



Ogier advises Goldman Sachs and JP Morgan on US\$ 1.3 billion acquisition

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Ogier in BVI has advised Goldman Sachs and JP Morgan who have jointly structured a transaction in which Goldman Sachs International (together with its affiliates, "GS") has subscribed for approximately 890.6 million newly issued ordinary shares (the "Shares") corresponding to 13 percent of the total issued share capital (post-money) of SOCAR Turkey Enerji A.Ş. ("STEAS"), a subsidiary of the State Oil Company of the Azerbaijan Republic ("SOCAR"), for a total consideration of USD1.3 billion (a premium to current valuation) while simultaneously entering into six year put option transactions with each of STEAS and Sermaye Investments Limited ("SIL"), a subsidiary of SOCAR, to protect GS against a decline in the value of the Shares below USD 1.3 billion.

To ensure performance by SIL of its obligations under the SIL put option and its guarantee of the STEAS put option, SOCAR has undertaken to contribute capital to SIL up to a maximum amount of USD1.3 billion. GS will de-risk its credit exposure to STEAS and SIL under the put options and to SOCAR in respect of its undertaking. In connection with that de-risking, GS and JPM have arranged a credit-linked loan through which GS will secure its rights in respect of the Shares, the put options and the SOCAR undertaking in favour of end investors in that loan. GS and JPM will initially hold part of the loan and may over the course of the transaction increase or decrease that holding. The upside proceeds from any sales of the Shares will be shared pro rata between SIL and the holders of the loan.

Partner Ray Wearmouth and Managing Associate Chris Newton provided BVI law advice, working closely with a Clifford Chance, London team, as well as the legal teams at GS and JPM.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most

demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

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