

Press Releases

O'Melveny Advises Coller Capital on Acquisition of Majority Stake in Bank of Scotland Private Equity Unit



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LONDON – JULY 7, 2010 – O'Melveny & Myers LLP has represented Coller Capital ("Coller") on the establishment of a new joint venture called Cavendish Partners LP ("Cavendish"). On establishment, Cavendish entered into an agreement with Lloyds Banking Group plc ("LBG") to acquire a portfolio of 40 private equity investments from BOSIF.

Cavendish is approximately 70% owned by funds advised by Coller, with the balance held by LBG and its management team.

Coller acquired its majority stake in Cavendish for approximately £330 million, and the overall price paid by Cavendish for the BoSIF was approximately £480 million. This valuation represents a small premium to LBG's book value.

"We worked with our regular advisers, O'Melveny, on this acquisition, and once again they showed their worth," said Tim Jones, a Partner with Coller Capital. "This was a complex transaction and the O'Melveny team was impressive in helping us meet a whole series of tight deadlines".

The companies in the portfolio are UK headquartered trading businesses across a range of industry sectors. The existing BOSIF management team will spin out into a newly formed management vehicle and remain responsible for day-to-day management of the portfolio, ensuring continuity of management.

The transaction is subject to certain conditions including regulatory approval, certain anti-trust approvals, the transfer of the underlying investments to the joint venture and the TUPE transfer of the existing BOSIF management team to a newly formed management vehicle, and is expected to close in the third quarter of 2010.

This is the latest in a string of major secondary acquisitions on which O'Melveny has advised Coller on in the last two years. Most recently, O'Melveny advised on Coller's investment in Encore I Fund LP, a vehicle established to acquire a portfolio of approximately 30 healthcare and technology venture capital portfolio companies owned by 3i Group plc and also on the acquisition of the entire investment portfolio of the Prelude Trust Plc, via a newly established vehicle funded by Coller and managed by DFJ Esprit.

The O'Melveny team was led by London partners John Daghljan and James Ford, with Sherri Snelson providing finance advice, Jan Birtwell providing tax structuring advice, and Christian Riis-Madsen of O'Melveny's Brussels office advising on antitrust matters.

About O'Melveny & Myers LLP

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