

Complex Financial Instruments Group Of The Year: Mayer Brown

By Hailey Konnath

Law360 (February 18, 2025, 4:03 PM EST) -- Mayer Brown LLP attorneys advised Goldman Sachs in a first-of-its-kind securities offering backed by capital call lines of credit and helped Sotheby's structure a groundbreaking securitization program made up of loans secured by fine art and collectibles, earning the firm a spot among the 2024 Law360 Complex Financial Instruments Groups of the Year.

In October, Chicago-based Mayer Brown's structured finance group guided Goldman Sachs in its novel securities offering, which the firm said is "likely to become a major asset class in the future." Before that, Mayer Brown lawyers also guided Goldman Sachs as it purchased \$15 billion of subscription lines of credit from the Federal Deposit Insurance Corp. after Signature Bank's collapse.

Notably, the Mayer Brown group also worked with fine art broker Sotheby's Financial Services to structure a securitization program that marks the first time loans backed by art and collectibles have been used to create securities, according to the firm.

Julie Gillespie, co-leader for the practice, said it's "a first-of-its-kind securitization for these types of assets, which are equity loans and consignor advances." Equity loans and consignor advances are two types of loans that relate to things like jewelry, fine art, wine and furniture, she said.

"What's interesting about the deal is the collateral," Gillespie said. "These are loans backed by so many different types of collateral, and jurisdictionally, you're attempting to securitize collateral that's all of the U.S., of course, but also in England, Switzerland, the Netherlands, Hong Kong, Japan, Singapore, France, Canada, Mexico and Australia."

"Getting something like that into a rated structure and getting investors brought up to speed is something that took a long time," Gillespie added.

The Mayer Brown team worked with Sotheby's from start to finish: helping to set up the programmatic issuance structure, forming the entities and offering and selling the notes, according to the firm.

On top of that, the structured finance team represented Volkswagen Group of America as it negotiated an agreement with Wells Fargo Bank under which Volkswagen effectively became the "captive finance company" for purchasing Volkswagen and Audi vehicles, as well as Ducati motorcycles, the firm said.



That deal means Wells Fargo will be doing business under the names "Volkswagen Retail Finance," "Audi Retail Finance" and "Ducati Retail Finance," while Volkswagen gets out of the retail auto loan game. The agreement will take effect in April for Volkswagen and Audi dealers, "with Ducati to follow," according to Mayer Brown.

Ger P. O'Donnell, co-leader of structured finance for the firm, said the experience and creativity of the more than 150-lawyer team sets them apart. The group spans offices across the Americas, Europe and Asia, including in São Paulo, London, Frankfurt, Paris, Singapore, Tokyo and Hong Kong, among others.

"We have a huge group, so we're able to do most types of deals," O'Donnell said.

Former structured finance head Stuart M. Litwin said the "volume, quality and variety of the work was breathtaking" in 2024. It was an incredible year," he said.

According to Gillespie, it was the busiest year the practice group has had "in a long time."

And the sheer volume of the structured finance team's deals, plus its ability to work well with colleagues across offices and practice groups, means the team is able to bring in experts from a variety of areas and also come up with "innovative structures," O'Donnell said.

"We're seeing so many deals," he said. "We can bring technology or solutions from one type of deal to another type of deal."

Gillespie added that the firm boasts "a very diverse practice." And 2024 in particular stands out thanks to the complexity of what the firm worked on, she said.

"That's an indication of both the type of work that we're known for but also the market right now," Gillespie said. "Structured finance is having a moment. It's a tool that is more and more something that issuers, banks are looking at for all types of financing."

Both O'Donnell and Gillespie noted that the practice group works closely with Mayer Brown's regulatory team, which is an asset for the structured finance group and its clients.

"Given the wide range of regulatory developments, it's really an unparalleled resource for us as a structured finance proactive," Gillespie said.

--Editing by Dave Trumbore.
