

NewsRelease

For Immediate Release:

Cadwalader Advises MUFG Securities in Landmark ESG CLO

London, 3 February 2020 — Cadwalader advised MUFG Securities EMEA plc in its groundbreaking North Westerly VI B.V. (North Westerly VI) European cash flow CLO transaction. North Westerly VI is the first CLO to consider ESG (environmental, social and governance) factors across all its investments. The €400 million transaction also represents MUFG Securities' first European CLO.

“To date some CLOs include certain restrictive ESG language in their eligibility criteria, but this deal is being managed as a ‘true’ ESG CLO,” said Cadwalader partner David Quirolo. “It’s compliant with the best practices of ESG investing, and it’s the first of its kind.”

Cadwalader acted as English and U.S. legal counsel to the arranging bank in respect of the transaction. The firm also acted as drafting counsel, and worked closely with MUFG Securities and collateral manager NIBC Bank to establish the ESG due diligence, testing and parameters applicable to the deal.

Over and above the traditional ESG restrictions that may be included in deals, North Westerly VI is structured so that each asset’s ESG status is diligenced prior to its acquisition and is subject to ongoing due diligence throughout the life of the deal. In addition, each asset’s ESG status is scored by the collateral manager, with ongoing monitoring, with a view toward maintaining a weighted-average, portfolio-wide ESG score. Specialized ESG reporting provisions are also included so that investors are kept updated as to the portfolio’s composition.

The transatlantic Cadwalader team was led by Quirolo, and included partners Adam Blakemore, Jamie Frazier, Gregg Jubin, Claire Puddicombe and Jason Schwartz; special counsel Catherine Richardson, Adam Risell and Peter Williams; and associates Alex Collins, Hugo Chan, Matthew Lefkowitz and Cassandra Nelson-Williams.

About Cadwalader, Wickersham & Taft LLP

Cadwalader, established in 1792, serves a diverse client base, including many of the world's leading financial institutions, funds and corporations. With offices in New York, London, Charlotte, Washington and Brussels, Cadwalader offers legal representation in antitrust, banking, capital markets, corporate finance, corporate governance, executive compensation, financial restructuring, intellectual property, litigation, mergers and acquisitions, private equity, private wealth, real estate, regulation, securitization, structured finance, tax and white collar defense. For more information, visit www.cadwalader.com.