Our Structured Finance Practice helps clients create, document and close both traditional and innovative asset-backed securitization and other structured finance and derivatives transactions.

Combining broad experience across industries with our insight into the corporate, tax, bankruptcy, securities and regulatory issues involved in complex financings, Pillsbury tailors structured transactions to the practical and legal needs of specific industries.

**REPRESENTATIVE EXPERIENCE**

Our experience in structured finance transactions includes:

- **Operating Lease Portfolio Securitizations**
  
  - Having helped create many of the elements that defined the first securitizations of operating lease portfolios in the early 1990s, we are experienced in representing issuers, servicers and underwriters in all of the issues involved in taking the cash flows from a variety of unrated lessee credits and combining them into rated debt or pass-through securities.

- **Enhanced Corporate Credits**
  
  - We are pioneers in enhanced corporate credit transactions, having helped fashion the elements of the first liquidity facility which are still in use for such transactions. Our attorneys advise on structures for clients such as underwriters and placement agents, liquidity providers and equity investors. We also participate in new kinds of innovative enhanced corporate credit offerings, representing the initial purchaser in the first such offering in which an operating lessor rather than a lessee was the sponsor. Additionally, we represented the liquidity provider in the first such offering in which only the leases (and not the leased assets) were collateral for the securities.

- **Commercial Paper Conduits**
  
  - We combine knowledge of specific industries, such as air transport or shipping, with experience in tax and legal issues associated with commercial paper (CP) conduit offerings to help structure, document and close these types of transactions. We have advised on CP conduit offerings backed by assets such as the financing of engines owned by a major airline, the refinancing of jet aircraft by a regional airline, synthetic leases of a major U.S. operating lessor’s portfolio of aircraft...
operating leases, and the financing of an oil drilling rig backed by a major oil company’s drilling contract. Clients we represent encompass the conduit, sponsors, arrangers, liquidity providers and issuers.

**Packaging and Repackaging Asset-backing Debt**

- We represent issuers, equity providers and arrangers in structuring and documenting securitizations or original financings, backed by rail car leases, automobile leases, mortgages, conditional sale contracts for oil and gas equipment, municipal bonds, and real property lessee credit leases. We also work with investment banks in structuring innovative pass-through trust repackagings that combine existing asset-backed debt with currency and interest rate swaps to create rated and unrated single or multi-tranche offerings of securities.

**Receivables Financings**

- Our traditional asset securitization transactions involve receivables that include the accounts receivable of the U.S. subsidiary of a major Japanese electronics manufacturer, the export receivables of a major Asian paper producer and the ticket receivables of South American and Japanese airlines. We also apply classic structured finance techniques to new types of receivables, including swap payments due under settlements arising out of a terminated power purchase contract. In addition, we have helped develop stranded cost securitizations for utilities, assisting in drafting state legislation authorizing such financings.

- Our lawyers created the first receivable/144A private placement financing for the construction of a new sports arena (the Pepsi Center) in Denver, Colorado. This model structure has been applied to finance the construction of the Staples Center in Los Angeles and numerous other sports facilities.

- Our lawyers have also structured, documented and executed innovative derivatives transactions structured as synthetic securitizations to transfer tranched exposures to auto loan receivables.

**Synthetic Leases**

- Our lawyers advise on the tax and accounting issues involved in synthetic leases, working with clients to apply the structure to new types of equipment. We also counsel clients on exit strategies that satisfy tax and accounting criteria while remaining consistent with the parties’ commercial objectives.

**Rating Agencies**

- We work with all national rating agencies in connection with rated structured finance transactions throughout the full financial process, including the marketing and closing of the transaction. Our attorneys provide counsel on the relevant legal and tax issues involved in rated transactions, and our firm routinely provides the corporate, tax and bankruptcy opinions required by the rating agencies. We maintain good relationships with the relevant analysts and lawyers at the rating agencies, and can provide valuable assistance in facilitating the legal aspects of the ratings process.

**Synthetic Risk Transfer Transactions**
We have structured, documented, negotiated and executed numerous derivatives transactions to synthetically transfer tranched exposures with respect to illiquid financial assets (such as MBS or potential derivatives liabilities) held on bank balance sheets.