

## CMS assists National Bank of Greece with disposal of Romanian non-performing corporate loan portfolio (Project Danube)



**International law firm CMS has assisted the National Bank of Greece (NBG) on completing the disposal of a Romanian-risk portfolio of non-performing and underperforming corporate loans (NPLs), with a total gross book value of approximately €174 million (€102 million of allocated collateral value).**

The transfer of the portfolio to Bain Capital Credit was approved by the Romanian regulatory authorities and by the Hellenic Financial Stability Fund. The transaction is being implemented in the context of the NBG's NPLs deleveraging strategy and is in accordance with the Operational Targets submitted to the Single Supervisory Mechanism.

The recently completed transaction is one of the largest sales of corporate NPLs in the Romanian market.

“The closing of this very important sale could officially mark the resumption of NPL transactions in Romania. It was a complex deal that spanned a significant period of time, involving sustained collaboration between teams of lawyers and consultants from multiple areas of legal practice - corporate, finance, real estate, commercial, tax - and which was conducted in the unprecedented context generated by the COVID-19 pandemic. The CMS team assisted NBG on all Romanian legal aspects of the transaction - structuring, sell-side due diligence, data room, complex contractual, security package, negotiation, signing and finally closing of the transaction – in an effort of high legal complexity”, said **Rodica Manea**, *Corporate M&A Partner at CMS Romania*.

**Horea Popescu**, *Managing Partner of CMS Romania and Head of CEE Corporate M&A*, comments:

“Transactions with NPLs remain one of the key tools for restructuring and/or reorganizing the assets of economic players impacted by the COVID-19 pandemic. The market shows us that interest in this type of deal remains high, regardless of where the investors come from. Restructuring will remain a very lucrative domain in the future, whether we are talking about labor restructuring, activity restructuring, acquisitions of non-performing goods, debt restructuring, insolvency, or litigation. Also, worth noting is the fact that, despite the pandemic, Romania managed to register a number of high-value transactions during the COVID period, many of which the local CMS team was involved in - whether we are referring to the largest acquisition in the office real estate sector of last year, or to this recently completed sale of NPLs”.

The transaction was led by CMS partner **Rodica Manea** (Corporate) and supported by partner **Cristina Reichmann** (Finance) and senior associate **Claudia Nagy** (Corporate). The wider team included Adina Nanescu (Finance); Alexandru Dumitrescu (Real Estate); Raluca Ionescu, Simona Strava, Eduard Roventa and Cristina Ciomos (Corporate); Anna Morogai, Tatiana Casapiuc, Andrei Cristescu and Adrian Linca (Commercial); and

Roxana Popel (Tax); as well as other lawyers from CMS Romania.