### **Angara Abello Concepcion Regala & Cruz**

Angara Abello Concepcion Regala & Cruz tops the labour rankings on the back of its strong combination of litigation capabilities and labour expertise. A client singles out head of department Ernesto R Anasco for his "high quality of work".

The firm provides extensive advice and experience to its clients across all industries. Among the companies that the firm represents, a few standout clients include Manila Electric Company, Philippine Long Distance and Telephone Company and Citra Metro Manila Tollways.

A peer says: "The firm is well known for its quality, but for labour and employment: that is where it really stands out."

### **Quisumbing Torres/Baker & McKenzie**

"The general corporate and finance practice is solid at Quisumbing Torres, but I would really recommend the labour department there," says a peer. "The top tier ranking is deserved in this particular case, considering the work produced."

A highlight representation for the firm was its

involvement in the Philippine aspects of the merger between Merck and Schering-Plough, valued at US\$41.1 billion. Domestic work that was conducted includes dealing with the labour implications of the local implementation and integration of the operations of at least four local subsidiaries.

### **Poblador Bautista & Reyes**

Buoyed by its “remarkable” litigation capabilities, as stated by a competitor, Poblador Bautista & Reyes continues to be a strong performer in the labour and employment industry.

Led by managing partner Mario L Bautista, the firm advised client International School Manila in negotiations on its collective bargaining agreement with its employees and dealing with a new bargaining agent recently determined for the employees.

A notable case for the firm continues to be its representation of Federal Express in a number of illegal dismissal cases and preparation to address other labour-related disputes due to the client’s recent transfer of its hub operations in the Philippines to Shanghai, China.

### **Castillo Laman Tan Pantaleon & San Jose**

“While the lawyers at Castillo Laman Tan Pantaleon & San Jose are direct in expressing their legal opinion based on the facts of the case and the applicable laws and jurisprudence, they also listen to and consider the peculiar circumstances presented by the client,” praises one client. “They adhere to our company’s core values, especially integrity and respect. It was a pleasure to work with them.”

The firm provides legal advice to local entities as well as foreign interests. It is worth noting that the firm has a considerable number of clients from the pharmaceutical industry.

## **Shipping Maritime & Aviation**

### **RECOMMENDED FIRMS**

#### **Tier 1**

Angara Abello Concepcion Regala & Cruz

Del Rosario & Del Rosario

Ortega Del Castillo Bacorro Odulio Calma & Carbonell

Platon Martinez Flores San Pedro Leaño

SyCip Salazar Hernandez & Gatmaitan

#### **Tier 2**

Belo Gozon Elma Parel Asuncion & Lucila

Ocampo & Manalo

Quisumbing Torres/Baker & McKenzie

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

### **Angara Abello Concepcion Regala & Cruz**

With immense support from its voluminous litigation department, Angara Abello Concepcion Regala & Cruz is highly regarded for its expertise in aviation law as well as providing advice concerning shipping and maritime regulations.

Led by Teresita J Herbosa in aviation matters, the firm provides an arsenal of assistance and services, including alternate dispute resolution counsel, for both foreign and local interests among its collection of clients.

“The firm has expertise in the areas of shipping, maritime and aviation,” says a competitor. “It is in aviation though that I will wholeheartedly recommend the firm.”

### **Del Rosario & Del Rosario**

“Del Rosario & Del Rosario is the firm to go to for shipping and maritime matters,” states a peer. “There is no doubt whatsoever that the firm is in the top tier.” The firm is a clear market leader in this practice area, and has made its name synonymous with shipping and maritime law in the Philippines.

The firm has dealings with all manner of matters, ranging from crew claims and employment contracts, to dealings with insurance, shipping magnates and consortiums. Work conducted by the firm is not confined merely to local issues, as the firm is involved in matters in countries such as Japan and Norway as well.

### **SyCip Salazar Hernandez & Gatmaitan**

The vast legal resources available to SyCip Salazar Hernandez & Gatmaitan include an exemplary shipping, maritime and aviation department. A peer notes that by

virtue of the many quality individuals in its employ, “the firm most definitely belongs in the top tier”.

A notable case was the firm’s advising of American Bureau of Shipping (ABS) relating to the sinking of the vessel M/V Superferry 9 in 2009. Completed in December 2009, the investigation lasted for three months ending with ABS coming up with evidence concerning accreditation reports made on the ill-fated vessel certifying her to be seaworthy.

The firm advised Teras Cargo Transport (America) in matters concerning the transport, discharge and payment of cargo to Davao, Philippines from Shanghai, China.

### **Ocampo & Manalo**

The full service law firm Ocampo & Manalo has an aviation practice that is described by a peer as “solid and definitely growing”. Working for both private individual interests as well as corporate entities, the firm is keen on building up its all-round practice gradually, with an emphasis on maintaining the quality of client relations.

