



# CEE IN-HOUSE MATTERS

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Enough With The Pandemic-Induced Self-Delusion / Business Integrity: What's It All About / Harmonizing Bayer's Compliance Regionally / A Story of a Complete Compliance System Revamp / A Shopping Spree: A GC's Story of Handling Dozens of Parallel Transactions / Bracing for the Whistleblowing Directive / Striking A Balance When It Comes To Risk / Expanding Your Role: Managing the Challenge of Increasing The Number of Internal Clients / Recruiting During COVID-19: Expanding the Legal Team During the Pandemic / Familiar Feel: Similarities Between The Banking Crisis and COVID-19 / Reflecting on Mr Wolf: The GC Soft Skills That Get Things Done / The Soft Touch: Focusing on People / Coping With COVID-19: Respect, Adaptability, and a Human Touch / A Blessing And A Curse: The Pandemic Slows Down Banking Litigation in Serbia But Brings Its Own Challenges / Looking Back at a Challenging Year / To Business and Back: Sonja Radovic's Path from Associate in Belgrade to Head of Legal in Berlin

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# Editorial: Enough with the Pandemic-Induced Self-Delusion

By *Michal Roslon*, Chief Legal Officer, LS Airport Services

*Everyone has gone through, or more likely, still is going through particularly difficult times. That includes us, in-house lawyers, who have a perhaps more intimate relationship with their employers than others do. Thankfully, according to the more professional part of the Internet, quite a few of us managed to become better versions of ourselves. We became true business partners to our employers, we took on a more hands-on approach, we handled more workload, and so on, and so forth. Those are indeed great news but my question to you is: did we really need a pandemic to make us improve?*

An in-house lawyer's job is not an easy one, to say the least. We manage a constant stream of queries spanning all areas of law in an ever-changing legal landscape. In addition, we need to add the human factor, i.e. we have to tailor our replies to not only suit the task at hand but also customize them for the employees acting on our advice so that both the problem and the solution become understandable and manageable. At the same time, we strive for the whole legal procedure to be a positive experience for all parties involved, and hopefully also a learning opportunity for non-lawyers. Did the pandemic change any of that? Of course... not.

Our employers' priorities may have shifted, but they did so at times even before the pandemic. Priorities changed during especially difficult negotiations? A complex problem has arisen with one of the bigger - but still paying during the pandemic - clients? Unavoidable layoffs are causing mobbing-bordering friction? Nothing new there. We act accordingly, we adapt, we keep up. Such flexibility was always an inherent trait for us.

I have also heard voices that now is the time for in-house lawyers to become business partners and I agree. Such truism is incontestable while at the same time it makes us look smart. So, let me ask you this: when was there ever a time when it was OK for us not to be partners in the business? When have we become so out of touch with reality that such bragging actually became a good idea?

During the pandemic, most of us were suddenly faced with a decrease in funds available for external law firm consultations and we saw a proportional increase in our own workload. But we managed, like we always do. And yet, the critical lawyer in me keeps nagging: if the workload increase is manageable while external legal services costs have decreased, then maybe, just maybe, this could have been done before the pandemic struck? Could we have integrated ourselves better into the business processes of our employers and if so, why did this not occur to us before this current crisis?

Based on my own experience, I feel that despite what our titles, pay-checks, and egos tell us, we are still people who succumb to a number of coping mechanisms when dealing with additional pressures. Furthermore, even though we are experts at analyzing situations from a third-party perspective, we fail to apply such skills to ourselves. Maybe it is human nature or maybe we have grown too comfortable in our ivory towers to ask ourselves if we could do a better job. Maybe, after reaching a certain status - no one has had the courage to question our work culture. And now that we are in a pandemic, some of us are finally opening our eyes and are starting to ask the uncomfortable questions.

To tell the truth, I wanted to begin this editorial with snappy, psychology-backed rhetoric with the Dunning-Kruger effect as the real workhorse - hence the title. However, the beauty of psychology lies in its ruthless objectivity towards all actors in a situation, and that would include me. So, to save face, let me end with this plea. Let's withhold the bragging, let's withhold the "my failures made me stronger" stories until we are sure that there really is something to brag about. Remember when at the beginning of our careers, we had to constantly question ourselves? Let's trace back to the time when we have ceased such practice and ask why. And then let's bring it back. ||



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## ON THE MOVE: GC MOVES



**Austria:** Arnold Koger New Head of Legal at Novartis

Arnold Koger has joined Novartis as Head of Legal.

At Novartis, Koger will be responsible for Antitrust, Competition, Compliance, Contracts, Ethics, and Labor, as well as heading Novartis' Technical Operations Austria legal team, based in Kundl, helping provide strategic legal support to one of the company's largest production sites.

Koger started his career as an Associate at Cerha Hempel. Later, he worked as a legal counsel at Red Bull, then as General Counsel and Member of the Executive Committee for L'Oreal Austria, before joining Novartis.

Koger told CEE In-House Matters: "It seems like the right time and challenge to join Sandoz and Novartis in Austria, as the company just committed to penicillin API production in Europe, specifically on the Austrian sites for the next ten years, ensuring independence in these challenging times." ||

*By Djordje Radosavljevic*





## **Russia:** Timur Khasanov-Batirov Joins Stada as Head of Compliance for Russia and CIS Region

The Stada Group has named Timur Khasanov-Batirov Head of Compliance for Russia and the CIS Region.

Khasanov-Batirov started his career as an Associate at Baker McKenzie, and later worked as Executive Officer of Legal & Corporate Governance at Carlsberg Group, Chief Compliance Officer at DTEK Energy, and Compliance Officer at Dr Reddy's Laboratories.

Khasanov-Batirov told CEE In-House Matters that he is "delighted to join Stada and hope[s] to utilize my compliance experience in the region for the benefit of the company."

An more extensive interview with Khasanov-Batirov appears the In-House Buzz section on page 22. ||

*By Djordje Radosavljevic*



## **Turkey:** Dinc Sanver Becomes GC and CLO for Turkey & MEA at Teva

Teva Pharmaceuticals has named Dinc Sanver General Counsel & Local Compliance Officer for Turkey & MEA.

Sanver started his career in private practice in 2008. In 2010, he became a legal consultant and IP specialist at the Istanbul Patent Trademark Consultancy. In 2011, he moved to Samsung Electronics Turkey as a legal compliance manager, and in 2017 he joined Zimmer Biomet as its Compliance Manager EMEA, a role he held until joining Teva this year. Since 2005, Sanver has also been serving as the General Counsel of the Istanbul Bar.

Sanver told CEE In-House Matters: "My main motivation was to move to one of the best companies in pharmaceuticals in order to further my career in the emerging markets of the Middle East and Africa in the field of compliance." ||

*By Djordje Radosavljevic*



**Czech Republic:**  
Zentiva Names  
Pawel Borowski  
Head of General  
Legal

Former Takeda Senior Legal Counsel Pawel Borowski has joined Zentiva as Head of General Legal in Prague.

Borowski started his legal career in Warsaw with Wardynski & Partners in 2003. In 2006 he joined Hogan Lovells and then in 2007 moved to Weil Gotshal & Manges. In 2013 he joined Chalas i Wspolnicy as the Head of Litigation and later moved to Kochanski & Partners in 2014, where he was made Partner.

Borowski moved in-house in 2019, joining JUUL Labs as Legal Counsel Poland. Almost one year later he moved to Takeda in Switzerland taking on the role of Senior Legal Counsel Global Manufacturing and Global Quality. ||

*By Djordje Radosavljevic*

then took on the role of Group Chief Legal Officer and Company Secretary with Ciech S.A. In 2014, he became a Partner in the Legal and Compliance area at Grupa Strategia, followed by a year with Bank BPH as its Managing Director, Legal Department – Business Unit Support. In 2016 he became Head of Legal at ENEA S.A. before taking on the role of Legal and Compliance Manager with Edenred Polska. His last role before joining Bank BPS S.A. was that of Head of Legal of Dom Maklerski Bank BPS, which he joined in September 2019. ||

*By Djordje Radosavljevic*



**Bulgaria:** Irina  
Vasilevska Joins  
Huawei as General  
Counsel

Irina Vasilevska has joined Huawei as its General Counsel in Bulgaria.

Vasilevska started her legal career in 2001 as a Legal Advisor for Globul. In 2008, she became Legal Affairs & Protected Information Department Manager, and, in 2013, Chief Legal Officer. With Telenor's acquisition of Globul in 2013, Vasilevska became the Chief Legal Officer of Telenor in Bulgaria. In 2016, she became Chief Corporate Affairs Officer at Telenor. In 2018 and 2019 she also served as a Senior Advisor to the Board of Directors at the company.

Vasilevska told CEEIHM: "I trust my diverse and long-term experience in the ICT sector would bring value to the local team. I hope that together, with passion and commitment, we will continue, as Huawei's slogan goes, 'Building a Fully Connected, Intelligent World.'" ||

*By Djordje Radosavljevic*



**Poland:** Bank BPS SA  
Names Radoslaw  
Radowski Head of  
Compliance

Radoslaw Radowski has joined Bank BPS SA as Head of Compliance.

Radowski started his career as a lawyer with Bank Austria Creditanstalt Poland in 1998. In 2000, he joined Bank Millennium as Head of Legal, moving in 2005 to Polbank EFG as Chief Legal Officer. In 2007 Radowski moved to the Legal & Compliance Division of Allianz Bank Polska S.A. as Managing Director and Board Member. Four years later, he joined Get Bank S.A. as Board Member in charge of Legal & Compliance.

In 2012, Radowski joined Getin Noble Bank as the Advisor to the CEO on legal and compliance to





**Turkey:** Fatma Ozen Karaca Joins Master Destek as Chief Legal Counsel in Turkey

Fatma Ozen Karaca has joined Master Destek as Chief Legal Counsel in Istanbul.

Karaca started her legal career in 2008 with A Law & Company, and in 2009 she moved to Caglar Law & Consultancy. In 2010 she moved to the Gultekin Law Office, where she stayed until 2017, at which point she moved in-house with Unlu & Co. She left Unlu & Co. in February of 2020.

Karaca obtained an LL.B from the Istanbul Commerce University in 2006 and an LL.M from Bahcesehir University in 2020. ||

*By Radu Cotarcea*



**Poland:** Pavel Kovarik Becomes Head of Legal and Compliance at Credendo

Former ING Bank Czech Republic Head of Legal Pavel Kovarik has joined European credit insurance group Credendo in the Czech Republic as Head of Legal and Compliance.

Kovarik started his career at CSOB, where he worked from March 2000 to December 2002. He joined ING Bank Czech Republic in 2003, ultimately spending the next 17 years there, the last eight as Head of Legal. ||

*By Djordje Radosavljevic*



**Russia:** Olga Gulyaeva Joins Legrand in Russia

Olga Gulyaeva has joined Legrand as Director of Legal and Compliance Officer.

Gulyaeva started her legal career in 2009 as a legal manager at Nokian Tyres before joining Bridgestone as Head of Legal in 2018. ||

*By Djordje Radosavljevic*



**Turkey:** Alliance Healthcare Brings on Huseyin Topuzoglu in Turkey

Former Emaar Turkey Director of Legal Affairs Huseyin Topuzoglu has joined Alliance Healthcare as its Legal Director in Istanbul.

Topuzoglu was at Emaar Turkey for two years. Before that, he spent six years as the Legal Director of Tesco and two years as the Legal & Human Resources Director at Best Buy. Earlier still, he spent four years in private practice with Herguner Bilgen Ozeke and a year in-house with Garanti Bank.

He is a graduate of Istanbul University and holds LL.M.s from Bahcesehir University and St John's University Law School. ||

*By Radu Cotarcea*



### **Lithuania:** SIG Brings on Lina Zolyne as GC in Lithuania

Lina Zolyne has joined the Sun Investment Group in Lithuania as Group General Counsel.

Prior to SIG, Zolyne worked for Maxima Grupe, which she originally joined in March 2018, becoming Head of Legal Services in July 2019. Before moving in-house, she spent seven years in private practice with Ellex Valiunas. Earlier still, she practiced with Varul Vilgerts Smaliukas and Smaliukas, Juodka, Beniusis & Partners.

Zolyne is a graduate of the Vilnius University. ||

*By Radu Cotarcea*



### **Turkey:** Unilever Hires Ebru Gurdemir as Regional GC in Turkey

Ebru Gurdemir has joined Unilever in Istanbul as General Counsel TUI.

Gurdemir joined Unilever from Tetra Pak, where she was General Counsel, Greater Middle East & Africa. Before joining Tetra Pak in 2011, Gurdemir spent two years as Legal Director for British American Tobacco. Earlier still, she worked for Colgate Palmolive, first as Legal Director - Turkey & New Geos (from 2001 to 2008) and then in Switzerland as Legal Director PCP Europe. Gurdemir's first in-house role was with HP from 1998 to 2001.

Before moving in-house, she practiced with Herguner Bilgen Ozeke in Istanbul and the Postacioglu Law Office in Izmir.

"I am privileged to have the opportunity to bring my 29 years of professional experience with a fresh perspective from outside to a great company like Unilever," Gurdemir commented. "Appreciating all

the great legal work that is already in place, as legal leader and board member, I look forward to further developing the legal contributions to outstanding business Unilever has in Turkey, Central Asia, and Iran." ||

*By Radu Cotarcea*



### **Turkey:** Birturk Aydin Leaves Esin Attorney Partnership to Become Head of Legal at Koc University

Former Esin Attorney Partnership Partner Birturk Aydin has left that firm — the Turkish member firm of Baker McKenzie International — to become Head of Legal at Koc University in Istanbul.

Aydin had spent the past 15 years working with Ismail Esin at different firms, the past nine as part of the Esin Attorney Partnership, after that firm's founding in 2011. He graduated from the Istanbul Bilgi University in 2005.

Aydin says he is "very enthusiastic about my new role." According to him, "after spending so many years serving clients, I wanted to be an internal part of their life. I was providing legal advice mostly on large and important projects. After completion of the projects, I was feeling that something was missing. With this idea in mind, I decided to make the leap to corporate life. When I saw Koc University's Chief Legal Counsel's position announcement, I thought that it was a great opportunity, as Koc University is one of the top universities in Turkey. It is more than a company — it will also allow me to contribute to the higher education of bright students. Koc University also supports start-ups so I hope to play a role in the development of the start-up habitat of the country." ||

*By David Stuckey*



## **Turkey:** Ayca Aydin Suzer Joins TEB Cetelem as Head of Legal

Ayca Aydin Suzer has joined TEB Cetelem as Head of Legal in Turkey.

TEB Cetelem (or TEB Financing A.S.), a BNP Paribas Personal Finance and TEB Holding A.S. Partnership, is a financing company operating in Turkey since 1995. BNP Paribas Personal Finance holds a 86% stake in TEB Cetelem.

Prior to joining TEB Cetelem, Suzer was Legal & Compliance Manager at ViTO Energy and Investment. Before moving in-house in 2018, she practiced with the Cetinel Law Firm and the AYA Law Firm.

"TEB Cetelem is a prominent consumer financing company committed to promoting responsible and sustainable consumption," commented Suzer. "Being a part of this organization is a highly motivating opportunity as a legal counsel. I am looking forward to this fulfilling challenge after several years in construction and infrastructure." ||

*By Radu Cotarcea*



## **Czech Republic:** Marian Husar Joins J&T Finance Group as Head of Legal

Former Clifford Chance Senior Associate Marian Husar has joined J&T Finance Group as its Head of Legal.

Husar joins J&T after a decade at Clifford Chance. He graduated from Charles University in 2011 and obtained a Master's degree in Finance from Masaryk University, a Magister Juris degree from Oxford and an LL.M. from the University of London.

"Being a part of J&T is a highly motivating opportunity for me," Husar commented. "I am very enthusiastic about my new role and look forward to working on challenging and diverse legal matters. Above all, I trust my long-term transactional J&T experience in the banking and finance area will bring value to J&T group." ||

*By Djordje Vesic*



## BACK TO PRIVATE PRACTICE



### **Hungary:** Jozef Antal Returns to Private Practice as Head of Disputes at Kapolyi Law Firm

Jozsef Antal, the former Head of Legal and Compliance at Metro Cash & Carry Hungary, has returned to private practice as a Partner with the Kapolyi Law Firm.

Antal joined Metro Cash & Carry Hungary in January 2020. Prior to that, he spent a year as Chief Legal Counsel at Unix Auto. Before moving in-house, he was Partner and Head of Dispute Resolution at Baker McKenzie, a firm he first joined in 1999. He currently also serves as a member of the supervisory board at the Hungarian Food Bank and is Vice President of the Hungarian Arbitration Association.

"While the head of legal and compliance department role at a multinational company was interesting and demanding," Antal told CEE In-House Matters, "I decided to say 'yes' when friends from a reputable and strongly upcoming Hungarian law firm asked me to take over and build their disputes practice further. This seems to be quite an inspiring challenge." ||

*By Radu Cotarcea*



### **Turkey:** Former Havelsan Chief Legal Counsel in Turkey Moves Back to Private Practice To Launch New Firm

Yavuz Selim Gunay, the former Chief Legal Counsel and Head of Contracts at Havelsan, has returned to private practice to launch Gunay & Erdogan Attorneys-at-Law.

Gunay spent the past four years at Havelsan, after spending three years practicing with the Herguner Bilgen Ozeke Attorney Partnership.

"Being in private practice is really exciting," Gunay said. "We founded a full-service boutique law firm and we are happy to assist our clients. We believe that our experience and academic background will be an asset for us." He concluded: "I am grateful to all of my colleagues that I worked with at Havelsan." ||

*By Radu Cotarcea*



Full information available at:  
[www.ceeinhousematters.com](http://www.ceeinhousematters.com)

Period covered:  
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## ON THE MOVE: GC PROMOTIONS AND APPOINTMENTS



### **Hungary:** Mark Erdelyi Becomes Chief Legal and Reputation Officer at Telenor Hungary

Mark Erdelyi has been promoted to the role of Chief Legal and Reputation Officer at Telenor Hungary.

Erdelyi has been with the telecommunications company since 2009 when he joined as a Legal Director. In 2013 he was appointed Legal and Assurance Director and Compliance Officer. Before Telenor, he had his own law practice: Erdelyi Ugyvedo Iroda.

"My motto for my legal work was always: support the business proactively by providing first-class legal services and fostering the company to be a fair and respected market player," Erdelyi commented. "By getting responsibilities for corporate communications whose main task is to build the reputation of the company I see the path to continue on this reputation journey! I'm looking forward to it!" ||

*By Radu Cotarcea*



### **Poland:** Robert Makowski Promoted to Executive Director and Senior Counsel at Goldman

Robert Makowski has been promoted to Executive Director and Senior Counsel at Goldman Sachs in Warsaw.

Makowski joined Goldman Sachs a year and a half ago from WKB Wiercinski, Kwiecinski, Baehr. He began his career at Squire, Sanders & Dempsey in 2008 after graduating from the University of Warsaw, then moved to Allen & Overy in 2009. From 2010 to 2018 he practiced at Linklaters, at which point he moved to WKB. ||

*By Djordje Vesic*



### **Romania:** APS Recovery Appoints Oana Todeila Head of Legal in Romania

Oana Todeila has been appointed Head of Legal & Compliance for APS Recovery in Romania.

Todeila has been with APS Holding since 2018. She began her legal career with several years in private practice with Tuca Zbarcea & Asociatii. ||

*By Radu Cotarcea*



### **Czech Republic:** Ivana Fara Becomes Head of Legal at Tesco in the Czech Republic

Ivana Fara has been promoted to the role of Head of Legal Team for Tesco Stores CR in the Czech Republic.

