

Transaction Interview

Novelis' ABL Credit Agreement

Advisors on the transaction:



**Tozzini
Freire.**
ADVOGADOS



LEVY & SALOMÃO
ADVOGADOS

About the Deal

J.A. Treviño Abogados, or JATA, acted as special Mexican legal counsel to Wells Fargo in its acting as collateral agent in connection with the entry of an ABL credit agreement by Novelis Corporation. Skadden, Arps, Slate, Meagher & Flom LLP acted as lead counsel and legal advisors to Wells Fargo.

Novelis is a US-headquartered company that operates an integrated network of aluminium rolling and recycling facilities across the Americas, Europe and Asia. Its global manufacturing and recycling capability is leveraged to deliver reliable and high-quality products worldwide. Novelis has outlined plans to expand the use of lightweight and indefinitely recyclable aluminium to enable its customers to reach their sustainability goals through the provision of environmentally friendly products.



Jaime A. Treviño
JATA - J.A. Treviño Abogados



Please give us some background into this operation and your team's role within it.

As part of the global financing structure, we were originally approached by Wells Fargo and Skadden Arps with the interest in partially securing the financing through the proceeds of significant sales conducted by Novelis in Mexico. The main assets to be secured were intangibles, which in itself involved a challenge to the traditional Mexican security structures, most commonly involving real assets, equity, or other types of specific intangibles.

Our team of attorneys, led by my partner Veronica Cantu and myself, together with our senior associate Tracy Delgadillo, came across an innovative structure that resolved the lenders' security and guarantee requirements, while also satisfying Novelis' commercial and operational needs in this transaction.

Our Mexican legal work follows the lead of a great team at Skadden Arps. Skadden trusts JATA in significant and complex cross-border financing transactions. I have personally worked with Skadden Arps in

different roles for over 30 years, and our team's experience with transactions of this nature allows us to stay always on top of the curve and advise on sophisticated legal work. Likewise, our representation of a number of major global banks, such as Wells Fargo, for decades, in the Mexican portions of complex international financing transactions provides us with significant background to provide alternatives and solutions suitable for mostly any circumstance.

What are the key considerations to keep in mind when advising on the establishment of a credit agreement, particularly with larger client organisations?

For us, it is always about finding a tailor-made structure that works with the nature of the financing, the nature of the business and its Mexican and global operations. Major multi-national financings, such as the Wells Fargo/Novelis transaction, require sophisticated expertise on the business and financial aspects of the transaction, and a very strong legal foundation to create and



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document structures that commonly take hand of alternatives that are not always 'off the rack'.

How did your team utilise their skills and experience to ensure the operation's successful completion?

When the transaction was originally proposed to us, the assets to be secured involved several legal challenges from a traditional security structure viewpoint in Mexico. The considerable experience of our team in global financing matters (including our experience representing Wells Fargo in a significant number of previous transactions), and our ongoing effort to think outside the box and innovate, played a key role in building the structure on day one. The implementation of the security structure has evolved with the financing and refinancing efforts between the parties, and we are very proud to be part of this complex transaction and represent Wells Fargo in the Mexican needs involved in the Novelis' financing and in other financing matters with a Mexican component.