



Trade &  
commodity  
finance

## Ranked in Tier 1 for Trade Finance

Legal 500 UK 2017

## “Best Trade Finance Law Firm in Asia Pacific”

GTR Asia Leaders in Trade 2015  
and 2016

## “Simmons & Simmons’ ‘excellent’ practice is ‘at the top of its game’”

Legal 500 UK 2016

## Core strengths

Our international trade & commodity finance practice consists of experienced specialist lawyers from a multi-disciplined base who advise on the whole range of trade & commodity finance products. Our lawyers regularly provide advice on large, complex transactions, offering innovative solutions, sector and industry knowledge and a commercially focused approach to transactions.

Through our network of offices in Europe, the Middle East and Asia and the strong relationships that we have formed with law firms throughout Africa, we are able to advise on trade & commodity finance transactions in jurisdictions throughout the world, drawing on the skills of our commodities, regulatory, tax, insurance, environmental, dispute resolution and restructuring and insolvency specialists as necessary and providing clear and innovative advice (including on OHADA law and Islamic finance structures) in those trading jurisdictions and trading environments for which trade & commodity finance is most suited.

We understand the individual nuances of different assets (including physical and financial commodities), sectors, industries and products and we have the commitment, resources, experience and know how to get deals done, whatever and wherever they are.

## Our services

Simmons & Simmons is uniquely placed to support the activities of participants in the international trade & commodity finance market through the services that we are able to offer our clients:

### Full product coverage

Our experienced lawyers regularly advise on the whole spectrum of trade & commodity finance products, including:

- commodity financing, such as prepayment financing, warehouse/inventory financing and monetisation, commodity transit financing, borrowing base financing and commodity repo transactions;
- receivables financing, such as pre-export financing, invoice discounting and supply chain finance programmes;
- export credit agency-backed financings; and
- trade finance instruments.

### Structuring insight

Our first-hand knowledge of the issues that may arise on the restructuring and enforcement of trade & commodity finance products and the experience of our highly-regarded trade & commodity finance dispute resolution team mean that we are ideally placed to advise clients on how best to structure and document trade & commodity finance transactions in order to best protect them and to avoid or mitigate against issues arising on the transaction in the future.

### Sector and industry knowledge

We act for many different types of participant in the trade & commodity finance market from lenders (including major international trading and commercial banks and funds) and borrowers (including trading companies), to pipeline and warehouse operators and beneficiaries of trade instruments, and so it is important for us to understand the sectors and industries in which they operate.

We have extensive experience of transactions involving all of the major commodities and understand the infrastructure that is in place to store, process and transport them. We are able to use that experience to give our clients practical advice as to how to structure trade & commodity finance transactions to achieve the least operational inconvenience to them and their clients whilst ensuring that they are properly protected.

The team at Simmons & Simmons displays “excellent understanding of client objectives and the bigger picture beyond the product”

Legal 500 Asia Pacific 2014

Simmons & Simmons has worked in all of the 54 African Nations

“Ten out of ten. Their attention to detail in terms of document points protected the bank at all times”

Chambers UK 2015

## Expertise in practice

Key transactional experience of lawyers in the Simmons & Simmons trade & commodity finance practice includes:

### Concentrates borrowing base facility

- Advising MRI Trading AG on a USD110 million secured borrowing base facility to finance its metals concentrate storage, blending, sale and related margin financing operations in Malaysia and Oman

### Borrowing base facility enforcement

- Advising the lenders on the enforcement of a secured borrowing base facility and the subsequent recovery process on the insolvency of a large European refinery group

### Pre-export financing

- Advising a leading commodities bank on an intermediated pre-export financing of the production and shipment of ethanol by a Brazilian exporter to a US company

### Warehouse financing

- Advising the lender on a revolving warehouse loan facility backed by trade receivables warehoused in three SPVs and involving 15 jurisdictions

### ECA-covered export financing

- Advising EKF (Denmark's Export Credit Agency) on its first issuance of a guarantee for CPI-linked project bond finance debt to support construction of the £2bn Walney offshore windfarm extension (European Renewables Deal of the Year, Thomson Reuters PFI Europe Awards 2017)

### Royalty financing

- Advising BlackRock World Mining Trust PLC on an innovative USD110 million royalty financing arrangement with London Mining PLC in relation to its Marampa project in Sierra Leone

### Trade finance facility

- Advising a bank on a trade finance facility for Hong Kong based Sinochem and its UK subsidiary

### Structured letter of credit

- Advising a bank on structured letter of credit transactions used to fund the cost of tanker transport for cargos of crude oil

### Oil borrowing base facility

- Advising Castleton Commodities International LLC in connection with its USD3.3 billion committed borrowing base working capital facilities, which were used for general corporate purposes and to finance the acquisition of Morgan Stanley's Global Oil Merchandising business (Commodity Finance Deal of the Year, TXF 2016)

### Prepayment financing

- Acting for Deutsche Bank and ING Bank on the USD385mn copper prepayment facility for the Fangyuan Group (Deal of the Year, Euromoney Trade Finance 2017, Global Trade Review 2016)

### Industrial metal inventory financings

- Advising a bank in relation to the structuring of industrial metal commodity inventory financings and transit financings in and between various developed and developing markets jurisdictions

### Commodity repurchase transactions

- Advising a number of leading commodities banks on their metal commodity repurchase terms with specified trading companies in over 25 London Metal Exchange (LME) and non-LME jurisdictions

### Supply chain financing

- Advising AIG on a novel supply chain finance platform aimed at the sub-investment grade market
- Advising Greensill Capital on its USD20bn note programme back by trade payables assets

### Syndicated bills of exchange

- Advising a bank on its participation in a syndicated bills of exchange purchase facility for a Middle Eastern oil trading company

### Trade finance documentation

- Advising a range of international banks on their bilateral trade finance documentation, including for repurchase-style physical transactions, trade finance facilities, documentary credit and payment guarantee negotiation and support (disclosed and silent)

# Key international contacts

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