Fara has been with Tesco since March 2017, when she joined as the CE Legal Team Lead (Group Procurement & Finance). In January 2018, she was appointed CE Legal Team Lead (Product), and then assumed the role of CE Head of Legal (Product) four months later. She spent several months in-house with British American Tobacco in the Czech Republic and Slovakia before joining Tesco.

Before moving in-house, Fara spent nine years with CMS Cameron McKenna in Prague, ultimately as Head of TMT. Earlier still, she spent two years with Haarman Hemmelrath.

Fara commented: "I am happy and proud to be part of the Tesco family for over three years and excited to accept a new role to lead a team of very knowledgeable and enthusiastic lawyers supporting all business streams in the Czech Republic while continuing to provide the legal support of relationships with suppliers across CE. The retail environment is heavily regulated and we are committed to providing high-quality advice to our internal stakeholders while staying compliant. One of the main priorities of myself and my team, for now, is to help the business to efficiently deal with specific issues and situations brought by Covid-19 pandemic in our sector." ||

*By Radu Cotarcea*



### APX Makes Sonja Radovic Head of Legal

Berlin-based APX Axel Springer Porsche has named Serbian lawyer Sonja Radovic as its Head of Legal.

APX is a joint venture between Axel Springer and Porsche. Since 2018, APX has invested in 50+ companies with founders from over 20 countries. APX is the successor of the Axel Springer Plug and Play Accelerator, which from 2013 to 2017 was the first investor in more than 100 startups, including fintech unicorn N26.

Radovic started her legal career with Karanovic & Partners in 2013, and in March of 2018 she moved to Berlin to join APX's investment team.

"APX by Axel Springer and Porsche is the most ambitious early-stage venture capital investor based in Berlin – we are striving to enable founders to raise great rounds and create scalable tech businesses," Radovic commented. "The number of almost 70 portfolio companies in less than three years of work shows our ability to be agile and pragmatic and look beyond the conventional in search of great talent and amazing founders. Of course, this has always been supported by our shareholders and the broad networks which they bring together with a joint goal." She added, "my role has so far been focused on working with the founders on their businesses, managing the portfolio companies and representing APX in the follow-on financing rounds, from pre-seed to Series A. However, a growing portfolio of companies means a growing need for transaction-based work on financing. Having a background in corporate and M&A law and having graduated with a Master's of Business and Law from the Bucerius Law School, this role has been a great fit for my career growth. While I will continue working with the founders in a decreased capacity, I will fully take over heading and organizing the transactional and legal work at APX, and I am genuinely looking forward to the growing number of later-stage financing rounds that are coming our way."

CEE In-House Matters spoke with Radovic about her career in an interview on page 100. ||

*By Radu Cotarcea*



## **Bulgaria:** First Investment Bank Promotes Anton Petrov to Deputy Director Legal

Anton Petrov has been promoted to the position of Deputy Director Legal at First Investment Bank in Bulgaria.

Petrov has been with the bank since 2017 when he joined as Legal Counsel International Legal Affairs. In June 2018, he was promoted to Head International Legal Affairs. Prior to FIB, Petrov was a Senior Legal Officer and Risk Assessment Lead with the EU Regional Development Funds Managing Authority in Bulgaria and, for two years, a Project-Based Tender Expert with the EBRD.

Before moving in-house, Petrov worked as a legal associate with Hristov & Partners and as a legal counsel & tax consultant with PwC. He has also served as junior legal counsel for Mel Invest Holding.

"My promotion is further evidence that Fibank is one of those forward-looking institutions, searching for talent, always believing in its employees - even in these uncertain times - able to find opportunities for them," Petrov said. "I hope my energy and diverse cross-border experience will reinforce the legal function of the bank." ||

*By Radu Cotarcea*



## Martin Lazar Takes on Additional Regional Responsibility with SOBI

Former Swedish Orphan Biovitrum AM Regional Director Legal & Compliance CEER Martin Lazar has become Regional Director Legal & Compliance Central and Eastern Europe, Russia, Japan at the pharmaceutical company.

Lazar, who is based in Prague, has been with SOBI since moving from Baker McKenzie in June, 2020, where he had spent the previous seven years. ||

*By Radu Cotarcea*







## **Russia:** Alexey Statsenko Makes Partner at EY in Moscow

Alexey Statsenko, Regional General Counsel for Central, Eastern and Southeastern Europe & Central Asia at EY, has been promoted to equity partner at the consulting firm.

Based in Moscow, Statsenko leads a 50-strong team of legal professionals supporting EY member firms' business in the region, where EY has almost sixty offices (in close to 30 countries) and more than 14,000 people.

Statsenko has been with EY since September 2009, when he joined the Big 4 company as the General Counsel for Russia & CIS. He took on the regional GC role in July 2018. Before joining EY, Statsenko was Legal & External Affairs Director for Russia & CIS at Nissan Motor Co. Earlier still, he was Legal Manager for Russia & CIS at Fonterra.

Commenting on his promotion, Statsenko told CEEIHM: "It's a great honor for me to be admitted to the EY partnership, and I am especially thrilled to become an EY Partner in these turbulent times. I am grateful to my leadership and my fellow partners for their trust and recognition of the role our Legal function plays, helping our teams serve clients at this challenging moment and doing our part to build a better working world." ||

*By Radu Cotarcea*



## Stakelogic Group Promotes Sorana Paduraru to Head of Legal

The Stakelogic Group has promoted Romanian lawyer Sorana Paduraru to Head of Legal in the Netherlands. Paduraru started her legal career with Tuca Zbarcea & Associates in Romania in 2008, where she stayed until 2011. She joined Consilio in Germany for her first of three separate terms in 2014 (later engagements came in 2015 and 2018), and in the meantime worked as a lawyer for Epiq Systems for five months and a contract administrator for Lukoil Benelux in Geneva for two years. She moved to the Netherlands in 2018 to join Stakelogic as a Legal and Compliance Officer. ||

*By Radu Cotarcea*



## THE IN-HOUSE BUZZ

In “The In-House Buzz” we check in with GCs across Central and Eastern Europe for updates about professional, political, and legislative developments of significance that affect their work. Because the interviews are carried out and published on the CEE In-House Matters website on a rolling basis, we’ve marked the dates on which the interviews were originally published.



## HUNGARY

Interview with Istvan Szatmary, GC of Mediaworks Hungary



"We have faced many difficulties and obstacles this year because of the coronavirus pandemic," says Istvan Szatmary, Legal Director of Mediaworks Hungary.

"Our business has certainly been very affected, especially considering how quickly things have changed and how little maneuvering space we have had," Szatmary says, explaining that this has meant multiple new challenges for the company's legal team, as they needed to "adapt to health issues and be prepared for the new way of working that awaited on the horizon." He adds: "The major issue was that this was a rather unexpected turn of events because we have never seen economies so severely hit by a pandemic. The speed of new legislation was also a major challenge for the legal team, as new rules came out almost every day, some of which may stay with us for a while."

Szatmary points out that his team had to switch to remote working – which had a considerable impact on management tasks as well. "Managing a team remotely is hard," he says, "as you need to motivate your people to work with the same agility as before but without the traditional methods. I think in this kind of situation, trust, and communication are key. If you trust your team, they will trust you back, thereby enhancing motivation. At the end of the day, we worked it out, and although it wasn't an easy ride, we managed to get over it and conquer the situation," he adds with pride.

"In addition, we had to manage the human factor as well," Szatmary adds, pointing to "team members dealing with homeschooling difficulties, elderly team members being very seriously exposed to health issues, and similar but still very individual problems that we had to manage on a case by case basis."

Looking into the future, Szatmary says that there is a distinction to be made between general issues and issues specific to his industry, including "the implementation of new EU rules related to IP rights and liability issues." According to him, "these will mean that we will have to work hard on adjusting our operations."



***We have to adhere to the uncertainty and have to have contingency plans in place for all potential outcomes.***

"Maybe the most critical general issue that we are seeing is uncertainty as to how the coronavirus pandemic spreads again – uncertainty about the upcoming weeks, let alone months," he concludes. "No one knows how we will be working or what sorts of limitations we are going to face, which leads me to believe that we all will have to be even more flexible than before. We have to adhere to the uncertainty and have to have contingency plans in place for all potential outcomes. You have to take every aspect into consideration and monitor the situation every day from every potential angle. This means that every day you become more flexible and more creative solutions arise. Some of these novel solutions may stay with us, in the long run, changing our work environment on a permanent basis." ||

*By Djordje Radosavljevic (August 19, 2020)*

## GREECE

### Interview with Stathis Mihos of Pfizer



"The past few months were hard on us," says Stathis Mihos, Pfizer's Legal Director for Greece, Israel, Malta, and Cyprus.

"Pfizer is, among other companies, involved in making the COVID-19 vaccine, which is challenging from a legal perspective," Mihos says. "It's a unique situation, to say the least, and we have mentally prepared ourselves for it. Apart from that, we had

***The near future will not change in any major way, and we will have to live under these 'abnormal' circumstances.***

to change the way we work, and get ourselves ready for a complete change of the systems we were previously used to."

Unsurprisingly, Mihos reports that the last months have been full of challenges regarding labor law, regulatory and safety issues, and privacy issues. Once the company cautiously and partially returned to the office, Mihos reports that his team "had to ensure everyone was safe at the workplace, which is always a priority. The biggest thing that is currently going on is our involvement on the local

level, which means supporting our business in discussions with the local authorities for the preparation for the potential sale of the vaccine being developed. The vaccine would have to get the approval of the authorities and we are currently doing the preparatory work which, once the vaccine is approved, will enable us to sell it, if the clinical trial goes well. The point is we need to get this part done now, so that, if the vaccine does eventually come out, no additional time is wasted, and the field is prepared for its sale almost immediately."

Mihos knows that all in-house lawyers in the region are facing similar problems nowadays. "We all have to switch from the traditional way of working," he says, "to focus more on helping the business operations run smoothly and profitably, while ensuring everything is done lawfully, especially in this situation, where legislation changes rapidly and so much is still uncertain." Some businesses have had a harder time than others, he says, so had to face issues such as layoffs, but in general problems are almost the same for everybody. "Governments have implemented a lot of new legislation to help businesses stay afloat," he says, "but from a legal perspective, that means a lot of work, to apply all of that. To put it mildly, this meant creating additional work for lawyers, on top of the day job we already had."

"The near future will not change in any major way, and we will have to live under these 'abnormal' circumstances," Mihos adds. However, he believes that "the actual creation and sale of the vaccine, be it ours or from any other company, could be a real game-changer which will finally create a sense of normality. Having that in mind, it's important to note that even then, things will never be completely the same as we were used to. That includes legal work because as business changes, we will have to change too. We all will need to get used to making ourselves as flexible as possible, in terms of how we work and the way we interact."

He smiles. "This is tough for us because as lawyers, we don't embrace change with open hands. At the end of the day, the sooner we adapt, the better!" ||

*By Djordje Radosavljevic (September 24, 2020)*

## POLAND

## Interview with Agnieszka Dziegielewska-Jonczyk of Skanska Central Europe

"The construction business suffered from COVID-19, but so far less than others," says Agnieszka Dziegielewska-Jonczyk, GC of Skanska Central Europe. "We may see the impact in the coming months. As we are fully dedicated to our customers, Skanska construction sites in Central Europe are open."

"Keeping employees safe is a top priority for us, but keeping the company profitable and compliant with external and internal regulations is equally important," Dziegielewska-Jonczyk says, noting that it is the GC's job to ensure compliance standards are met. According to her, today's GCs should follow the business strategy and keep an eye on risk management. "It's fairly obvious to say that the construction market will change in the future and that we will have to appropriately adjust our portfolio of projects and equally focus on both private and public procurements," she concludes. "The company needs to remain profitable, which means we need to choose the right deals, especially given that we work in a very competitive environment. On the other hand, we need to closely monitor the current projects and have a good approach to possible disputes. Here, it is essential to maintain proper claim management. This is exactly the thing that helps to ensure profitability in the construction business."

Dziegielewska-Jonczyk says that it's interesting to look at the Polish in-house lawyers' market, especially at this point, because of the results of the survey conducted by the Polish Corporate Lawyers Society survey's results. "The survey's goal was to find out what the current Polish in-house market looks like, and what most of our colleagues agreed on is that a modern in-house lawyer is, factually speaking, a new kind of a lawyer. His/her role is much different than that of a lawyer working in private practice; he/she needs to be much closer to business and much more equipped for it."

She adds that in-house lawyers had to learn new skills, which are "usually not taught in law school." According to Dziegielewska-Jonczyk, "modern lawyers need to understand the business environment, manage complex projects, and communicate with large groups of people. All of this only comes as an addition to typical lawyer



***Modern lawyers need to understand the business environment, manage complex projects, and communicate with large groups of people.***

skills, which are the first instance. It seems that the in-house role has become, informally speaking, almost a new legal profession."

Speaking about new trends among Polish in-house lawyers, Dziegielewska-Jonczyk says that they are "strictly connected with the lawyers' engagement in the strategic management of the company."

According to her, "nowadays, GCs are part of key business decisions. This trend is clearly indicated by most in-house lawyers in Poland. Also, given how high the regulatory standards are, GCs are much more involved in compliance, and most of the attention is focused there. Another visible trend is an openness to new technologies and digitalization. As GCs, we have to make sure that we adapt to the new way the business will be done in the future. It's challenging to advise the business in a constantly changing environment, but it is the in-house lawyer's job to help them navigate through the situation, to adjust to new regulations, and to stay profitable." ||

***By Radu Cotarcea (October 5, 2020)***

## RUSSIA

### Interview with Timur Khasanov-Batirov of the STADA Group



"As compliance practitioners, we had to go through a major shift recently with going online, which is quite a new thing in our sector," says Timur Khasanov-Batirov, Head of Compliance, Russia & CIS at the STADA Group.

"It's two different universes for us," Khasanov-Batirov says. "You have to deliver your message to many people who aren't around you. It's still hard to tell which one I'd prefer, but we are getting used to this, nonetheless."

"Another thing GC's have to deal with is managing people, but I never felt like that was much of a challenge, and that hasn't changed for me," Khasanov-Batirov says. He believes that, contrary to popular belief, productivity has increased under the "new normal." According to him, "we now have to structure our work, and we need a fast and organized decision-making process, with no time wasted. That led to more productivity and greater efficiency since the new way of working was introduced."

Khasanov-Batirov says that the beginning of the year was good for the pharmaceutical industry because people increased their purchases of medicines when they realized a health emergency was about to strike. "That trend stopped soon, once everybody filled their shelves, and the demand for medicine came to a visible slowdown." He

concludes that both the buyers and the employees needed time to adapt to the situation, but are now more used to it, and he believes that "things are getting back on track."

The biggest challenge for compliance practitioners is to comply with a lot of anti-corruption issues that recently came up, Khasanov-Batirov says, "but the challenge came mostly from the fact that we needed to comply while completely changing the way we work." Another challenge compliance counsels face, he says, regardless of the sector they are working in, is how to extract the necessary information when you are faced with the dozens of new pieces of legislation that are constantly appearing on the horizon. He argues that the way to deal with this is "to focus and try to find the red flags and realize what is relevant. This prevents a cluster from forming and makes lives easier."



***We now have to structure our work, and we need a fast and organized decision-making process, with no time wasted.***

Khasanov-Batirov agrees with the conviction among many GCs working in CEE that their work has now become less about "lawyering" and has become more business-oriented, and he reports that "nobody needs the same kind of a General Counsel that was operating in 2005." According to him, "of course, you have to use your legal background, but the focus has now shifted towards business development, risk management, and so on. I realized that I needed to make that shift some seven years ago, and now I'm used to it and prepared for the challenges. Now, my team and I are helping others overcome the issues and make themselves ready for the new needs of a highly competitive market." ||

***By Radu Cotarcea (October 6, 2020)***

## LITHUANIA

Interview with Rytis Valunas of  
Klaipėdos Nafta

"The energy sector has been highly affected in the past few months, as global demand went down tremendously, which has a significant impact on the whole value chain," says Rytis Valunas, GC for oil and LNG terminals operator Klaipėdos Nafta. "Many companies, especially from the oil industry, caught themselves in a situation they never dealt with previously." And, he says, "with the pandemic evolving further, the business environment is not likely going to improve soon."

Valunas notes that governments around the world have adopted economy rescue packages aimed at speeding the transition towards a green economy and points to the European Commission's approval of a EUR 500 billion financial stimulus program for green energy, the biggest in history, with more ambitious CO2 emissions reduction targets set for 2050. He explains that the mission of GCs now is to help navigate this new world and transform the business. "The best way to put it," he says, "is that our job now is to work together with fellow top executives and boards to ensure the continuity of our business and strengthen the focus on social and environmental responsibility".

"From a short-run perspective," he says, "we are looking at how the changing environment affects the contractual obligations of our partners, suppliers, and clients, assessing possible risks (such as the invocation of force majeure clauses and delays caused by disruptions in the supply chain) and how they can be mitigated, and organizing our activities to ensure a sustainable relationship." According to him, "this goes way beyond the standard legal framework and it is all very intense because it is our responsibility to make sure companies stay afloat and resilient. Hence lawyers now have to act as advisers to the companies from the business continuity point of view."

A longer-term perspective brings not only challenges, but opportunities. "In the evolving environment," Valunas says, "we see an important role of our company in bridging the old and new worlds of energy with more climate-friendly forms of energy, such as gas and LNG, renewable fuels and new forms of liquid energy like hydrogen, which



is a development that attracts growing interest." Similarly, he says, "we strive to reduce carbon emissions from our activities by becoming more efficient and strengthen social and environmental governance."

The lawyers' role is instrumental in understanding not only current regulations, Valunas argues, but also future policies and trends, and help companies to adapt in the best way. "As for GCs working in Lithuania in general, the challenges are different for every sector," says Valunas (although of course some issues and tasks are shared by all). "In recent times, health and safety regulations and compliance with labor rules is the number one priority," he says, "and a lot of work is devoted there." In the future, he says, "it's obvious that lawyers will be more and more involved in risk assessment, business continuity plans, and strategic decision-making to drive companies' transformations and social and environmental responsibility."

Valunas believes that the COVID-19 crisis has had a big impact on teaching lawyers to have a plan B ready in case things turn out unexpectedly. "It is important to always have in mind that things can change rapidly, and to be prepared to adapt as soon as possible." ||

*By Djordje Radosavljevic (October 8, 2020)*



## DEAL 5

In "Deal 5" CEE In-House Matters follows-up on deals reported by CEE Legal Matters through the lens of the firms involved and talks to General Counsel, CFOs, and business owners and CEOs, to learn more about the deals covered across Central and Eastern Europe from their business perspective as clients on these matters. These are carried out and published on the CEE In-House Matters website on a rolling basis, and a selection of recent interviews is presented here.



## Ukraine: EBRD's Konstantin Olefirenko on EUR 25 Million Loan to Ukrainian State Air Traffic Services Enterprise

On July 23, 2020, CEE Legal Matters reported that Redcliffe Partners had advised the EBRD on an up to EUR 25 million term loan to Ukrainian State Air Traffic Services Enterprise. We reached out to Konstantin Olefirenko, Principal Legal Counsel at the EBRD, to learn more about the deal.