In the last year, the firm advised client Challenger Aero on its acquisition of a Lear 45 and a Challenger 850 from Bombardier.

### **Quisumbing Torres/Baker & McKenzie**

The aviation practice at Quisumbing Torres is well known across the market, and as a competitor says: “I would definitely say that the aviation team at the firm is top rate, and should be considered in the top tier.”

The firm is advising a leading transportation, logistics and business services provider in a case filed by the Board of Airline Representatives against the Department of Finance concerning the imposition of overtime service fees on airline companies.

Another transaction that showcases the firm’s expertise in aviation law is the representation of a notable airline liability insurer in damages/liability suits filed against globally known air carriers insured with the client across various courts in the Philippines.

## **Tax**

### **RECOMMENDED FIRMS**

#### **Tier 1**

Romulo Mabanta Buenaventura Sayoc & De Los Angeles

SyCip Salazar Hernandez & Gatmaitan

#### **Tier 2**

Angara Abello Concepcion Regala & Cruz

Baniqued & Baniqued

Castillo Laman Tan Pantaleon & San Jose

Quiason Makalintal Barot Torres & Ibarra

Quisumbing Torres/Baker & McKenzie

Siguion Reyna Montecillo & Ongsiako

### **Romulo Mabanta Buenaventura Sayoc & De Los Angeles**

Romulo Mabanta Buenaventura Sayoc & De Los Angeles is a heavyweight in the corporate and finance sectors of the Philippines market, and its tax practice is no different in its level of quality. Peers and clients laud the firm for its tax advice, with a competitor noting: “Its tax department is sound, its lawyers are capable.”

A noteworthy transaction for the firm was advising on the tax concerns of the merger between Robinsons Savings Bank and the Royal Bank of Scotland (Philippines). The team advised JG Summit Holdings specifically, and completed the matters in February 2010.

Another highlight was its representation of Pilipinas Shell Petroleum in the structuring of the spin-off of the client’s liquefied petroleum gas (LPG) business.

### **SyCip Salazar Hernandez & Gatmaitan**

Well-established as a premier law firm in the country, SyCip Salazar Hernandez & Gatmaitan possesses an enviable tax practice to go with its corporate and finance department. Peers praise the “capable support and quality” of the tax team in all matters.

The firm advises clients such as San Roque Power, Colgate Palmolive Philippines and Kraft Foods (Philippines) with regards to their tax issues and concerns.

A notable case being argued by the firm is a debate involving the constitutionality of an issuance by the Bureau of Internal Revenue relating to the taxation of activities being performed by international shipping carriers.

### **Angara Abello Concepcion Regala & Cruz**

While best known for its litigation expertise, the tax

practice at Angara Abello Concepcion Regala & Cruz is not to be underestimated. A peer notes that the firm has “solid capability and experience when it comes to tax work”. The firm provides supplementary tax advice in conjunction with corporate transactions, as well as providing standalone tax opinions.

A notable tax matter for the team was advising multinational client Smartmatic International in the structuring of its transactions with an independent constitutional commission with regards to the national elections that occurred in May 2010. This matter was regarded as the largest IT public project to date in the country.

### **Castillo Laman Tan Pantaleon & San Jose**

Castillo Laman Tan Pantaleon & San Jose provides a solid tax advisory and planning service to supplement and effectively support its high-flying corporate and finance practice. The firm continues to offer its clients a well-rounded full service experience, which peers and clients agree is of considerable quality.

The firm works on securing tax rulings for its clients, which encompass all industries. Several notable clients include Davao Central Chemical and Suzuki Philippines.

A client says the firm continues to “improve on its responsiveness to its clients, and has grown tremendously in this area”.

### **Quiason Makalintal Barot Torres & Ibarra**

“Quiason Makalintal Barot Torres & Ibarra’s service would be recommended as above par,” says a client. “The legal advice and communication we received were very sound and precise.”

The firm enjoys a solid reputation in the area of tax, representing clients such as the global entity Canon and the domestic interests of Tollway Management Corporation.

One client says of the firm: “It is very good at rendering tax advice based on the lawyers’ good tax background and experience. We can easily contact the firm for quick consultations on minor inquiries relating to tax matters and the lawyers there act on our ongoing engagements quickly.”

### **Quisumbing Torres/Baker & McKenzie**

A long-standing player in the legal market, Quisumbing Torres has developed a corporate practice that is underpinned by its all-round expertise, and its tax practice is no different. The firm remains a consistent performer in the area.

The tax team represented a global energy and oil industry service provider on the Philippine tax treatment

of payments under petroleum service contracts. It also assisted in obtaining an official ruling from the Bureau of Internal Revenue with regards to preferential tax treatment for subcontracted services under petroleum service contracts agreed upon with Philippines oil companies.