**CEEIHM: To start, how was the process initiated? Did the Ukrainian State Air Traffic Services Enterprise come to the EBRD for assistance? How does that process work in general?**

Konstantin: UksATSE is an existing client of the EBRD. Under the original project, the EBRD provided a CapEx loan for the modernization of UksATSE facilities. The company is a state-owned enterprise responsible for air traffic control over Ukraine. Given the heavy damage the COVID-19 outbreak has caused to the air travel industry (both domestic and international), UksATSE requested an emergency loan. The EBRD was happy to support our existing client with good financial fundamentals during this difficult period.

**CEEIHM: The EBRD has a long-standing record of engagement with Ukraine. Why is that in particular?**

Konstantin: Ukraine is one of the EBRD members and a large recipient of EBRD financing and technical assistance grants. This is because Ukraine's economy is underdeveloped and has not yet realized its potential. That is complemented by the fact that Ukraine is also striving to implement a large program of economic reforms and is on a steady path towards being a truly democratic country. Therefore, the EBRD is very interested in supporting the much-needed reforms with the ultimate goal of helping to build a strong and resilient Ukrainian economy and ultimately

improving the quality of life of the Ukrainian population. The EBRD has a strong and experienced team in Kyiv and London which is able to generate a large volume of business for the bank.

**CEEIHM: What would you say was the most complex aspect of the deal from a legal standpoint?**

Konstantin: This is a landmark transaction (I believe the first of its kind for the EBRD), where the existing client received a loan to satisfy its ongoing working capital needs. This created a range of policy issues for the bank, the Ukrainian government, and the borrower.

**CEEIHM: Does the EBRD make a point of spreading its work around to different legal counsel, or when you find a firm you like, do you go back to them again and again?**

Konstantin: The EBRD may engage any top tier law firm in a particular country (with appropriate integrity, experience, and expertise, of course). A particular engagement depends on the complexity of a project, the level of experience of a law firm, and the fees the firm is looking to charge.

**CEEIHM: Why did you choose Redcliffe Partners to act as your external counsel on this matter?**

Konstantin: Redcliffe Partners has assisted the EBRD on a range of transactions in Ukraine (ranging from loans to municipalities to renewable energy project financings). The bank so far has been pleased with the quality of work and the level of service Redcliffe Partners provides. On this particular matter, we engaged Redcliffe Partners because they assisted the EBRD on the initial loan to UksATSE, thus they knew the borrower well and had a good working relationship with the borrower and were able to work quickly and efficiently. The EBRD has increased the amount of financing available to tackle the COVID-19 crisis effects and these projects require lawyers to work very hard under tight deadlines. This is because, in times of crisis, it is very important for the bank to support its clients quickly. Supporting vital infrastructure is one of the main priorities for us at the moment. ||

*By Radu Cotarcea*



**Hungary:** Daniel Schilling on Duna House's Participation in the National Bank of Hungary's Growth Bond Program

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*On September 9, 2020, CEE Legal Matters reported that the Kapolyi Law Firm had advised Duna House, a property brokerage group in Central and Eastern Europe, on its participation in the National Bank of Hungary's Growth Bond Program. CEEIHM spoke with Duna House Chief Financial Officer Daniel Schilling to learn more.*

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**CEEIHM: To give our readers a bit of background, tell us a few words about Duna House.**

Daniel: We are present in Hungary, Poland, and the Czech Republic. We are the largest residential real estate brokers in the region and also one of the largest loan brokers in the region (we are number 1 in Hungary, and 5th-largest-but-growing in Poland).

The company was founded in Hungary 21 years ago by two brothers who are currently still the largest owners in the company. Our focus was Hungary at first, then we entered the Czech Republic in 2010, but the major step to international markets came in 2016 when, towards the beginning of the year, we entered Poland through our acquisition of Metrohouse, the largest real estate broker in Poland. Our growth in Poland then continued with two other acquisitions of loan brokers in the country – one in November 2018 and one in January 2020. At this point, Poland is already the largest market for us in terms of revenue numbers. It is not as profitable as our Hungarian operations but profitability there is growing fast.

**CEEIHM: What is the "National Bank of Hungary's Growth Bond Program" and why did Duna House decide to participate in it?**

Daniel: This is run by the National Bank of Hungary with the aim to create a corporate bond market in the country. So far there have been a couple of issuers who managed to issue corporate bonds and the National Bank aims to widen the range of companies involved in that market. There is almost EUR 1.3 billion available to finance such bond issuances with the National Bank also committing to buying up to 50% of the total proceeds as long as companies find investors for the rest. If you don't have any investors you don't have your bond issuance. Beyond that, each company aiming to go through this program has to go through a credit rating and have it set at least B+ in order to participate.

We considered this particular program for a long time and decided at the beginning of this year that we need additional financing, mainly to finance future acquisitions. We looked at alternatives, but the incentive of the National Bank made this program quite attractive for issuers who are not afraid of the process and the transparency needed. Sure, as an issuer you have a higher interest rate than through a traditional bank financing but you don't have the same restrictions on what you can do as a company and collateral needed – so the bottom line for us was to go for a slightly higher cost but remaining more flexible.

**CEEIHM: What is the capital you raised intended for? What can we expect next from Duna House?**

Daniel: We started our M&A-driven expansion back in 2016. When we had our IPO in November 2016, we promised we would continue to grow, not only organically but also via acquisitions. We have multiple negotiations ongoing and we are hoping we'll be able to announce a deal in the relatively new future. The amount that we secured would actually allow us to finance two more acquisitions and we are looking to expand into new markets. Our goal is to further develop our position into a leading role in the region. For that, we would like to continue our M&A strategy and approximately 60% of the new funds will go towards this push. The rest will be used to refinance our existing loans.

**CEEIHM: What would you say was the most complex aspect of the issuance? Any unforeseen challenges along the way, and, if yes, how did you overcome them?**

Daniel: I have to say that it was a pretty smooth process. The whole bond issuance involves following very strict procedures and those restrictions applied even more since we are a publicly-listed company. I think the previous IPO helped. We knew how to prepare the prospectus and what to expect. We received excellent support from our legal advisors and from OTP, our arranger. One challenging aspect for us was that the bulk of the work behind this happened during the summer period. The bond auction was on August 31, 2020, which is not within your typical transaction-window. Because of the holiday season, it was sometimes challenging to sync everyone up and even investors had a hard time driving the deal through their internal approval processes. We were under a time pressure to secure these funds as soon as possible so that, in our ongoing negotiations with potential sellers, we could prove that we have the financing needed to conclude the transactions. It worked out very well at the end, the results exceeded our expectations.

**CEEIHM: Why did you turn to the Kapolyi Law Firm for advice on this issuance, and what did they advise on specifically?**

Daniel: They worked for us as a fully-fledged advisor, assisting in structuring the bond, preparing the prospectus, and handling regulatory discussions. We had a thorough procurement process. We invited five law firms to bid for the mandate. We never worked with Kapolyi before, but they have a good reputation and we needed someone who has particular experience in this particular type of the bond program of the National Bank and who worked in this program with a publicly-listed company. We needed a legal team that understood the challenges of that particular set of limitations. Plus it seemed they were keen to work with us as well as they put forward quite an attractive offer in terms of price. ||

*By Radu Cotarcea*

## Turkey: Albaraka Asset Management's Emin Ozer on Clotie Investment

*On August 5, 2020, CEE Legal Matters reported that the Aksan Law Firm had advised Albaraka Asset Management on its investment in Clotie, an e-commerce company that provides personalized clothing services. CEEIHM talked to Albaraka Asset Management General Manager Emin Ozer to learn more about the deal.*



### **CEEIHM: To start, please tell us about Albaraka Asset Management.**

Emin: Albaraka Asset Management Company is wholly subsidized by the Albaraka Turk Participation Bank. We have a Portfolio Management Activity Authorization Certificate from the Capital Markets Board. We are specialized in real estate, securities, and venture capital investment funds but we are a full-service asset management company.

Currently, we run five different VC investment funds – in total 12 funds with approximately TRY 2 billion AUM. All funds are issued based on the Turkish Capital Markets Board Regulations.

With the Startup VC Investment Fund, which was founded in May 2020, our aim is to invest in Turkish startups in various stages, from pre-seed to pre-series A. Our ticket size varies according to the stage of the startup.

### **CEEIHM: Why Clotie? What was it about the company that sparked your interest?**

Emin: Albaraka Turk Participation Bank runs a startup acceleration program, Albaraka Garage. Clotie participated in a previous Albaraka Garage acceleration program and we have been following Clotie since then. Over the duration of the program, we held many meetings and discussions about Clotie's business model, metrics, and expansion strategy. Over time we saw the improvements they made and the successes that they have achieved and we were impressed by the team and their abilities. We knew that they were the right team to invest in.

### **CEEIHM: How does this acquisition fit within your general investment strategy and what are the next steps with this asset?**

Emin: Our investment strategy is to invest in Turkish startups which demonstrate product-market fit, high growth potential, and the ability to scale globally. Clotie has solid proof of all three aspects. Our next step is to polish the product and the business model and expand it to another country in the upcoming year.

### **CEEIHM: At what stage of the deal did you involve the Aksan Law Firm? Where they active participants in the negotiations or where they brought in to conclude the contract side of things?**

Emin: The Aksan Law Firm is a partner of Albaraka Asset Management, and we work with the firm on many different levels. Aksan worked on the Clotie deal in order to conclude the contract side of things and helped us with the documentation process.

### **CEEIHM: And, while on the subject, why did you choose the Aksan Law firm specifically for this matter?**

Emin: Aksan is a well-known Turkish law firm focused on startup investments. We are really happy to be working with Aksan Law Firm on our investments. They are a true strategic partner. ||

*By Radu Cotarcea*

## Poland: Madison International Realty's Matthias Cordier on Cavatina Office Acquisition

*On September 21, CEE Legal Matters reported that Greenberg Traurig had advised Madison International Realty on its acquisition of an unspecified stake in Cavatina Office sp. z o.o., the owner of the Chmielna 89 office building in Warsaw, from Cavatina Holding S.A., as well as on its entry into a joint venture agreement with Cavatina Holding and the refinancing of the existing bank debt of Cavatina Office sp. z o.o. CEEIHM spoke with Madison International Realty Managing Director, Matthias Cordier, about the deal.*

### **CEEIHM: To start, please tell us a few words about Madison International Realty.**

Matthias: Madison International Realty is a leading liquidity provider to real estate investors worldwide. Madison provides equity capital for real estate owners and investors seeking to monetize embedded equity, to replace capital partners seeking an exit, and to recapitalize balance sheets. The firm provides equity for recapitalizations, partner buyouts, and capital infusions; and acquires joint ventures, limited partnerships, and co-investment interests as principals. Madison invests in direct secondary transactions and focuses on existing properties and portfolios in the U.S., U.K., and Europe. Madison has offices in New York, London, Amsterdam, Luxembourg, and Frankfurt. Warsaw is one of the firm's target markets with closed transactions including Warsaw Spire, Capital Park, ELI, and Chmielna 89.

### **CEEIHM: What drove this deal from your side? What was it about the target that made it particularly attractive for you?**

Matthias: Chmielna 89 is a brand-new landmark office property in Warsaw's central business district, which is fully let on a long term lease to Poland's largest and most well-known bank, PKO PB. Warsaw continues to be a core target market for Madison with its positive economic outlook — despite COVID-19 setbacks — and solid real estate fundamentals. The transaction fits well with Madison's strategy, whereby we find partners wishing to partially exit their investments in order to have capital available for other projects.

### **CEEIHM: Greenberg Traurig reported that the**

### **deal also involved a joint venture agreement with Cavatina Holding. What was the rationale/scope of the JV?**

Matthias: The acquisition of a partial interest means that Cavatina continues to be our partner and local expert. Madison will rely on Cavatina for the day-to-day management of the asset as well as providing valuable market intel. The teams have negotiated a joint venture to govern the rights of both parties including reserved matters and control rights to ensure a successful partnership.

### **CEEIHM: What would you say was the most complex aspect of the deal from a legal perspective? Were there any unforeseen complications?**

Matthias: The implications of COVID-19 are still unfolding as the situation continues to develop and change. We kept this in mind when working through the due diligence and structuring process of the deal. Joint venture documentation is always time-consuming as it is complex and crucial to get the right to have a successful and long term relationship with your partners.

### **CEEIHM: Why did you choose Greenberg Traurig to act as your advisor on this deal?**

Matthias: Madison has successfully worked with Greenberg Traurig on numerous deals in the past and regard them as one of the market-leading law firms in Poland. We have built a trusted relationship with the team and they helped us navigate through the complexities of closing a deal in a post-COVID world. GT understands our structure, focus, and requirements, which makes the firm a strong partner for Madison. ||

*By Radu Cotarcea*





## Ukraine: Metro Cash & Carry's Natalia Vasina on Energy Supplier Dispute

*On July 27, CEE Legal Matters reported that Integrates had helped Metro Cash & Carry Ukraine on a dispute involving a change of its energy supplier. CEEIHM spoke with Natalia Vasina, Legal Counsel at Metro Cash & Carry to learn more about the dispute.*

### **CEEIHM: Can you give our readers a bit of context for the case? What was it that brought about this claim?**

Natalia: Sure. The reason for filing a claim was the transition of Metro to a new electricity supplier on more favorable terms. In accordance with the terms of the concluded agreement, Metro notified the former electricity supplier of its intention to switch to a new one 21 calendar days before the transition, however, the former supplier considered such actions by Metro a violation of the terms of the agreement and filed a lawsuit against Metro.

### **CEEIHM: What was the main claim against Metro Cash & Carry Ukraine?**

Natalia: The essence of the main claim against Metro was the recovery from Metro of a fine for early termination of the contract, as well as the recovery of losses (i.e., lost profits).

### **CEEIHM: What was the ultimate outcome of the dispute? Is the matter now fully resolved?**

Natalia: The courts of first and second instances completely rejected the claim of our former electricity supplier indicating that Metro did not violate the agreement. To date, the cassation proceedings have been opened, but we hope that the Court of Cassation will make a decision in favor of Metro.

CEEIHM: What would you say was the most complicated aspect of this matter from a legal perspective?

Natalia: Legislation in this area is quite complex and ambiguous, as the rules governing these issues have their own specifics and must be taken into account. At the same time, the terms of the agreement and their correct interpretation became decisive in our case.

### **CEEIHM: How was the legal work split between your in-house legal team and Integrates and why did you pick this firm, in particular, to represent you in this case?**

Natalia: Integrates provided procedural support in this case and provided legal advice. As for the choice of this firm, we have repeatedly cooperated in other matters and are satisfied with the services provided. ||

*By Radu Cotarcea*

## Russia: Norilsk Nickel's Andrey Gavrikov on USD 500 Million Eurobond Offering

*On September 15, 2020, CEE Legal Matters reported that Debevoise & Plimpton had advised Norilsk Nickel on its USD 500 million Eurobond offering due 2025. CEEIHM spoke with Andrey Gavrikov, Head of Direction for Legal Support of Treasury Operations at MMC Norilsk Nickel, to learn more about the issuance.*

**CEEIHM: Please share a few words about Norilsk Nickel and its operations in Russia for our readers.**

Andrey: Norinickel is Russia's leading metals and



mining company, the number one manufacturer of palladium and refined nickel, and one of the biggest platinum and copper producers. The group also produces cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium, and sulfur. The products are supplied to over 30 countries. In addition to its production facilities, the company has its own sales network, fuel and energy companies, transport assets, a body of R&D units, and a unique Arctic cargo fleet. The company's securities are among the most liquid instruments in domestic and foreign equity markets. In Russia, the shares of MMC Norilsk Nickel are on the First Level quotation list of the Moscow Exchange and admitted to trading at the Saint-Petersburg Exchange. Its ADRs are traded on the US OTC market and in the electronic trading system of OTC markets at the London, Berlin, and Frankfurt stock exchanges. The company's ADRs are also included in the FTSE Russia IOB Index of the London Stock Exchange.

**CEEIHM: What is the capital raised through this Eurobond intended for?**

Andrey: The company traditionally uses the capital from Eurobonds for general corporate purposes, including capital investments and the refinancing of its debt portfolio. The current issue has become a record for Russia and CIS – the transaction resulted in the lowest coupon ever achieved by a corporate or sovereign issuer out of Russia and CIS for any USD-denominated Eurobond public placement – which gives us a degree of flexibility for the further use of the funds we received.



*The Eurobond Prospectus preparation is always about working with people and with a large amount of data. Despite this difficult task, we have learned to enter the bond market within a very tight timeframe.*

**CEEIHM: CEE Legal Matters reported on several similar issuances over the years. How would you say your in-house systems have improved over the years to deal with this type of recurring work?**



Andrey: The Nornickel group employs about 80,000 people in total. At the same time, the group's business is quite diverse – we have our own aircraft fleet, helicopters, Arctic icebreaking fleet, and various social and infrastructure facilities, all in addition to our production line. The assets are located in regions from Australia to the United States, from Africa to the Arctic circle. These all make the task of conducting due diligence, collecting the necessary information, and sifting out unnecessary data quite challenging. The Eurobond Prospectus preparation is always about working with people and with a large amount of data.

*For Debevoise the key order winners are basically two: (1) a deep understanding of the company's business model and market situation; (2) the firm provides more than just legal support, it helps in developing a general strategy of the whole process, provides a "business view" and has a common transaction-oriented approach, rather than purely a "legislative" one.*

Despite this difficult task, we have learned to enter the bond market within a very tight timeframe. The average period of preparation for release takes one month from the moment of a decision to initiate the process until its public placement. In fact, that one month is the minimum possible time under the market procedures. The current release was a record not only for the result achieved but also for the conditions under which the release was made. I am referring here to the COVID-19 outbreak, remote working of employees, and the general world situation. Behind the successful placement lies the professionalism of the team and, definitely, the well-coordinated interaction of the whole team involved.

**CEEIHM: What would you point to as the most complex aspect of the offering from a legal standpoint?**

Andrey: The most complex aspects relate mainly to the work within the organization; management and coordination and in some part educational work with production, technical ecological, and other departments and the interaction with local business units. Imagine that within a couple of weeks you need to turn an 80,000-employee organization

upside-down with investigations and detection of all the necessary information and then translate that into legal language for the placement. Documentation for the placement is also an important part of the process, but in our case, it has already been worked out for years in the framework of previous issues, plus additional assistance is provided by the banks involved in the issue and by legal consultants (both from our side and the banks' side).

**CEEIHM: Debevoise previously advised Norilsk Nickel on a number of similar finance and capital market matters, including on six previous Eurobond offerings totaling USD 5 billion. How was that relationship initiated and why do you continue to turn to the firm for legal assistance on these kinds of matters?**

Andrey: The fundamental principle is the high quality of work and professionalism. However, this is not all. There are a number of top-level law firms in Moscow and we can say that a high level of professionalism is the must for them to be engaged in any Nornickel business. For Debevoise the key order winners are basically two: (1) a deep understanding of the company's business model and market situation; (2) the firm provides more than just legal support, it helps in developing a general strategy of the whole process, provides a "business view" and has a common transaction-oriented approach, rather than purely a "legislative" one. All these together allow the whole team to achieve high results in our activities. ||

*By Radu Cotarcea*



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**Romania:** NEPI Rockcastle  
GC Robert Ionita on Sale of  
Office Projects in Romania

*On September 4, 2020, CEE Legal Matters reported that Herbert Smith Freehills and Reff & Associates had advised NEPI Rockcastle on the sale of six companies owning four Class A office projects in Romania. CEEIHM talked to Robert Ionita, General Counsel of NEPI, to learn more.*

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**CEEIHM: To start, tell us about NEPI Rockcastle and the highlights of its operations in Romania.**

Robert: NEPI Rockcastle is the premier owner and operator of shopping centers in Central and Eastern Europe, with a presence in nine countries and an investment portfolio of almost EUR 6 billion. The group's operations are managed by a highly-skilled internal management team that combines asset management, development, investment, leasing, and financial expertise.

As regards NEPI Rockcastle's operations in Romania, with a total of 25 regional malls and community centers, the group is the largest owner of retail space in Romania. Despite the negative context and challenges caused by the COVID-19 pandemic, in July NEPI Rockcastle successfully opened the Shopping City Targu Mures with a total investment of EUR 70 million. The shopping center has 40,000 square meters of leasable area, 113 retail spaces for local and international brands, a 3000 square meter outdoor roof garden, and a 550-seat new-concept food garden provided by premium gourmet brands. Also, this summer NEPI Rockcastle completed the extension and refurbishment of Shopping City Buzau.

**CEEIHM: How did this deal come about? Was NEPI looking to sell off these companies/assets or did AFI initiate the deal?**

Robert: The disposal of the Romanian office portfolio was executed in consideration of NEPI Rockcastle's investment strategy, which is focused on the core dominant retail properties. In order to implement this strategic investment decision, in 2019 the group initiated an open tender process for the sale of its Romanian office portfolio, which resulted in AFI being selected as the buyer.

**CEEIHM: What do you believe it was that made these targets particularly appealing to the buyer?**

Robert: Our strategy to dispose of our office portfolio matched AFI's intention to expand its investments in the office sector. The size of the portfolio – consisting of four class A office buildings in Bucharest and Timisoara, Romania, with a total leasable area of 118,500 square meters – was another aspect relevant for attracting investor interest in this deal.

Additionally, NEPI Rockcastle's reputation was a guarantee for the quality of the portfolio and our ability to close the deal efficiently and within the agreed-upon legal, financial, and commercial parameters.

**CEEIHM: In its story about the sale, CEE Legal Matters reported that "the deal follows a similar agreement that was announced at the end of last year, but that deal did not close as anticipated. This second attempt, which closed in August, was more successful." What was different this time around?**

Robert: The initial deal was agreed-upon and signed in December 2019 following the execution, in July 2019, of a non-binding letter of intent setting up the main terms of the deal and granting AFI Europe exclusivity with regard to conducting its due diligence exercise. Subsequent negotiations were held throughout the fourth quarter of 2019. In accordance with the terms of the deal signed in December 2019, the closing was scheduled to take place at the end of March 2020. Regrettably, the closing did not take place as scheduled, which led to NEPI Rockcastle claiming, in arbitration, the contractual guarantee provided by the purchaser regarding the closing procedures. Fortunately, a couple of months later, the parties returned to the negotiation table and managed to execute the deal that had first been agreed-upon back in December 2019.

I believe that what made the difference between March 2020 (the initial scheduled closing date) and August 2020 (when the deal was executed) was a clearer understanding and improved predictability in terms of the impact of COVID-19 on the economy in general and on the real estate sector in particular.

**CEEIHM: As in the previous attempt, you relied on Herbert Smith Freehills and Reff & Associates for legal advice on the deal. What was each of the firms' mandate and why did you select them specifically as your legal advisors for this?**

Robert: The deal was governed by English law, while the target assets were located in Romania. This led to having two legal teams, each assisting on different aspects of the transaction. This deal was our first transaction with Herbert Smith Freehills, which we selected through a competitive selection process. With Reff & Associates we have a long-standing relationship and they have assisted us several times in the past in relation to a number of transactions executed in Romania, including the disposal of NEPI Rockcastle's stake in an office project developed in Cluj, Romania, in partnership with local businessman Ovidiu Sandor. Naturally, we maintained the same teams appointed in 2019 for the closing of the deal in August 2020. ||

*By Radu Cotarcea*

## Slovenia: Hranilnica Lon President of the Board Imre Balogh on Share Issuance

On July 9, 2020, CEE Legal Matters reported that ODI Law had advised Hranilnica Lon on a new issuance of shares. CEEIHM spoke with Imre Balogh, President of the Management Board at Hranilnica Lon, to learn more.



**CEEIHM: To start, please tell our readers a few words about Hranilnica Lon.**

Imre: It is a specialized financial institution in Slovenia – its status is that of a savings bank. It is a small traditional institution, mainly servicing private clients and micro-enterprises. Our total assets amount to approximately EUR 300 million and the total capital amounts to roughly EUR 20 million.

**CEEIHM: As reported already, “the share issuance is one of the first transactions in Slovenia based on a newly adopted exemption under the Prospectus Regulation and Slovenian Market in Financial Instruments Act.” Can you tell us a bit about the exception and how it impacted this issuance specifically?**

Imre: I think I should give you a bit of background information before addressing this. A while ago, the shareholders decided that we would increase our capital with 100,000 shares. At the time of the decision, the company had 115,000 shares, so that decision basically represented a doubling of that number. Having looked at the various options at our disposal, it was decided that the first round of the increase would happen under this newly available method. What is this method? Well, in a nutshell, the exception means that, up to EUR 3 million in terms of a total subscription, a company can benefit from a simplified procedure – i.e., there is no need to issue a prospectus and you do not need a special permit from the regulator. As a result, the procedure is much shorter – one can save anywhere between 30 to 60 days by applying this. The transaction took place towards the end of the lockdown and it was important for us to have it closed before mid-year, which is what ultimately had us push the button on taking this route.

**CEEIHM: ODI Law also announced that “after a**

**change of the management board last year the bank is currently in the process of reorganizing its business.” Is this reorganization related to the new issuance in any way? If so, how?**

Imre: This change happened at the end of last year in December. That is when I (as the new President) and my colleagues took over at the helm. Our mandate then was to implement a full reshuffle of the operations of the bank. As a part of this, the reorganization was simultaneously done with the capital increase on June 1, 2020, and it was one crucial pillar in the total renewal of the business and operations of the organization. It is now a much leaner organization, with only one management level below the board, which also reflects the major driver to simplify the business. Now we have in place the classic organizational structure you would expect from a bank, with a clear separation of the different functions as required by the banking rules, and with the necessary control points of the organization built in.

**CEEIHM: What would you say was the most complex aspect of the issuance?**

Imre: The issuance was combined with the pre-emptive right of the existing shareholders in the first round, with external investors having the opportunity to subscribe in the second round. Running the process partially parallel meant we needed to develop a methodology for the pricing of the second round based on the success of the first round. Those involved in the legal framework had to deal with the dual-level of the procedure, meaning they had to be very precise to treat all investors fairly and equally while achieving a pricing that reflects market conditions, in a market that was already very difficult (not post-COVID-19, but during COVID-19). I'm happy to report it went through smoothly, overall, and the bank could now capitalize and be prepared in the future and participate in the economic recovery of the market.

**CEEIHM: What was ODI Law’s mandate precisely – what did the firm advise on? And why did you choose ODI Law as your advisor on this matter?**

Imre: ODI is one of the best known transactional advisors in the legal field in Slovenia and they had great references. I also had a personal excellent experience with them in the past. And they simply had a solid proposal. ||

*By Radu Cotarcea*

## Lithuania: Valdas Merzvinskas, General Manager at the Restaurant Group Fortas, on Insurance Dispute

*On October 12, 2020, CEE Legal Matters reported that Triniti Jurex had advised Restaurant Group Fortas in a dispute with an unnamed insurance company. CEEIHM spoke with Valdas Merzvinskas, General Manager at the Restaurant Group Fortas, to learn more about this matter.*

### CEEIHM: Tell us about Restaurant Group Fortas

Valdas: Fortas is one of the largest restaurant chains in Lithuania. We are in the market for more than 20 years already. We opened our first restaurant in Vilnius in Algirdas street back in 1996, and I am very glad it is still there and still popular. At the moment we have 13 restaurants and around 300 employees.

### CEEIHM: What was the main claim of the insurance company in the dispute and how did you defend against it?

Valdas: An accident happened in one of our restaurants located in the entertainment and business center in Vilnius. The cold-water hose of the tap broke at night and water flooded both the rented restaurant and other premises of this center. The owner of the building had insured the business center and the property in it with property insurance. After the flood, the insurance company indemnified the owner for the losses, the sum was quite impressive. At the same time, they filed a recourse claim against us as the responsible party for the damage.

Our defense covered several aspects. As the owner of the building was also our landlord, the provisions in the lease agreement regarding the limits of the maintenance of the engineering systems were essential. Also, two forensic examinations were carried out to confirm the version that the rupture of the pipe was caused by an increase in water pressure at night, we couldn't control those circumstances.

The case also involved an administration company, to whom both we and the owner of the building had entrusted the maintenance of the engineering systems. We also raised a version that it was this company that might have performed its duties incorrectly and should be held accountable.

### CEEIHM: What was the final outcome and what were the winning arguments in your view?

Valdas: Both the first-instance and appellate courts dismissed the claim entirely. I believe we achieved the victory due to a comprehensive defense strategy. When the court disagreed with one of the arguments, our law firm Triniti Jurex prepared several additional blocks in parallel to defend us from the claim. A great deal of work was done to deny the amount of damages, but fortunately this was not necessary because the court did not recognize our liability for damages at all.

### CEEIHM: How did the process of the dispute pan out from your end? At what point did you involve Triniti Jurex and how did you prepare for the proceedings?

Valdas: The dispute ended in the most favorable way possible, we are very happy about that. We contacted Triniti Jurex immediately after receiving the claim from the insurance company. Triniti Jurex did all the work: preparing a defense strategy and leading the process. We followed the instructions given to us by our attorney Agne Varneliene, provided the requested documents when necessary, and went to court hearings to give explanations.

### CEEIHM: And what led you to retain Triniti Jurex in the first place?

Valdas: We have worked with Triniti Jurex for many years already. We trust the lawyers and I had no doubt whom to call after receiving the claim. I am very thankful to Agne Varneliene

and her team – they performed brilliantly and exceeded our expectations. ||



*By Radu Cotarcea*

## Poland: Sun Investment Group GC Maciej Kalinowski on Solar Park Portfolio Sale in Poland

On September 28, 2020, CEE Legal Matters reported that Clifford Chance had advised Sun Investment Group Polska on the sale of a 170 MW solar park portfolio currently under development to Ignitis Renewables. CEEIHM spoke with Maciej Kalinowski, General Legal Counsel at the Sun Investment Group, to learn more about the deal.



**CEEIHM: So our readers get a bit of background, can you please share with us a few words about the Sun Investment Group?**

Maciej: The Sun Investment Group is a firm originating from Lithuania focused on investment management as well as the development and construction of photovoltaic plants. So far, SIG has already completed large-scale projects in Poland, Spain, Italy, and the UK. The group's companies are also present in the Baltic region as the leading B2B and B2C solar solutions providers. In recent years, SIG has been experiencing rapid growth, including a four-times increase in the number of employees, correlated with the accelerated turn towards renewable energy sources in Europe. Our growth found recognition as Solarplaza placed SIG in Top 50 European Solar Portfolio developers ranking of 2020.

*...it is one thing to draft the shares purchase agreement, and an entirely different challenge is to make sure that the agreement complies with the regulations applicable to the PV plants and foresees challenges resulting from these regulations for the successful commercial closure of the transaction.*



Since it entered the Polish market in 2018, the Sun Investment Group has successfully constructed 109 PV plants and sold part of this portfolio to a reputable investment fund. This milestone positions the Sun Investment Group as one of the leaders of the Polish PV market. Currently, 600 MW of the total 1 GW of the company's pipeline are planned to be executed in Poland. The recent transaction with Ignitis Renewables is one of the proofs of the Sun Investment Group's focus on the Polish market and the great opportunities for the future.

**CEEIHM: What does the portfolio consist of and what do you believe made it particularly attractive to Ignitis Renewables?**

Maciej: The portfolio to be sold to Ignitis Renewables will consist of turnkey photovoltaic plants with a total capacity of up to 170 MW. Revenues from these projects will be secured by 15-year contracts for difference under the Polish auction support scheme. Completing this portfolio will conclude the largest transaction in Central Europe in the solar market. The track record in the Polish market proves that the Sun Investment Group is a reputable and stable partner. Most importantly, the Sun Investment Group is one of the 50 largest and most trusted market players in Europe, showing a very high success rate of developed projects in the past. These reasons, among others, must have convinced Ignitis Renewables to turn to the Sun Investment Group.

**CEEIHM: What would you say was the most complex aspect of the transaction from a legal perspective?**

Maciej: I would say that the most important aspect that we had to focus on was making sure that the requirements of the Polish regulatory framework were properly transposed into the typical corporate elements of the transaction. Ignitis Renewables expects to take over fully operational PV plants. As in other European markets, the energy sector in Poland has quite a lot of regulations that need to be taken into account when constructing a PV plant. Thus, it is one thing to draft the shares purchase agreement, and an entirely different challenge is to make sure that the agreement complies with the regulations applicable to the PV plants and foresees challenges resulting from these regulations for the successful commercial closure of

the transaction. I am satisfied that we managed to work out the transaction in a manner that secures the interests of both sides.

**CEEIHM: What was Clifford Chance's mandate specifically? What did they advise on to make this deal happen?**

Maciej: Clifford Chance supported us throughout the negotiation process of the entire transactional documentation. They were responsible not only for the completion of legal documentation but also helped us translate business aspects of the deal into legal solutions satisfactory to both sides. They assisted us with the preparation of subsequent iterations of the preliminary shares purchase agreement as well as all the accompanying documents.

**CEEIHM: And while on the subject, why did you turn to Clifford Chance for assistance in this matter?**

Maciej: Clifford Chance is known in Poland for its premium quality of legal services in the fields of energy and mergers & acquisitions. I decided to rely on them specifically since the legal team supporting us was composed of individuals who merge expertise in both fields. It was of great importance to the successful closure of the deal to have on our side lawyers who were capable of grasping not only the legal but also the commercial aspects of this transaction. It was invaluable to have the insight of Clifford Chance's lawyers into all aspects of the deal. ||

*By Bianca Bonta*



## Ukraine: Lifelong Meditech's CEO Hamendra Srivastava on Ukrainian Safeguard Investigation

*On September 8, 2020, CEE Legal Matters reported that Integrates had successfully protected the interests of Lifelong Meditech, an Indian producer and exporter of medical equipment, in a safeguard investigation initiated by the Ukrainian producer Hemoplast concerning the import of syringes into Ukraine. CEEIHM spoke with Hamendra Srivastava, the CEO of Lifelong Meditech, to learn more about the investigation.*



**CEEIHM: To give our readers a bit of background, tell us a few words about Lifelong Meditech.**

Hamendra: It is an Indian company based out of New Delhi. We manufacture disposable syringes and register over USD 22 million in revenue a year. We are the second-largest manufacturer of disposable syringes in terms of production capacity and we are the largest exporter in India.

**CEEIHM: What was the basis of the investigation initiated by Hemoplast and how was the process carried out?**

Hamendra: I believe a bit of background is needed here. Hemoplast's objective has long been to stop the imports of syringes into Ukraine. It first initiated an antidumping inquiry in Ukraine a few years ago which targeted imports from Turkey, China, and India. We participated in that investigation because we had been exporting to the country for a few years already. The investigation back then looked not only at the countries of origin but also the specific companies involved. That was their first shot really – an attempt to place tariffs on imports from these three countries. We were told that the investigation was dropped with no consequences.

Now, they initiated a safeguard investigation inquiry. This was not about targeting individual players, rather arguing that any imports coming into Ukraine are harming the interest of the local producers – in this case, Hemoplast.

**CEEIHM: What was the end result of the investigation and how has it affected your operations – both during it as well as going forward?**

Hamendra: We put up all the necessary documentation and the investigation was, again, closed, again with no consequences. At the end of the day, neither of these efforts had any impact. Of course, we had to spend a lot of time, energy, and money, including in terms of hiring lawyers in India and in Ukraine the first time around (this time we only needed assistance in Ukraine). It simply was a huge distraction with a lot of time spent by the team on documentation. In the end, both ultimately resulted in no consequences. As of now, anybody can export to Ukraine, so for us, it's business as usual in the country.

**CEEIHM: Integrates reported it protected the interest of the company during the investigation. What was the firm's mandate specifically on the matter?**

Hamendra: When we discussed the mandate with them, the instruction was to defend us in the investigation, with all that entails. Naturally, aside from the standard remuneration, we agreed on a success fee as well. In terms of actual work, what stood out was the element of direct representation in front of the commission hearings. Last time around I traveled personally to attend them, but I couldn't now due to the lockdown.



*This was not about targeting individual players, rather arguing that any imports coming into Ukraine are harming the interest of the local producers – in this case, Hemoplast.*

**CEEIHM: And why did you opt to turn to Integrates, in particular, to assist with this investigation?**

Hamendra: We first learned of Integrates through a common business partner. We found the firm to be quite professional. They were clear in their approach, and always, we felt, asked the right questions. Solid communication and collaboration were critical during the phase of documentation-gathering, both within our own internal team and with the firm and we feel that went quite smoothly. ||

*By Radu Cotarcea*



## **Poland:** Matthias Schultz, CFO of Trei Real Estate GmbH on Financing for Polish Subsidiaries from Deutsche Pfandbriefbank

*On October 8, 2020, CEE Legal Matters reported that JDP had advised Trei Real Estate GmbH on financing of EUR 51 million it received for its Polish subsidiaries from pbb Deutsche Pfandbriefbank, a German specialist lender for commercial real estate finance. CEEIHM spoke with Matthias Schultz, CFO at Trei Real Estate GmbH, to learn more about the financing.*

### **CEEIHM: Please tell us a few words about Trei Real Estate.**

Matthias: Trei Real Estate GmbH, with its headquarter in Dusseldorf, Germany, invests, develops, and manages tailor-made and sustainable residential and commercial properties. In the context of our long-term strategy, we – as a wholly-owned subsidiary of the German Tengelmann group – focus on real estate investment in Germany, Poland, the Czech Republic, Slovakia, Portugal, and the USA. In addition to our portfolio of approximately EUR 1.2 billion, Trei has a pipeline of property developments totaling approximately EUR 960 million. Under the Vendo Park brand, we build and lease retail parks in Poland, the Czech Republic, and Slovakia.

We're also focused on the development of residential properties in the USA, Poland, and Germany and have approximately 3,800 residential units under development or planning in three markets in total.

### **CEEIHM: What is the financing intended for?**

Matthias: It is used for the financing of our investments and the implementation of our strategy. Specifically, it's intended for the development of our Vendo parks and residential properties in Poland.

### **CEEIHM: Why was it preferable to secure financing for the Polish subsidiaries from a German lender rather than a Polish one?**

Matthias: As the Polish economy continues to develop well, the Polish market is generally becoming more and more attractive for German banks. In this case, however, they were also able to offer better conditions than Polish lenders.

### **CEEIHM: What would you say was the most complex aspect of the deal from a legal perspective?**

Matthias: The coordination between German and Polish law and legal understanding. Overall, however, due to the good cooperation with the bank, the bank's law firm, and our law firm, we kept the coordination process as simple as possible, so that there were no major problems.

### **CEEIHM: What were the considerations based on which you chose JDP as your legal advisor on this matter?**

Matthias: The long-term cooperation, and therefore the great trust. JDP has extensive knowledge of both Polish and German law. In addition, JDP is always very oriented to results and to clients. ||

*By Bianca Bonta*



## Hungary: CHERRISK Team on German Market Digital Entrance

*On September 30, 2020, CEE Legal Matters reported that Dentons had assisted the Austrian insurance group UNIQA and CHERRISK - UNIQA's Hungarian InsurTech subsidiary - enter the German market. CEEIHM spoke with the legal team of CHERRISK - consisting of Head of Legal Petra Turi, International Legal Counsel Mate Lapis, Legal Counsel Judit Reich, and Junior Lawyer Viktoria Tari - to learn more about the matter.*

**CEEIHM: To provide our readers with a bit of background, please tell us a few words about UNIQA and CherryHub.**

CHERRISK: The UNIQA Group is one of the leading insurance groups in its core markets of Austria and Central and Eastern Europe. The group has approximately 40 companies in 18 countries and serves about 15.5 million customers. We believe that digitalization is leading to fundamental changes in customer expectations and behavior and we must meet these challenges and we must embrace them as big opportunities. We help people adapting to the world, so they can live a better life. We support charities, so they can build a better future. Life's still unpredictable, and that's why we started our journey by making better insurances. As a result of this idea, we created the CHERRISK by UNIQA, which is a Budapest based online platform. It is a self-service platform where users can manage their insurances absolutely (and solely) online. The users are guided through the different processes by Emma, the digital assistant of CHERRISK. The main investor behind the InsurTech start-up is the Austrian UNIQA Insurance Group AG. The active development of the platform has started in 2017, based on Krisztian Kurtisz' "Insurance 2.0" model. In 2019 CHERRISK has launched its first application - CHERRISK GO, in which we inspire and reward our users to create better habits for a sustainable future.

In terms of the legal team behind the project, Petra Turi, who leads the legal function, had to focus on the requirements of two legal systems in parallel (Hungarian and German), from a prudential, and consumer protection point of view, while Mate Lapis was responsible for the coordination of the international external experts involved.

**CEEIHM: What does a "digital entrance" into a market mean precisely and why was this the route you took to enter the German one?**

CHERRISK: In this digital world, we believe that we do not need to build skyscrapers to enter a new market. After a 1.5-year-long Hungarian pilot, CHERRISK started its international expansion in May 2020, with Germany being the first market we looked at. We carried out thorough market research



Petra Turi



Viktoria Tari



Mate Lapis



Judit Reich

and interviews with experts, before the final decision as to which market to enter first. The German insurance market is very colorful and diversified, so we thought we can take it as a stepping-stone to start our international expansion.

**CEEIHM: What were the specific legal checkboxes you had to tick in order to ensure a smooth entering into the German market using this approach?**

CHERRISK: First, we had to build up the regulatory set-up. Also at the beginning, we decided to “design” the contracts under the German law to create and inspire trust immediately for our new German customers. We had to deal with the market-specific special German customer needs. Last but not least, the biggest challenge was that

this whole thing had to be managed while working in a home-office set-up during the total lockdown of our home country.

**CEEIHM: What was Dentons' mandate exactly? What specific aspects was the firm retained to advise on?**

CHERRISK: Dentons provided full-scale legal support for us in terms of market entry, especially in insurance law when it came to product development, in tax and marketing matters, and in GDPR related topics as well. Our key contact Kai Goretzky who has been advising international insurers and intermediaries on entering the German insurance market for more than twenty years. Before joining Dentons he was the in-house counsel of a German InsurTech company, so we knew that he has a very strong focus and experience in the digitization of the insurance industry. And, it must be said, Goretzky and his associate Catharina von Berg both had a project owner attitude from the very beginning and supported us from their heart until our “go live moment”.



*...the biggest challenge was that this whole thing had to be managed while working in a home-office set-up during the total lockdown of our home country.*

**CEEIHM: And why did you opt to turn to them over other firms for this matter?**

CHERRISK: The selection process was a long one. We wanted to find the ones who will believe in our future goals and business model and to find the best law firm that had a good fit with our team and with whom we can build up a long-term relationship. Dentons was the one who came up with a vision regarding our ecosystem and products. They stated that they will aim to build the bridge between technology, customer usability, and law and will do their utmost to ensure compliance, a consistent product structure, and a high level of digital usability of our portal. ||

*By Bianca Bonta*

## Turkey: Hitay Holdings' Doruk Ozdemir on Teknoser Acquisition of Fujitsu Technology Solutions Bilisim

On November 11, 2020, CEE Legal Matters reported that the Apak Uras Law Firm had advised Teknoser on its acquisition of 100% of the shares of Fujitsu Technology Solutions Bilisim from shareholders Fujitsu Technology Solutions GmbH and Fujitsu Technology Solutions Holding B.V. CEEIHM spoke with Doruk Ozdemir, Legal Counsel at Hitay Holdings, to learn more about the deal.



**CEEIHM: To start, please tell our readers a few words about Hitay Holding in general and Teknoser in particular.**

Doruk: With roots going back to its 1980 founding by Emin Hitay, one of the leading entrepreneurs in Turkey, Hitay Holdings is a major investment group in Turkey, focusing on corporate venture capital. The Hitay portfolio currently includes: Teknoser, a system integration and field services company; DORinsight, the largest online research company; Exim, offering security technologies solutions, and Bilyoner, the first and leading legal online sports gaming company in Turkey.

The Hitay Foundation, which was established in 2019 to gather Hitay Holding's corporate social responsibility activities under one roof, supports society in the fields of arts and education.

Teknoser, founded in 1998, is one of the leading system integration and IT field service companies in the information and communication technologies market in Turkey with its 76 service points and over 850 employees. Cloud computing systems, virtualization, security, and hardware and software solutions are all provided by Teknoser's extensive organization, which helps its clients manage their budget, time, and human resources effectively with its technological expertise of many years. The company is the market leader in field services of POS systems.

**CEEIHM: What was the business case behind acquiring 100% of the shares of Fujitsu Technology Solutions Bilisim?**

Doruk: It was a horizontal expansion for us, allowing us to reach out to a wider audience on the back of Fujitsu products and services. Along with the transaction, we also became the Tier 1 Channel Partner and local service provider in Turkey to fortify our collaboration. Customers can expect a smooth transition and will continue to have access to Fujitsu Client Computing devices, servers, and storage products, as well as seamless support services through Teknoser. The acquisition will allow us to support and enhance the Fujitsu ecosystem in Turkey. We will have access to more products and enrich our solutions portfolio.

**CEEIHM: What would you say was the most complex aspect of the deal from a legal perspective?**

Doruk: The current pandemic is unprecedented in its global reach and impact. Lockdowns, business closures, and social distancing cause disruptions in our daily business life. The deal took place under these circumstances and we had to make the most of our meetings online. It was a challenging time for the world but both of the parties managed to deal with this compelling circumstance with their best efforts and make this deal happen.

**CEEIHM: How was the legal work split between your in-house legal team and your external legal adviser, Apak Uras?**

Doruk: In this deal, the in-house team mainly worked on the future partnership agreements and technical aspects like our Channel Partner Agreement and the service-related issues with the collaboration of our technical and sales team. Apak Uras assisted us with the preparation of transaction documents and during negotiations. They were also there when we asked for their opinions on other deal-related agreements. There was a good work split between us.

**CEEIHM: And, while we're on the subject, why did you choose Apak Uras in particular to assist on this deal?**

Doruk: Apak Uras is a very experienced firm in M&A transactions. The team members assisted the group previously in another deal as well a few years ago. For this reason, they know the group and our needs very well. Due to their previous engagements for the group, we have decided once again to work with them on this deal. ||

*By Bianca Bonta*

## Russia: STEP Head of Legal Yulia Nikolaeva on Dispute with Pharmasintez-Nord

*On October 15, 2020, CEE Legal Matters reported that Kachkin & Partners had successfully helped Russian general contractor STEP LLC reach a settlement with Pharmasintez-Nord JSC in a dispute regarding payment for work and related claims worth over RUR 100 million. CEEIHM spoke with Yulia Nikolaeva, Head of Legal Service at STEP LLC, to learn more.*

### **CEEIHM: To start please tell us a few words about STEP LLC.**

Yulia: STEP is a Russian general contracting company carrying out the construction of large industrial facilities. We have been working in the construction market since 1993, providing services in several industrial construction areas. Each direction has its own team, which has unique experience in building objects for its industry and knows its specifics and nuances.

### **CEEIHM: What was the dispute with Pharmasintez-Nord JSC about?**

Yulia: STEP's policy is focused on creating a caring attitude towards our customers and their needs. We have been cooperating with many customers for several years and have worked on several projects together. It is not customary for us to bring a dispute with a customer to court – we always try to resolve our disagreements through negotiations.

With Pharmasintez-Nord we were realizing our first joint project. The situation began to escalate in January 2020 with the customer delaying the acceptance of our work and making payment. Unofficially, the customer's management reported that it expected to receive an additional discount from us, which was not agreed. The attempts to negotiate weren't bringing clarity. We made the decision that it was time to solve the matter.

### **CEEIHM: How did the dispute play out from your perspective? At what point did you involve Kachkin & Partners in the process – and what work did it entail for your internal teams to prepare for it?**

Yulia: Kachkin & Partners had helped us with previous complex disputes, so we turned straight to them. At stake was a significant amount for us – about 100 million rubles. Dmitry Nekrestyanov and Lyudmila Stepanova of Kachkin & Partners quickly connected to the issue; the work was done jointly

by them and the lawyers of STEP. The lawyers of STEP were responsible for the pre-trial phase, and the preparation and filing of the claim was the responsibility of the specialists from Kachkin and Partners. As it turned out, the customer was not prepared for the fact that we would quickly file a claim with a court. This interfered with their plans. For this reason, Pharmasintez-Nord came to us with a proposal to negotiate.

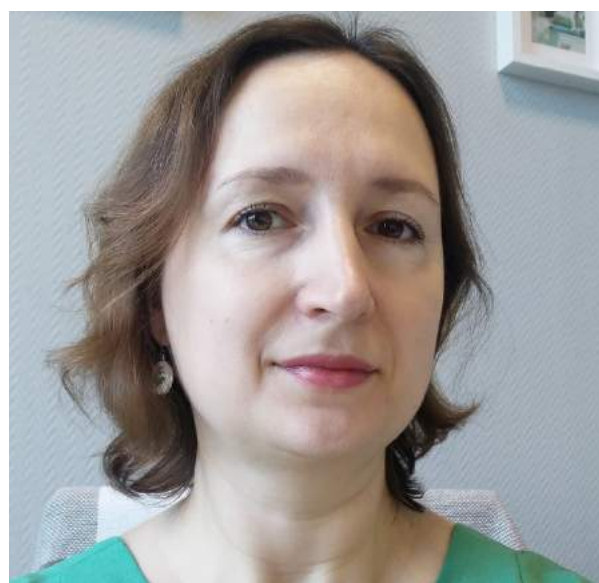
### **CEEIHM: What was the final outcome – what concessions did you have to agree to and what aspects were you particularly happy with that led to you accepting the settlement?**

Yulia: I would like to note that Dmitry Nekrestyanov elaborated a strong strategy for reaching agreements with Pharmasintez-Nord: first, documents for all work on which there was no dispute should be signed, and payment for that work should be made. And only after that would we sit down and discuss the issues on which the parties' opinions differed. This strategy helped to get most of the debt even before the first court session. After that, it was easier to move towards each other and conclude a settlement agreement: we agreed to reduce our fee by 2.6 million rubles, and the customer returned the guarantee retention of 11 million rubles to us. And the settlement agreement has been implemented by both parties.

### **CEEIHM: Finally, why did you choose Kachkin & Partners to represent you on this matter?**

Yulia: As I said earlier, this is not the first time we have used their services. Thanks to their extensive experience in construction disputes, cooperation with them is always a strong support for us and a good result was achieved. ||

*By Bianca Bonta*



## Infosys GC Inderpreet Sawhney on Acquisition of GuideVision

*On September 22, 2020, CEE Legal Matters reported that DLK Legal in Poland and Kinstellar in Hungary and the Czech Republic, working together with Osborne Clarke as lead counsel, had advised Infosys on its EUR 30 million acquisition of GuideVision. CEEIHM spoke with Inderpreet Sawhney, Group General Counsel and Chief Compliance Officer at Infosys, to learn more about the deal.*

### **CEEIHM: So our readers have a bit of background, tell us a bit about Infosys.**

Inderpreet: Infosys is a global leader in technology services and consulting, enabling clients in over 45 countries to create and execute strategies for their digital transformation. For the year ending on March 31, 2020, we reported a revenue of USD 12.8 billion. Our market capitalization is approximately USD 51 billion. We have a healthy balance sheet, with approximately USD 2.9 billion of cash and cash equivalents. We employ 242,371 employees across the globe, serving clients across multiple industry segments such as financial services, healthcare, manufacturing, retail, communications, energy & utilities, etc. We are listed on the Indian stock exchange and on the NYSE in the USA. Infosys was ranked #3 on 2019 Forbes' "World's Best Regarded Companies" list for our world-class governance, trustworthiness, and the strength of our products and services

### **CEEIHM: What was the business case behind the acquisition of GuideVision?**

Inderpreet: In terms of the business case, GuideVision is one of the largest ServiceNow Elite Partners in Europe. GuideVision is an award-winning enterprise service management consultancy specialized in offering strategic advisory, consulting, implementations, training, and support on the ServiceNow platform. GuideVision has a brilliant reputation in the ServiceNow ecosystem for its digital transformation skills, including end-to-end implementation expertise for clients globally, availability of local language speaking ServiceNow experts, and the ability to scale and train en masse. It has built trusted and satisfied strategic

customer relationships, and has a scalable data replication tool that is complementary to our own ServiceNow capabilities in the region.

Ultimately, through this acquisition, Infosys further enhances its digital capabilities, strengthens Infosys' Cobalt portfolio of cloud services, and reaffirms our commitment to the growing ServiceNow ecosystem. GuideVision brings to Infosys end-to-end offerings, including SnowMirror – a proprietary smart data replication tool for ServiceNow instances – that enables over 100 enterprise clients to simplify complex business and IT processes. GuideVision's training academy and nearshore capabilities in the Czech Republic, Hungary, Poland, and presence in Germany and Finland strengthens Infosys' ServiceNow capabilities, offering clients in Europe unparalleled capabilities in cloud-first digital transformation.

### **CEEIHM: When the acquisition was announced, it was expected to be completed during the third quarter of 2021. What are the main steps to be taken until it is finalized?**

Inderpreet: Actually, we have already completed the transaction on October 5, 2020. There were not many steps in between (as we completed most of the tasks prior to announcement) – only a few



regulatory matters that we were waiting for to be finalized. This also explains the short period it took to close the deal since we announced it.

**CEEIHM: What would you say was the most complex aspect of this acquisition? What were the main hurdles along the way and how did you overcome them?**

Inderpreet: One of the most complex aspects of this acquisition was the presence of Guidevision in the Czech Republic, Hungary, Poland, as well as its having capabilities in Germany and Finland, which presented many compliance-related and jurisdictional challenges. Also, while our legal team had proficiency in English, a lot of documentation was in local European languages, meaning we had to work with local jurisdictional experts to overcome this language barrier. Having said that, we had a pleasure working with different firms and teams and a lot of learning opportunities presented themselves.

**CEEIHM: Infosys relied on Osborne Clarke, Kinstellar, and DLK Legal as legal advisers on this deal. What were the main considerations for which you picked each of them?**

Inderpreet: Osborne Clarke is one of our go-to firms in Europe. In particular, one Partner – Herke Van Hulst, who lead this transaction – was by our side in a previous deal in Europe as well and we feel we've achieved a good level of understanding of each other by now. They know us well and how we approach various matters. Since this deal involved other jurisdictions where Osborne Clarke is not present, they needed to switch to someone on the ground for bits of the deal. They told us they have a few best friends that they trust – Kinstellar and DLK Legal – and we went with their recommendation. It simply came down to looking to replicate our successful past collaboration with someone who knew our standards and we knew we'd be comfortable to work with. ||

*By Djordje Vesic*



## Serbia: Ventu.rs' Luka Pejovic on Launch of Crowd-Investing Platform in Serbia

*On November 11, 2020, CEE Legal Matters reported that Karanovic & Partners had helped set-up Ventu.rs, the first Serbian crowd-investing platform. CEEIHM spoke with Luka Pejovic, Director at Ventu.rs, to learn more about the matter.*

**CEEIHM: Congratulations on the recent set-up! How did this idea come to be and how long was the process of creating Ventu.rs?**

Luka: Thank you very much!

Before I started working on establishing a crowd-investing platform, I was a part of the BDO Serbia M&A and Fundraising Team and it seemed that we encounter the same issues over and over in our work. The traditional bank-centric Serbian financial market, with mostly foreign-owned banks, has proven to be extremely conservative, risk-averse, and not interested in local innovative companies and projects. My colleagues and I have encountered this issue more than once while working with MSMEs and startups on fundraising projects.

While banks and investment funds catered to the needs of larger companies, there was a clear funding gap in the smaller segment. We analyzed other markets and the ways this funding gap is addressed and crowd-investing seemed like one of the possible solutions to this issue for Serbia. Furthermore, we noticed the speed with which newly-founded companies go through the early

*We are only a small crowd-investing platform, targeting a niche, but we were the first alternative financing option in Serbia and we believe that we have opened the doors to others who want to do something innovative and progressive in the financial market.*



phases of their life cycles. One day they are below our radar, the next day they are so large they become clients of some of the largest competitors of BDO. It seemed BDO could perfectly position itself as a problem solver in the early phases of innovative companies' lifecycles and capitalize on that relationship once they grow in the later phases.

**CEEIHM: As already reported by CEELM, "the platform is a joint project of BDO Business Advisory from Belgrade and CONDA from Austria, supported by USAID's Economic Development Cooperation Project and the Austrian Development Agency." Who initiated the project and what was the case put forward towards the other institutional partners?**

Luka: BDO Serbia explored the possibilities of establishing a crowd-investing platform in Serbia, but all the research required support, both in terms of funding and expertise. We presented our idea to the USAID Cooperation for Growth Project, which is focused on the improvement of access to finance in Serbia, and they were very interested in the subject. They financed a very comprehensive market study, which, in the end, helped us a lot and that we used as a blueprint for our work afterward. We were tasked by them, together with Karanovic & Partners to conduct the said study.

After all the possibilities were explored, BDO chose to partner with CONDA, an Austrian crowd-investing pioneer and founded the platform as a joint venture. Due to the fact that this was a Serbian-Austrian cooperation, our project received funding from the Austrian Development Agency. Colleagues from BDO Austria were invaluable in the process of securing this funding.

As previously mentioned, USAID was very interested in introducing alternative and innovative finance options, so our cooperation with USAID continued beyond the mentioned study since they financially supported the promotional activities for our platform launch. Furthermore, they are covering part of the costs for the first five campaigns on our platform.

Both ADA and USAID recognized the importance our platform could have in improving the access to finance for micro and small companies and the general economic development in Serbia. We are only a small crowd-investing platform, targeting a



niche, but we were the first alternative financing option in Serbia and we believe that we have opened the doors to others who want to do something innovative and progressive in the financial market. I think that was what they counted on when they decided to give us their support.

**CEEIHM: What would you say was the most complex aspect of the set-up in terms of legal matters?**

Luka: In my opinion, the most complex aspect was adapting the crowd-investing business model, established originally in Austria and Germany, to local legislation. Serbian crowdfunding laws are still non-existent so our lawyers had to find the foundation for our business in existing laws, which was not always easy.

Furthermore, drafting the loan agreements and other contracts, needed for such a platform to work, was a task that goes beyond only legal



*Serbian crowdfunding laws are still non-existent so our lawyers had to find the foundation for our business in existing laws, which was not always easy.*

matters. One has to keep in mind what is customary to the local market and which solutions, although legal, might not work in Serbia. This also required a lot of creative work from both our team and our colleagues from Karanovic & Partners.

**CEEIHM: What was Karanovic & Partners' mandate specifically? What were the aspects you asked them to advise on? And, while on the subject, why did you opt to use them in particular as your legal counsel?**

Luka: Originally, USAID mandated both of our firms to conduct the study, which was aimed at clarifying if and how crowd-investing is viable in Serbia from both business and legal point of view. Since they were very cooperative, professional, and, above all, very good lawyers, it was only logical to continue this partnership in later phases.

After the study, they helped us with establishing the platform from a legal perspective, drafting the relevant contracts, and even formalizing some of our business processes with us, such as legal checks of applicants on the platform. At every step of the way, they have proven their expertise, but much more importantly shown that they are true partners with their client's interest in mind. This did not surprise us, since we were aware of their great reputation, which was one of the reasons why we opted to use them as our legal counsel. ||

*By Bianca Bonta*



# Business Integrity: What's It All About

**Lukasz Szymanski**,  
General Counsel and  
Business Integrity  
Officer at Unilever  
Poland, Baltics & CEE,  
describes for CEE In-  
House Matters how a  
values-based  
approach leads to  
Business Integrity.



**CEEIHM: Please tell us a few words about yourself and your current role with Unilever.**

Lukasz: I am a Poland-qualified attorney at law. Before joining Unilever in 2012, I advised primarily on energy law and finance. I also handled quite a lot of litigation cases. When I look back at joining Unilever eight years ago, I was very lucky to have had such a wide background. My previous experience helped me handle my obligations at Unilever much better.

I first joined the company as a competition law advisor. However, at the end of 2015, I became the General Counsel for the region, and I started managing a team of five people. I am also double-heading as a Business Integrity Officer.

**CEEIHM: What does "Business Integrity Officer" mean, exactly?**

Lukasz: There are at least two ways of establishing an ethics system in a company. For example, one way is to have a compliance system. Another is to have a business integrity system. Of course, each company can choose its own.

The compliance system was very well integrated at Unilever. It was introduced many years before I joined the company. So, when I joined, I became a compliance officer. A few years back, however, Unilever made a decision to switch to a business integrity system, so the title of my role changed as well. But, the change was not only in name. Name in and of itself is not important. The values a particular system promotes is what is important. It is also important how the company wants to share those values with its employees. One way to do so is through having a business integrity officer. In addition, every employee can share his or her concerns about the company's policies with the BIO. We have a no-retaliation policy, which means there are no wrong questions. People can also remain anonymous if they prefer. Employees need to be 100% certain that they will face no consequences for voicing their opinions, or the system will fail.

I handle between 70% and 80% of all BI cases in the company. Not only do I need to help people become aware of certain rules and values, but also gain their trust. It is a very time consuming, but also a very rewarding process.

**CEEIHM: And how does that differ from traditional compliance?**

Lukasz: Compliance is all about the rules that come from the government. Compliance is about strict rules that need to be upheld in the company and there are sanctions for their breach. Compliance is quite straightforward, yet devoid of emotions. And

since these rules are not always clear, people sometimes do not know why they should follow them.

On the other hand, business integrity is not about rules, but rather about values. Of course, certain rules stem from these values, but the starting position is different. Even though we have certain rules in place, this system is not about overburdening people with them. It is a friendlier approach based on emotions and explaining to people why the rules are important. In a nutshell, business integrity means doing well even when nobody is watching.

Our driver is to properly communicate certain values to our employees so that we can share them together. That way the rules become more intuitive, clearer, and easier to follow, and in turn, the company functions in a more harmonized way.

*“Compliance is about strict rules that need to be upheld in the company and there are sanctions for their breach. Compliance is quite straightforward, yet devoid of emotions. And since these rules are not always clear, people sometimes do not know why they should follow them.”*

**CEEIHM: What additional tools do you need to employ beyond the "traditional" compliance function?**

Lukasz: We have our Code, which consists of 24 or 25 policies. How you turn them into values depends on the company's approach. The way we do it at Unilever is to allow every person to ask different questions based not necessarily on the provisions of certain policies, but rather on a common sense of what is good and what is bad. The function of business integrity is to build trust and openness. So, we tend to listen to people, instead of threatening that they will lose their job if they breach a certain rule. We try to understand and help them. That is how positive emotion is created in a company.

**CEEIHM: What skillset/knowledge does a GC need in order to implement this approach and these additional tools beyond what is traditionally expected of a Head of Compliance?**

Lukasz: I think you need to have good communication skills and proper internal standards of behavior. If you compare compliance functions and BI functions from the point of policies, I think they can be quite similar, albeit with slight variation in wording.

However, the main difference is how you want to introduce this system and communicate it to the people. Compliance sets up rules and sanctions, without conveying values. Those rules are often written in an unfriendly, legal language.

Business integrity, on the other hand, communicates values based on which the company's policies are made.

**CEEIHM: Is your team shaped differently now with this Business Integrity function in place than it was before?**

*Compliance sets up rules and sanctions, without conveying values. Those rules are often written in an unfriendly, legal language.*

*Business integrity, on the other hand, communicates values based on which the company's policies are made.*



Lukasz: No, I don't think so. Based on my experience, I would say that there is no need for a team to be structured in a different way. However, it is important for different members of the team to be specialized in different areas.

Let us take the production of shampoo as an example. When buying shampoo at a store, people only see the plastic bottle and it seems like a simple thing. However, this business is very complicated, starting from the supply chain, procurement of ingredients, R&D, stakeholders, and so on. That is to say that different people need to be experts in different fields, so they can handle certain aspects of a transaction. Handling business integrity is similar in that way.

**CEEIHM: How does one implement business integrity beyond the internal scope? How do you create that culture when it comes to your external stakeholders?**

Lukasz: We set high values for ourselves within the company, but we don't stop there. We are trying to stimulate our vendors and customers to share our values. To that end, for example, we always try to make sure that our customers are compliant with relevant laws in their jurisdiction.

We also state which values are important to us, and we ask our customers to confirm that they share them as well and that they will follow the rules. Our goal is to work only with companies that abide by the law.

We expect our vendors, for example in the tender procedure, to confirm that they are on the same page as we are, so to speak. They are obligated to follow the basic rules and, if they breach them, we have an opportunity to terminate the contract.

Of course, it would be much easier and cheaper to only focus on ourselves. We could say that the conduct of other companies is none of our business. However, Unilever is a company that holds to its values and is dedicated to upholding them in the outside world as well. That is why we need to make an environment in which our partners and clients will behave according to them. ||



*We set high values for ourselves within the company, but we don't stop there. We are trying to stimulate our vendors and customers to share our values.*

## Harmonizing Bayer's Compliance Regionally

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When he was promoted this May to Regional Legal & Compliance Operations Europe, Middle East, Africa at Bayer, **Krzysztof Mazurek** told CEE Legal Matters that his key objectives in his new position would be ensuring efficient support for the business “using above-country expertise and working with HQ and local legal & compliance colleagues so that the global solutions and service delivery models fit local markets and business needs.

When he was promoted this May to Regional Legal & Compliance Operations Europe, Middle East, Africa at Bayer, Krzysztof Mazurek told CEE Legal Matters that his key objectives in his new position would be ensuring efficient support for the business “using above-country expertise and working with HQ and local legal & compliance colleagues so that the global solutions and service delivery models fit local markets and business needs.”

And he hit the ground running doing just that – Mazurek is currently working hard on harmonizing compliance procedures for Bayer across the EMEA region and making them operationally sustainable. Mazurek is part of Bayer's Global Compliance and Data Privacy Team, with two other regional centers responsible for operations in Asia Pacific and Latin America and Canada. “We all collaborate – Global Compliance and Data Privacy, Project Leads, Process Designers and regional teams – to make this global transformation of Bayer's compliance and privacy operations a reality,” he explains.

“The process is about half of the way through,” Mazurek says. “The idea is to take certain business processes where there is strong compliance involvement, like instances where our company interacts with healthcare professionals, and to streamline the respective compliance processes.”

He describes the company's endeavor as a desire to establish standardized, high-quality processes for approvals and compliance checks with cross-border parameters harmonized for multiple jurisdictions whenever possible. "For example, if there is a policy on giving gifts to healthcare professionals – there are situations in which this would usually be acceptable, such as during a global congress, and those in which it would not, such as in a doctor's office," Mazurek says. "We set out to map all of the acceptable occasions in which this is okay in the European Union, and came up with approximately 40 such instances." He says that, out of the entire 40, there are, in fact, just "15 or 16 distinct situations – all of the other ones are just repetitions of the same situation using different words, such as scientific congress, educational congress, differentiating symposiums and conferences, and the like."

Mazurek says that his team worked to draft a proposal for simplified terms and conditions of behavior for these activities in order to "allow businesses to navigate these waters more easily."

### What Sparked the Process?

The origins of the idea for such an ambitious endeavor were not sparked by a single event, Mazurek says, but were rather a "natural next step, given the complexity of an organization the size of Bayer." He says that this was a combination of the company's desire to be faster and more dynamic in their approach to compliance, all while maintaining financial efficiency.

"It is very important to us to keep the compliant handling of business as easy as possible," he says. With very complex rules, doing business is hard and there is not enough room to "be entrepreneurial and agile in making decisions – not if you have to constantly consult multiple lawyers or compliance professionals at every step of the way. So we seek to provide a simple, cost-efficient, streamlined approach, and provide clarity to the business and allow easier management from a process perspective."

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Mazurek says that, in the past, corporate headquarters would provide compliance with "certain parameters and principles that would have to be operationalized on a national level. Like in the previous example of giving gifts – each country would have its own local gift policy with compliance rules pertaining to this business activity" Unsurprisingly, though, "90% of these compliance rules are the same, because corporate HQ would be providing us with the same principles – so we figured that, as opposed to doing this in each country, it would be more prudent to detect a pattern for a process compliance." He feels that the overlap of similar regulation in the EU is very high, especially in those areas that have common and similar legislation, like the pharma sector.

"The differences that do exist, the 10% where things are not the same, are granular as well and, by definition, complex – so you have to manage them directly and with more attention," Mazurek continues. "A regional organization for certain country processes that overlap could elevate these processes to a regional level and simplify them, creating more room for efficient harmonization in approach."

### Measuring Success

Of course, managing such a complex process spanning a large number of jurisdictions warrants a well-thought-out set of indicators to allow for its success to be measured. "We have complicated and complex key performance indicators to allow us to benchmark the process," Mazurek says.

One of the primary KPIs Bayer uses is, unsurprisingly, financial. "This means that certain country-level spending would be redirected to the region, but it is for the best," he says, because this means the creation of global standardized processes "that could then be used in those countries as well, thus leading to more harmonization and cost efficiencies."

Second, Mazurek says that the amount of approvals generated automatically is expected to be high. "If 80% of the process can be completed automatically, say by comparing gift country value ranges to requestor inputs – you don't need a lawyer checking every single minute every detail."

Third, a monitoring parameter would exist. "We would like to be able to both mechanize and automate certain things, but this of course comes at a risk," Mazurek says, adding that people can get too relaxed when processes are automated. "One cannot be overly confident when it comes to mechanization so we enable periodic checks of random samples to see if things are coming along



as planned." This is not an easy task for a company the size of Bayer, he says, but the benefits impact all the sectors the company operates in.

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Most in-house legal departments do not employ the kinds of individual time-tracking tools so common in law firms. Instead, Mazurek says that process data is collected via interviews with local compliance team members. "In many of the countries, we operate in a highly-organized manner that allows us to quantify local data, see how many steps are needed in an activity, how many activities comprise a full process, and how many processes constitute a workflow."

"In any event, we allow ourselves a buffer of about six months for processes like this, to be able to analyze them fully and see what the turnaround time is, what the level of complexity is, if it can be automated, etc." Mazurek says. The end goal is to understand each process better and to be able to see how much time it takes, what exceptions exist, how often they appear, and how long a time it takes for a red flag to appear. "We want to generate as much as data as possible and then apply things like big data analytics and machine learning to be able to manage our resources even better – see which areas require further training, compare automation rates between the countries, and come up with harmonized norms."

### **Expectations for the Future**

Coordinating an operation this large and sorting through mountains of data is not easy, but Mazurek says that they "have gotten very lucky, because of being able to use the expertise of Bayer Shared Service Centre Delivery Network" – a global network of Bayer services centers which provide business support for the company's network worldwide. "The SSCDN has the necessary experience in bringing services from a dispersed, granular, country level to a harmonized, regional, or even global level – and we use the same methodology as they do," he says.

First, together with the Global Project Team and process designers, we document a process, taking into account the scope of compliance local rules

and regulations placed on it – just to map things out and try to understand what it is that we're doing," Mazurek begins. Understanding where a requirement is coming from and what tools exist at their disposal allows for painting a landscape against the backdrop of which the process can proceed. "From here, we determine if we can organize and harmonize over multiple markets. To use the gift example again – to see if the regulations are similar in cases of gifting samples, sponsorships, services agreements, and the like."

After that, Mazurek says that a global blueprint is designed as a "sort of a universal formula we believe should work in every country. We then get cross-jurisdictional feedback and draw conclusions." Often, he says, the conclusion is that there is a significant overlap between the countries with certain small deviations. "With this global blueprint and the deviations, we start designing and building the workflow, and with the support of SSCDN process engineers, we translate this into an IT flow, which we then roll out to a country for further feedback. After operational readiness, we apply special attention to this process – or HyperCare as we call it – for a period of two months and look for gaps and improvement needs in solution."

The project has a two-year timeframe, and is currently being half-way, Mazurek says, noting that he expects it to "be done by the end of 2021." According to him, "we wish to be quite thorough in our preparation so that we can deliver services to all of our businesses and ensure strict compliance." Of course, two years is a long period, and local legislation can change, but Mazurek says that they're on top of that as well. "We monitor these changes and input them into the model, this allows us to provide long-term services sustainability."

### **Obstacles?**

Having such a complex and complicated process in place, which spans across many different jurisdictions, becomes ever-more complicated as the number of countries it seeks to cover grows.

"We would not want to put unnecessary roadblocks



***We would not want to put unnecessary roadblocks to our business – we simply enable the business to be compliant in a fast, efficient, and sustainable manner. A country granularity is not long-term sustainable.***



to our business – we simply enable the business to be compliant in a fast, efficient, and sustainable manner,” Mazurek stresses. “A country granularity is not long-term sustainable, he adds.”

For this reason, Mazurek says that it is crucial to bring the process down to a common level, applicable everywhere. “Bayer has a number of internal regulations and is part of global business organizations whose policies also require close attention. For example, even if it may be, on average, permitted to give gifts to physicians, we may opt not to do it at all, globally, so that we could have a harmonized approach and avoid pitfalls.”

The ultimate goal is to be able to use the data from the compliance requests from all countries and visualize it in such a way so as to determine the amount of leeway there is in each jurisdiction. “We would like to strike a balance and find those processes that are already largely harmonized and to try and harmonize those for which countries do not impose harsh requirements.”

### Who is Leading the Charge?

The Project is led by the Global Compliance & Data Privacy Function. However, spearheading such a colossal project requires a wider area of expertise, which Mazurek feels also necessitates a level of interdisciplinary knowledge.

“On the one hand, you have lawyers and compliance professionals who are highly intelligent and flexible thinkers, but who may have difficulties designing processes and building workflows,” he says. On the other hand, it is critical to engage engineers who are “more adept at algorithmic thinking. We benefit from a great legal and compliance department that knows the legal frameworks inside and out and we try to create a synergy between it and our analytical engineers.”

Mazurek says that this mix, of legal, compliance, data privacy, and engineering, hits the sweet spot when it comes to project leadership. “As long as this collaboration exists, it does not matter who is in charge – the user will see the result in terms of useful advice provided, templates generated, inputs given, etc.”

### Takeaways

“One overarching experience from working on a project such as this is that it breaks the stereotype about countries pushing back on the idea of similar frameworks and touting their uniqueness,” Mazurek says warmly. “Oftentimes, countries tend to portray their regulatory framework as special and different, but in my experience – especially in jurisdictions such as those in the EU – the more the overlap the more the readiness to accept it.”

Mazurek also describes himself as having been “pleasantly surprised,” when he joined the project, to find and meet people who are passionate about the processes. “Coming from law firms in which everything is so country-specific and narrowly focused – here there is so much passion about the regional and global processes in all jurisdictions. This is an amazing feeling and the team surprised me greatly,” he says, emphatically.



***One overarching experience from working on a project such as this is that it breaks the stereotype about countries pushing back on the idea of similar frameworks and touting their uniqueness.***

Finally, to any newcomers seeking to try their hand in international compliance and data privacy harmonization, Mazurek says “be brave and be open – there is a lot in common between the countries, but at the same time, do not underestimate the differences, even when they are minuscule. To draw an amusing parallel: humans and chimpanzees share about 99% of their genome – but what a huge difference just 1% makes!” He says that it is absolutely imperative to devote ample time to country sessions and feedback rounds and to ensure enough time and energy focus on the differences between jurisdictions. “It’s easy to focus on the overlap because that part is harmonizable instinctively and draws attention first, naturally, but one must not forget that it does not make the whole picture.” Mazurek emphasizes that having strong relationships with local teams is as valuable as checking the laws and requirements against the desired harmonization process. “It may seem difficult, but it will come into place. Give yourself sufficient time.” ||

A professional portrait of Jakub Staskiewicz, a man with short brown hair, a beard, and glasses, wearing a dark blue suit, white shirt, and red tie. He is looking directly at the camera with a neutral expression. The background is a plain, light grey color.

## A Story of a Complete Compliance System Revamp

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**Jakub Staskiewicz**,  
Legal & Compliance  
Director, Company's  
Proxy, and DPO at  
Vision Express Polska,  
talks to CEE In-House  
Matters about his  
experience in  
revamping his  
company's compliance  
system and lessons  
learned from the  
exercise.

**CEEIHM: You and your team set up a new compliance structure in early 2019. What were the main driving forces behind the revamp?**

Jakub: This is correct. We did introduce a completely new compliance system and structure in 2019, just before the COVID-19 epidemic exploded. I'm very lucky that we managed to do so as right now it would be more difficult to do it effectively.

Vision Express SP Poland is part of the Grand Vision family, a worldwide organization present for years in the optometric services and corrective glasses market. Grand Vision has a great central compliance structure but it also – properly – allows its companies to have local differences and understands that an effective compliance system must take into account specifics of the local market, local employees, and the local legal environment. So, if you are asking me what the main reason for the revamp we made was, I would say that it was lots of existing small local factors which together proved that if we would like to have a compliance system that not only looks good in theory and works perfectly in other countries but also works locally, effectively, we need to change it slightly to make it more tailored for our company alone.

**CEEIHM: And what were the main elements of the new compliance system?**

Jakub: Most updates resulted from the desire to answer our local needs and our company's structure as well as local issues of our employees while, at the same time, keeping the main rules, spirit, and standards of Grand Vision's compliance system.

We have focused more on anti-mobbing policies and rules preventing discrimination and sexual harassment than we did in the past. We embedded those rules more in our structure and made them more tangible for Polish employees. We also redeveloped the whistleblower rules in all kinds of cases – not only for discrimination and sexual harassment. First, we did this to ensure that our employees will feel safe reporting anything they might assess as illegal, or even just wrong, regardless of what it is. Second, we did it to manage the system better. Third, we aimed to adapt to local legislation – both current and potential future legal rules.

We also created new policies which are mostly instructions for employees on how they should act in case of any kind of inspection made by the local authorities or contact made by the police or other law enforcement. Such situations are very stressful for employees, and, in most circumstances, they are not prepared for them. We are trying to prepare them and provide very precise instructions as to

what they can and can't do and what their obligations and privileges are, how they should react to specific requests, and so on. This helps employees as responsibility is transferred away from themselves and their better judgment and to the procedure itself; of course, it also benefits the company as it ensures that mistakes will not be made – or, at least, by making them far less likely.

We also focused more on policies regarding new types of social communicators and media and how they relate to the company's interest and image. Those are rules for using Facebook, Instagram, LinkedIn, and other social media platforms in relation to the employment in our company and messages sent to the world on behalf of our company or which could be related to our company. Those are powerful platforms and, while everyone should enjoy the full power of free speech and of free judgment, some rules still should be kept, such as basing any statements or judgments on facts and truth, not using offensive or discriminative language towards others – in particular against other employees – not speaking on behalf of the company without proper authorization or falsely claiming that you can speak on behalf of the company, not sharing publicly confidential information, and so on. This is of course only some of the changes we have made.

We also made all the rules on personal data security and all processes connected to personal data more strict.

So, as you can see – lots of changes.

**CEEIHM: Where did you draw your inspiration from? Who did you consult in order to develop the new system?**

Jakub: First, I got the inspiration from our group policies and Grand Vision experts as well as from our previous rules. You should never underestimate the work that someone else has already done, and it is not a shame to use it properly. Then, we turned our attention to the Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who

*You should never underestimate the work that someone else has already done, and it is not a shame to use it properly.*

report breaches of Union Law – at the time, it was still a draft, but it was already well-known. It should be the base for every compliance system, even if local legislation still hasn't introduced it in your country. We also looked into our local legislation and new laws that are likely to arise in the coming months, or even years, to see the direction and patterns and address them. I also looked very carefully at best practices from the finance market and their compliance systems, as those are some of the best in my opinion, and I really encourage everyone who is trying to create the architecture of a compliance system in their organization to look to the financial market. I had the privilege of working on financial markets in an investment fund and brokerage house for about six years, so I gathered some personal experience and some materials to work with. Last but not least was the inspiration from employees. We asked them what was not working from their perspective and what could be better.

In the end, we also consulted with an external law firm – great specialists who helped us to put everything together and add lots of formal mechanisms, which is useful if, at the end of the day, you need to prove something to officials or court. It is very important not to fall into the trap of thinking that a compliance system is made only for internal purposes or to eventually meet the group's expectations. It is not. It should also have a formal side and processes should be prepared in such a way that, should anything go wrong, you would be able to prove to the outside world that everything that needed to have happened. So, some registers, protocols, forms, and statements are necessary as well, I'm afraid – but I advise keeping restraint and flexibility in this regard.

***What I'm looking at is the number of cases of wrong or harmful behavior that have been identified and addressed, and the number of situations we have solved. This number is higher than the number of similar cases found and solved from the three previous years combined. This means that employees trust the system and have confidence that it will not be used against them.***



**CEEIHM: How did you go about disseminating the update throughout the organization? How did you train your non-legal colleagues on the new policies and overall system?**

Jakub: We did it at a few levels. First, it was important to personally train – and not only train but also convince of the value of it – our Executive Team so they would “feel” those changes and understand them to their core. It is of the utmost importance that the Executive Management team not only understands and executes personally the new rules but that they also believe in and spread them throughout the organization by themselves and by setting a good example. Then, there was, of course, building a wider information campaign to reach all the employees, which went great thanks to my colleagues from the HR team. We created obligatory online pieces of training as well as summaries, one-page instructions, etc. All these kinds of material aids helped our employees know and understand the new rules and to give them the certainty that we are doing it for real, including as a clear statement that the company will definitely execute its own rules.

**CEEIHM: What tools did you set up to help you implement the new rules/policies?**

Jakub: As I mentioned before, it was mostly a mix of personal meetings, online trainings, and simplified materials sent both in paper physical form and by electronic means. We also created a special email through which employees can contact a person from compliance to ask questions and, of course, a separate special email for whistleblowing. We also spread the information that anyone can contact any person from the Legal & Compliance Department if something is not clear or something is not working out as well as it seemed it would when the idea was being developed. We ended up changing a few things in the new system using such bottom-up messages from employees, so that worked well.

**CEEIHM: Now, almost two years later, how would you assess the new system's success – what are the main KPIs you're looking at?**

Jakub: It is closer to a year and a half since the update was finished but yes, we already see the difference, even in COVID-19 times. Since you are asking about KPIs, I did not create precise success metrics. What I'm looking at is the number of cases of wrong or harmful behavior that have been identified and addressed, and the number of situations we have solved. This number is higher than the number of similar cases found and solved from the three previous years combined. This means

that employees trust the system and have confidence that it will not be used against them. This is the biggest success. Other KPIs are also the number of employees which we were able to help or secure their rights, and the number of teams within which we were able to bring back good spirits and a positive atmosphere. I also see that our staff feels more secure and they really see that we are trying to help them – not only the company as an organization – and that they have constant support from the Legal & Compliance Department. We are seeing this during our day-to-day work but also in all kinds of internal satisfaction surveys. The key factor is also the fact that we have not had any penalty related to our compliance system since the implementation, and there are no signs that this will change in the near future.

Of course, there are also challenges. Not everyone is happy with the change, and of course, not everyone is fond of the “tons of new procedures” to learn, but benefits like the ones described above always come at some price.

**CEEIHM: And are you pleased with the overall results so far?**

Jakub: I would say that they are good enough. Still, there is much to do and some things could be done better or just differently, but all things considered, I think that my team and the whole company did a great job. Now, we are focusing more on the present COVID-19 crisis.

**CEEIHM: If you could do it all over again, what would you do differently – from design to implementation?**

Jakub: Probably, I would try to avoid a few procedures/policies which were introduced “just in case.” They only make the whole system more complicated and can give the impression that the compliance system is only important to have on paper and executing it in real life is not the priority – which is untrue. Based on this experience, in my opinion, you should implement only those procedures and policies which are required by law plus those which are really needed by employees and customers, and, of course, those which you are sure are necessary to secure the company’s best interest. And, most importantly, only set up those policies/procedures which you are sure that you will be able to manage, control, and execute properly. All those “nice to have,” or “it will look nice in our system,” or “maybe this statement could be used some time,” which most likely will stay purely on paper will only do more harm by turning attention away from really important parts.

The other lesson I learned, and immediately addressed during the implantation phase, is the standardization of processes in all areas of the compliance system. You don’t want to create completely different procedures for – for example – reporting breaches, investigation processes, registration, training, etc., as everyone, including members of the compliance team, would get lost in them. You should always try to have the procedural parts of different policies be as close as possible to each other or, if possible, to have one procedure for all policies with some exceptions if needed (this depends on the system, company, and legislature, of course).

Finally, next time, I will better assess the workload versus the company’s capabilities and my team’s time – I underestimated this element like a complete rookie.

**CEEIHM: Is there a future update in the pipeline? If so, what will you focus on adding and why?**

Jakub: Now, we are more focused on dealing with the COVID-19 crisis and all things connected to this situation, not excluding all processes which concern remote working and the challenges which will come along with it, as well as working in a new type of hygienically restricted environment. Changes in our compliance system can wait until this passes. ||



# A Shopping Spree: A GC's Story of Handling Dozens of Parallel Transactions

***Mihaela Scarlatescu***,  
Head of Legal and  
Compliance Director  
at Farmexim & Help  
Net, explains how she  
and her team dealt  
with an expansion  
wave that saw her  
pharmacy chain add a  
hundred licenses in  
one year.



**CEEIHM: Let’s start with an overview of your career.**

Mihaela: I could say I’m part of the old guard by now, having practiced as a lawyer for over 20 years. I started my career as an independent solo practitioner as soon as I graduated from law school, and I worked in my own practice until 2007, when I joined my first pharmaceutical company, Actavis. I have to admit, it felt overwhelming at first, and I felt like I wanted to resign after my first day when I saw a manufacturing contract in front of me and told myself “I can’t do it.” I was lucky though. Laurentiu Scheausan, CEO at Actavis at the time, took care of me and encouraged me. He sat me down in our plant and showed me the manufacturing process from ground zero. That was a critical moment for me. It not only showed me how important it is to create associations with peers in the workplace, but the process also helped me see how it is all connected with the business, and how, at the end of the day, we help out real people get access to critical medicine.

After 2013, I joined the A&D Pharma Group – swapping a producer for a distributor. It was a fascinating role, as I was brought in to create rules and a compliance system to build the company’s infrastructure, with the end goal of selling the company. That role culminated in two huge M&A projects – first, the sale of A&D Pharma Group to Penta Investments, and second, a transaction that I was happy to see win the CEE Legal Matters Deal of the Year: the sale of one of A&D Pharma’s companies to Zentiva, in which I was directly involved.

After that point, I found myself at a crossroads. I was choosing between a European role with a big generic producer and an opportunity with Help Net (a Romanian nationwide pharmacy chain which, in 2018, was acquired by the Phoenix Group along with Romanian pharmaceutical wholesaler Farmexim). The latter ended up convincing me to join because of their planned expansion, which I found exciting.

**CEEIHM: And how did that expansion that drew you in play out?**

Mihaela: It was quite intense. I joined the company in February, and two days later I learned that we were in the last phase of closing a transaction involving 72 pharmacies. Instead of an induction, I found myself sitting down to run through the entire deal. I soon realized that the due diligence part of the deal was missing almost entirely – meaning I

had to scramble to finalize that entire process within a ten-day window before the deal was due to be signed. We verified everything from the regulatory perspective and ended up rebuilding the contract from scratch. I remember we signed it in two weeks, and five months later, in July, competition clearance was obtained and the deal finalized. Since then we have bought another 45 licenses, on top of that initial burst of 55 licenses involved in the initial deal.

**CEEIHM: What was the driving force behind this expansion?**

Mihaela: It’s rather straight-forward. Help Net, as a network, aimed to expand as a result of the Phoenix Group’s competitive strategy at an EU level.

**CEEIHM: What about the targets, where they all acquired from the same seller?**

Mihaela: No, there was one big seller, but then we had a lot of negotiations independently with holders of one, or two, or three – maximum five licenses.

**CEEIHM: Did you find that made the expansion easier or more difficult – and why?**

Mihaela: It is a hundred times more difficult to negotiate with entrepreneurs and individual pharmacies, since we had to adapt to individual negotiations. Even if the due diligence side of things is easier, the negotiations phase is much more difficult.

**CEEIHM: Was it simply a result of the volume of deals in parallel that made things difficult?**

Mihaela: That didn’t help, but it was not the only element. We had to adapt not only to individual negotiations, but also take into account that not everyone worked with lawyers for these deals, and many of these entrepreneurs ran their business in the “Romanian style” of “we know it all.”

*It is a hundred times more difficult to negotiate with entrepreneurs and individual pharmacies, since we had to adapt to individual negotiations. Even if the due diligence side of things is easier, the negotiations phase is much more difficult.*



We had our template contract, of course, but that ended up being rebuilt from scratch many times with each seller ending up wanting something different. Without lawyers by their side many times it was difficult, both because we wanted to be ethical and not take advantage of them but also because it happened often that they wouldn't understand elements coming from a legal perspective – that some things you simply can't put into the wording of a contract.

And these individual negotiations also ended up feeling like herding cats at times, because it was difficult to explain in each individual talk why you needed to synchronize these deals to have synergy when it comes to the trade registry, for example – to announce all deals in one go.

**CEEIHM: Did you rely on external counsel for all these deals?**

Mihaela: When I first joined the company, it was working with Schoenherr. The firm supported us a lot on the concentration side and merger clearance with the competition council. Beyond that, on these transactions, we worked using purely our in-house team.

We have a young and enthusiastic team, including a former colleague that I worked with a lot on M&A at Sensi+. Even if it was an insane process, sometimes finalizing two or three transactions in a day, we manage to cope with it all between myself and the three people in the in-house legal team.

**CEEIHM: Why did you opt to rely purely on in-house resources?**

Mihaela: First, I am a control freak. Second, my role entails taking care of our budget and developing

the team. Before joining, the company used to externalize every little matter and we were already over budget when I first joined the team. Slashing that excessive spending was a must and we didn't find it too overwhelming. On the negotiation side of things, we have our own M&A manager negotiating the deals with us, and on the legal part, we felt the legal write-up was fairly straightforward. And it was worth it, as, between all of these projects, the savings are in the realm of hundreds of thousands of euros. Of course, we are collaborating with external lawyers on sensitive tasks, and of course in situations when in-house lawyers feel too involved and biased and may have a conflict of interest.

**CEEIHM: What was your most challenging acquisition?**

Mihaela: The most difficult one for 2020 was not challenging from a legal perspective but from a negotiating one, with the seller changing their view every day. They didn't show up at the official closing day, which was really stressful with no one knowing what happened. I ended up deciding to stop playing nice and checked that we were covered from a legal point of view when notifying the executor that we are ready to wire the down payment. The seller went to the notary soon after and we ended up closing the deal peacefully.

**CEEIHM: What were your main lessons learned along the way? If you had to do it all over again, would you do anything differently?**

Mihaela: First, I'd have the independent sellers have their own lawyers. I think that would spare everyone a lot of headaches. Second, I'd try not to get so personally involved – but I know myself and I know that'd be quite impossible. ||



# Bracing for the Whistleblowing Directive

**Maria Dardai**, Compliance Officer at MSC Cruises, looks at the upcoming Directive on the protection of persons who report breaches of Union law.

The whistleblowing rules in Europe are about to change dramatically. The new Directive on the protection of persons who report breaches of Union law (generally referred to as the "Whistleblowing Directive") will require Member States to create rules mandating that organizations set up whistleblowing management systems covering violations of the EU law.

The member states need to implement the Whistleblowing Directive into their local laws over the next year, which will certainly mean some differences from country to country and the whistleblowing rules in the EU will remain segmented, although the Whistleblowing Directive sets some minimum standards.

Organizations in private and public sectors will need to comply with the Directive's rules and implement their whistleblowing management system. The Directive will apply to all legal entities in the private sector with 50 or more employees and to the public sector regardless of its number of employees.

Private sector organizations with 250 or more employees will need to comply with the new rules by December 17, 2021. The same deadline is in place for the public sector. Organizations with 50 to 249 employees in the private sector have an additional two years – until December 17, 2023 – to become compliant.

Implementing a whistleblowing system never means just a reporting-system or platform. It always includes, at the absolute minimum, policies for

reporting and rules on internal investigations. Once a whistleblowing system is implemented, training for the employees is critical. If this is taken seriously (with organizations wanting to make the whistleblowing system work), a proper internal communication campaign is also necessary. This is not an easy task, especially in larger organizations, or in smaller-but-less-developed ones.

Preparations will require significant resources of all kinds, even in those entities where a whistleblowing management system is already in place. The essential questions to be raised are the following:

- Does the organization have competent resources to receive and respond to reports in line with the Directive?
- Does the organization have access to experts that can help with investigations?
- The Whistleblower Directive places strict demands on internal reporting procedures, and any whistleblowing system should support these internal reporting rules. Does the organization system live up to the requirements?
- Does the organization’s system allow for a whistleblower’s identity to remain confidential?
- Can the organization’s system handle a potential increase in the number of reports received? Is it easy to access and use?

For other entities that currently do not have a whistleblowing management system, the questions might be different. Smaller organizations affected by the Whistleblowing Directive might not want to establish a new, specifically designed in-house system for their companies’ needs, but instead choose a “ready-to-use solution” with features that comply with the new Directive, which would be a more cost-effective option for them. They also might consider outsourcing their entire compliance function, and the investigations. The Whistleblowing Directive supports these solutions.

Once an organization successfully implements a whistleblowing management system, it is critical to encourage internal reporting as fast as possible. This will develop the organizations’ compliance culture sooner – and a developed whistleblowing management system is a key pillar of the entire compliance management system. A proper whistleblowing management system will show employees and others that the organization is open to whistleblowing and values whistleblowing information, and that its leaders are committed to listening to and acting on reports they receive.

*A proper whistleblowing management system will show employees and others that the organization is open to whistleblowing and values whistleblowing information, and that its leaders are committed to listening to and acting on reports they receive.*

Ensuring anonymity and whistleblowers’ protection are the basis of a whistleblowing management system, but afterward, any received complaints must be investigated. Without a proper and professional investigation, a compliance culture will not be built, and the trust in the whistleblowing management system will be destroyed.

Legal and compliance professionals often find it extremely difficult to conduct such investigations. They require specific tools, skills, resources, etc. The confidential nature of these cases makes it even more difficult.

A resource I would personally recommend is that of the Association of Corporate Investigators, a not-for-profit association established to support corporate investigation professionals through training, networking opportunities, and a centralized resource database for its members. ||

*Preparations will require significant resources of all kinds, even in those entities where a whistleblowing management system is already in place.*



A professional portrait of Jan Klouda, a bald man with a slight smile, wearing a dark suit, light blue shirt, and patterned tie. He is seated and looking towards the camera. The background is a blurred office interior with large windows.

## Striking A Balance When It Comes to Risk

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*"There's simply no way to make a business 100% risk-free," argues **Jan Klouda**, Vice President Legal, Risk & Corporate Security at Vodafone Czech Republic, who talks to CEE In-House Matters about how to identify and manage risk within a company.*

**CEEIHM: You have worked in the telecoms sector for almost your entire career. What drew you to it and what made you stick around for so long?**

Jan: Indeed, I had a brief experience with an international law firm – Squire, Sanders & Dempsey, now Squire Patton Boggs – after graduating law school and then moved in-house. In 2004, I joined Eurotel (the former mobile network, acquired and transformed into O<sub>2</sub> in the Czech Republic), and remained in the telecommunications sector since, having later worked for UPC and then joining Vodafone in 2007.

I decided to go in-house because, while private practice can be satisfying, you have a limited ability to influence what your clients do, and, generally, a limited visibility of their strategic decision-making, which, in turn, limits your ability to advise them properly.

When choosing an industry, it is always difficult to foresee which one will survive for a long period of time and what its market will look like 20 years down the line but I chose telecommunications because I thought TMT had a good future. “People like to talk to each other and be connected and they always will need tools to do so,” I thought to myself and, it turns out, I was right!

**CEEIHM: You are Vice President Legal, Risk and Corporate Security at Vodafone CR. While every GC has to deal with risk in some form or another, what does managing risk mean in terms of your role?**

Jan: First, I believe that risk is not a concept that is relevant for management or security professionals only. It is rather useful as a general commercial concept. I think most people, and especially lawyers, often believe that whatever their companies do must be 100% safe and that adopting risk is something filthy – especially not something *appropriate* for lawyers. That thinking is, of course, correct to some extent, especially when we are talking about junior legal roles, though even at that level, I try to make my lawyers understand what risk is and how to advise their colleagues as to what an appropriate level of risk is. The simple reality is that the higher up the food chain you are within an organization, the more risk you need to be mindful towards adopting. There’s simply no way to make a business 100% risk-free.

Naturally, different businesses have different risk profiles and different approaches to how they manage it (which, in itself, is proof that there is no

*perfect* way of managing risk). For bankers, for example, the very profit that they make comes from financial risk. Other businesses perceive risk as a threat to their bottom line rather than what is making their profits. I think it is simply important to internalize that there is *always* some level of risk and one needs to identify what a healthy amount of risk that can be adopted is and how to create the right internal mindset to adopt that right amount.



*I think most people, and especially lawyers, often believe that whatever their companies do must be 100% safe and that adopting risk is something filthy – especially not something appropriate for lawyers.*

**CEEIHM: How does one go about doing that?**

Jan: Yes, it sounds much easier than it is in reality but it always comes down to setting up the right systems to begin with.

A basic level requires an alignment between the GC and the CEO and Board Members as to what risk levels are tolerable – especially taking into account the different personalities that are usually present in a board.

A second step is clearly defining the main areas of risk that need to be supervised and setting clear standards for each. I am talking here about common areas, from competition to AML, to anti-bribery, to health and safety, and so on. For some, you may decide to accept a higher degree of risk, for others, you may decide that you will have a zero-tolerance of risk in them because you do not want to expose the company to any pure costs. Take GDPR compliance, for example, where you can decide to implement a zero-tolerance approach because there isn’t really any potential upside to adopting any risk, while the potential fine is massive.

Once this is done, you need to look at what the law defines as the duty of care for each area and educate your board to allow them to incorporate these into an approach that balances the desire to maximize the upside for shareholders while minimizing the potential downsides.

**CEEIHM: Is there a checklist that should be used to identify the areas of risk for a company?**

Jan: I wouldn't say there is one answer that fits all organizations – it really depends on the business running its own risk analysis and deciding these are the top areas we need to look at because they can really hurt if they materialize. And, based on the company, it can be 20 areas, or 100.

I do think there are types of risk that should always be taken into account, especially those that are criminal law in nature and which may create criminal liabilities for either the company or individuals. Another example involves risks that are regulatory in nature since those tend to involve high fines or, depending on the industry, can even mean losing the license to operate (which would obviously kill the business).

Then, of course, there are industry-specific aspects to consider – those that won't necessarily get you in jail or end up in you losing your license but might

*The simple reality is that, the higher up the food chain you are within an organization, the more risk you need to be mindful towards adopting. There's simply no way to make a business 100% risk free.*



have serious implications. For example, if you are a credit organization, you will be looking out for credit fraud. In the telecommunications sector, there are specific risks related to electromagnetic fields (it is more of a big PR problem than a factual one but still need to be mindful of it and ready to address it), and even physical risks to keep in mind: With thousands of antennas in place to help you provide your services, you need to make sure you take care of your infrastructure, which may cause someone to be harmed if they climb up one to fix it and fall, which would have serious health and safety consequences. Last but definitely not least, since telecommunications involves an IT environment, cybersecurity is a big concern since you need to protect and ensure the integrity of the network.

**CEEIHM: How do you go about identifying the risks that you need to take into account on a rolling basis – keeping a lookout both for current threats and those that might arise in the future?**

Jan: I think there is one more important thing to consider first: What is the purpose of identifying risks? I went through this mental development myself. At first, I was assessing risks as I would see them at first sight, factoring in what I believed represents a risk and trying to factor in how important its potential impact would be, which I would then weight against the scarcity of financial resources or human capital I could employ to address them.

Over time, I learned to look at it slightly differently. Now, I think to myself: "Ok, we have this list, but does it add value? If I go and tell my board about it, how likely are they to simply ask 'Ok, and?'" I've learned that we, as an organization, may have been dealing with many of the elements I may identify as risks on a daily basis. And that might have very well been the case for ages – way before I identified them. There is no real point in drawing my board's attention to this if it is incorporated in our daily operations within the parameters of that tolerable risk level, especially if there are few actionable elements I can suggest to address it. This deeper analysis cannot happen in a void – a GC needs to talk to as many relevant people as possible from other business functions to understand what is potentially truly important to raise for the management team to incorporate in its business decisions.

Beyond internalizing this thinking, don't be afraid to benchmark. Look around – both in your country at other players in the market as well as globally, especially if you are part of a larger group – and compare your checklist with those that others are looking at.

**CEEIHM: You mentioned that you try to train your younger colleagues to move away from the 'risk is something filthy' mentality. How do you go about training your team member towards that?**

Jan: I make it a point to sit down with them and ask a couple of questions: (1) "What does your internal client want?" and (2) "What do they need?"

When a lawyer comes in and says "We can't do X," I make sure we first look at the request and try to figure out how it *could* be done. Are there other ways of doing it that were not yet considered? I try to teach them to not say "No" without first searching for a solution, and, ideally, we can come up with several recommendations to put forward, after weighing the pros and cons of each.

The second question seems like it might be the same thing but what is needed and what is wanted can be quite different. If a client wants an amendment, you may, after analyzing the issue, see that you may simply need a quick e-mail clarifying certain matters. It is a process you need to engage in, trying to understand what needs to be achieved and, at the end of the day, internalize that it is up to you to provide advice – but it is ultimately a business decision if an action is taken (with notable exceptions that involve criminal matters, privacy, and health and safety issues, where we, as lawyers, have a veto).

Beyond that, it is always a matter of reflecting on the commercial strategic context of the issue you are assessing, and encouraging them to do the same. ||

“

***... don't be afraid to benchmark. Look around – both in your country at other players in the market as well as globally, especially if you are part of a larger group – and compare your checklist with those that others are looking at.***



# Expanding Your Role: Managing the Challenge of Increasing the Number of Internal Clients

Following Natura & Co's 2020 acquisition of Avon, **Hande Karakulah**, the former Executive Director, Legal for TMEA at Avon, became the General Counsel, Turkey Middle East Africa at Natura & Co, marking a considerable expansion of her role.





**CEEIHM: Your role has seen quite an expansion in terms of the scope of your responsibilities in the last year. What brought on this change and how has your role changed specifically?**

Hande: Natura & Co, a Brazilian beauty company, acquired Avon at the beginning of 2020 – it closed the deal on January 3, 2020. With Avon's inclusion, the company became the 4th largest pure-play beauty group in the world, and, as we like to say, "for the world." Once the deal was closed, integration kicked off and it was decided the legal function was going to be the first functional team to be integrated. As a result, around May, the General Counsel of Natura and sister brands came together and a cluster of GCs was appointed to provide legal services for their regions as a whole. As to my role specifically, I took over the Turkey, Middle-East, and Africa (TMEA) cluster, where we have The Body Shop and Avon brands operating. Formerly, Avon was present in 21 countries, while The Body Shop 17. Combining the two, I am now looking to cover 25 jurisdictions.

*I thought of it like the first few days when being hired by a new company – you walk around introducing yourself and try to get your bearings as to what is going on. It was critical to try to understand their expectations and needs and even to simply introduce ourselves to each other to lay the groundwork for our working together.*



**CEEIHM: What new jurisdictions are you responsible for now as a result of this organizational jurisdiction and how challenging was it to incorporate these new responsibilities in your work?**

Hande: It depends on how you look at things when we talk about the expansion of responsibilities. Yes, four jurisdictions – Bahrain, Kuwait, Qatar, and Jordan – are completely new to me but that is not the real challenge in my view. The geographical expansion is easier to cope with than the industry one. In my mind, yes, I am covering four new countries, but the real challenge is incorporating the 17 new internal clients that are The Body Shop

operations.

Yes, they are both beauty companies but the two – Avon and The Body Shop – are very different businesses. Avon operates using direct sales channels, something that, by now, I am very used to working with. The Body Shop operates as an omnichannel retail brand, which meant I had to learn how the retail industry worked in order to cater to that side of the business.

On top of it all, The Body Shop works in a franchise model in my region – another completely new element for me, meaning I had to adapt and learn about how franchise agreements are structured, understand how the franchise holders interact with the brand owners, and so on. The first couple of months were daunting coming up to speed while putting out fires and addressing COVID-19-related questions from my old Avon clients and my new The Body Shop ones, and even from the franchise holders.

**CEEIHM: Is your legal team responsible for providing advice to franchise holders as well?**

Hande: No, but it can be good business to help out. In some instances, such as questions pertaining to the franchise agreement coming up, it is obvious that you need to offer support but even if it is not something as directly linked to your company you may want to be helpful.

**CEEIHM: How did you go about inducting yourself into these new businesses?**

Hande: The first natural step was to meet the business people from The Body Shop. I thought of it like the first few days when being hired by a new company – you walk around introducing yourself and try to get your bearings as to what is going on. It was critical to try to understand their expectations and needs and even to simply introduce ourselves to each other to lay the groundwork for our working together.

**CEEIHM: What about in terms of legal matters? How do you induct yourself into a new jurisdiction?**

Hande: That, as I mentioned earlier, I find to be less of a challenge. Even prior to 2020, Avon undertook a heavy market expansion over the last few years which translated into an expansion of my role in terms of adding new geographies a rather common occurrence. Also worth noting, there were no in-house legal sources based in TMEA for The Body Shop so it was more of a matter of simply

relocating primary responsibility for the in-house work of that side.

As to how we familiarized ourselves with these new countries and operations, we simply worked with the existing in-house team and also their external lawyers that The Body Shop had been working with for years.

**CEEIHM: That leads to the natural question of how you go about identifying the best external counsel in jurisdictions you may not have worked in prior?**

Hande: In part because of our past expansion, I did get a chance to become quite familiar with lawyers across the region. Similar to CEE, there are networks of lawyers within which, once you get in touch with one, they are more than happy to link you to new markets.

We usually look to identify three alternatives between which to make a final choice: one from a referral like I described before, one from the local business, and one leveraging our own network – we work a lot with DLA Piper and The Body Shop does the same with Baker McKenzie so we simply turn to them and ask if they can cover a new country or recommend someone on the ground. Unfortunately, it is a challenge in some jurisdictions, and language can be a real barrier but, between these three directions, we usually identify at least one firm, even in jurisdictions where we have a hard time finding legal support.

*We, as lawyers, tend to sometimes believe that there is a magic wand we can wave to fix everything and make something perfect. I've learned to not try and be a savior when nothing needs saving. A regional role will keep you busy enough without you trying to take on absolutely everything you think may be broken and requires fixing.*



**CEEIHM: What advice would you give to any General Counsel who is looking to expand his role in terms of regional coverage?**

Hande: First, be genuinely excited about it. Looking at my past week alone, I had to deal with a new distribution agreement in the Middle East, legal market search in Mozambique, tax structures in Sub-Saharan Africa, and strategic litigation in Egypt – to name just a few. I think, on average, I look at matters related to at least three jurisdictions daily and that variety can easily get overwhelming but if you are an intellectually curious individual, you should take a leap at any opportunity to add new jurisdictions to your role. I personally think that this kind of variety is the biggest gift I could get professionally since it helps me constantly learn new things and grow – both as a professional but also as a person. I am so happy that I was given the opportunity to take on such a role and work with multiple countries.

Second, try to avoid the Superman Syndrome. We, as lawyers, tend to sometimes believe that there is a magic wand we can wave to fix everything and make something perfect. I've learned to not try and be a savior when nothing needs saving. A regional role will keep you busy enough without you trying to take on absolutely everything you think may be broken and requires fixing. I am naturally not talking about ignoring compliance breaches, I am simply encouraging you to not overstep just because you think something could be perfect. Really, perfection can easily become the biggest enemy of good. If you find yourself in a craze of constantly pursuing perfection – the perfect position in an argument, the perfect draft of a contract, the perfect state of a system, you'll lose sight of the larger picture. It's an easy trap to fall into if you are not self-aware enough. ||

# Recruiting During COVID-19: Expanding the Legal Team During the Pandemic

**Barbara Chocholowska**, Country Head of Legal Poland at HB Reavis, talks about the challenges presented by the COVID-19 outbreak in terms of hiring and inducting new colleagues into the in-house legal team.

**CEEIHM: You have recently increased the size of your team. What drove those hires?**

Barbara: Generally, 2020 has been a very busy year for our business, and that impacted the workload of the legal team as well. We were focused on two big projects in Warsaw: Varso Place – a complex of three high rise buildings – and Forest, a complex of campus-style buildings and a tower. In the meantime, we also sold one of our assets in Warsaw – Postepu 14 – in a deal that turned out to be one of the rare transactions in the market in COVID-19 times. On top of it all, the pandemic brought forth a lot of changes in legislation that our team had to look out for and implement. We had to expand our in-house capabilities to cope with all of this so we decided to recruit a few people during the year with a particular focus on bringing on specialized senior lawyers, mainly with experience in leasing transactions and general real estate and investment processes.

**CEEIHM: What recruitment tool did you use? Would you say sourcing for candidates has changed in any way as a result of this year's events?**

Barbara: We have an internal HR team that is responsible for all of the recruitment processes, including for the legal team. We use our own site to announce vacancies as well as external recruitment portals, including LinkedIn. We also encourage internal referrals.

We did notice that a few things were slightly different this year. For instance, as the year progressed, we noticed that the general number of applicants decreased. It was our thinking – and it was sensed during some conversations we had with candidates – that, as the year progressed, many were wondering if this was indeed the right year to make any changes. Of course, that reluctance was counter-balanced to some extent by those applicants who were on the job market because they had lost or were afraid about their job, but that may explain the other element that we noticed: The number of people applying for jobs despite not fully matching the announced requirements increased. I guess the economic climate made more people prone to be trigger-happy when it came to submitting their applications rather than self-censoring.

**CEEIHM: What was the selection process like? At what stage did the legal team get involved and how did you go about getting to know the candidates well enough to assess if they will be a good fit for your team in this year's context?**

Barbara: As a rule, we have two–three interviews with a candidate and up to four for more senior positions. This year, we had to adjust to the new circumstances and adapt our process a bit. In most cases, most of the process was carried out online – something very different from previous years. The first interview was always via call or on-line communicators (such as MS Teams or Skype). We did, generally, try to have at least one face-to-face meeting, while naturally observing all the safety measures implemented by the company. We definitely prefer face-to-face contact, which is why we did our best to ensure at least one meeting happened in person.

On average, the recruitment and selection processes took considerably longer this year – in many cases longer than we hoped. We even had instances where a meeting had to be postponed due to a COVID-19 case being identified, which caused delays. And we did notice that, as more and

more time passed, the general availability of candidates would decrease. Some would reconsider their situation and decide to stay with their current teams while others simply found employment with other companies.

And yes, while we do look at a person's qualifications, experience, and knowledge, we also look at their personality and try to figure out to what extent they would be a good fit with our team. A Skype call is useful but it is nothing like face-to-face interaction. You cannot really get to know a candidate the same way when you are limited to online interactions, which is the main reason why we insisted on at least that one meeting in person, despite the delays it might cause.

**CEEIHM: And, in light of the COVID-19 context, what did the induction of your new colleagues look like? How did you go around introducing them to your business and other business functions?**

Barbara: Most of the induction was done online. Some meetings were allowed in the office so there was a bit of a mix – but most were done remotely. That was a challenge for us, not just for myself as a team leader and the company, but also for the new person. I can imagine just how difficult it is to get to know a company when you work purely from home and you get to only interact with your team members online. We did try to factor that in, and, as much as possible, facilitate coming back to the office to give our new colleagues a chance to get to know the company and observe everything first-



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hand – from how the rules play out in practice to, simply, getting a chance to meet their colleagues.

**CEEIHM: You talked about the limited ability to have newcomers interact with their colleagues. How do you expose a new colleague to an organization's culture in such a context?**

Barbara: That really is a challenge. And I would point it's not just about newcomers. Even for us, who have been with the company for a while, it is difficult to work from home constantly and still keep in touch with the organization as a whole and feel the vibe. Thinking of the new team members' induction, it really requires a lot of dedicated effort to allocate time for one-on-one meetings. I found myself spending *a lot* of time in such online meetings just to help them wrap their head around all the ways of doing things. But I need to do that with all our team members – both old and new. I take the time for regular one-on-one status meetings as well as team calls with everyone to allow us all to sync up on ongoing matters on our agenda – but also to simply give everyone a chance to re-connect with the wider team.

interviews being canceled because of, for example, one of the participants being COVID-19-suspected or positive, but we learned to make peace with the fact that those are not really the kinds of things you can plan or prepare, for.

**CEEIHM: Lastly, what, if any, do you think the long-lasting impacts of this pandemic will be on future recruitment processes?**

Barbara: I would not be surprised if more of it took place online going forward – and I think GCs should accept that reality. It is not a perfect medium and we'll likely still always prefer real-life meetings but online conversations do allow for opportunities to get to know candidates that might be more efficient – even in basic instances where they may simply be located in another city. I do see these tools that we used a lot more these days, increasing their presence in the mix of options we will have in the future. ||

*Even for us, who have been with the company for a while, it is difficult to work from home constantly and still keep in touch with the organization as a whole and feel the vibe.*



**CEEIHM: What advice would you give to any GC looking to make hires in the current setting?**

Barbara: I'd keep in mind that recruitment in the current situation requires not just additional effort, as already described, but also a good degree of flexibility to be able to cope with unexpected elements popping up in the process. If you factor these things in, it is, ultimately, possible to bring in new colleagues successfully.

**CEEIHM: If you had to redo either of the hires all over again, would you do anything differently?**

Barbara: No, not that I can think of. We did face considerable challenges with unexpected things coming up, including, as I mentioned, planned

# A Familiar Feel: Similarities Between the Banking Crisis and COVID-19

Having worked in the banking sector during the global financial crisis that started in 2008, **Iliana Byanova**, Chief Legal, Risk and Compliance Officer at Sopharma Trading, talks about the similarities between the effects of that crisis on the Banking sector and those of the COVID-19 pandemic on the pharmaceutical sector.

## CEEIHM: How would you describe your career?

Iliana: "Luck is what happens when preparation meets opportunity," is a Seneca quote I truly believe in and it is exactly what has brought me where I am now in my career. It is hard work to always be prepared for the unexpected. Opportunities just come.

Banking & Finance was my first love. I spent 12 dynamic years in the biggest Bulgarian-owned and the most innovative bank in Bulgaria – First Investment Bank – climbing the ladder from a legal advisor role up to a C-suite position. I feel I have always been engaged with some of the most challenging projects and transactions. A unique experience a legal professional could only dream of!

When Sopharma Trading invited me to join the team just a few months following the start of the COVID-19 pandemic I instinctively knew that this is the new chapter of my story – an opportunity to be further challenged and be on the crest of the wave.

**CEEIHM: This year has been particularly challenging. How did you see it play out as the Chief Legal, Risk, and Compliance Officer of a pharmaceutical company?**

Iliana: It's been a difficult and challenging year, but also a thrillingly rewarding one for me. The company has decided to move fast on multiple fronts – and all of them were successes. The legal function became more prominent and we had to work not only at full speed and under a lot of pressure, but also to be very creative and innovative.

On top of all that I am so proud that I worked on the successful increase of the capital of First Investment Bank through a public offering in the first half of the year and closed the acquisition of a pharmacy chain with over 150 pharmacies in the second half. The year was marked by insecurity and turbulence, but also offered many opportunities to grow and expand our business.

**CEEIHM: In previous conversations, you have drawn some interesting parallels between the pharma industry, today, and the banking sector, back when you were with the First Investment Bank. Can you share some of those parallels with our readers?**

Iliana: I joined the banking sector in the fall of 2008 amid a horrific economic crisis. Since then I witnessed enormous efforts on behalf of the EU not only to recover and strengthen the financial sector but to prevent future financial crises. One of the pillars of these efforts was regulatory change – and this process continues even today. Regulations have expanded and have become much more harmonized at a EU level. The European Central Bank and the European Banking Authority started to set the tone as never before.

It is all too familiar with the COVID-19 crisis, only worse this time, because now it is about not only preserving the economy but also saving lives.

We are witnessing how a crisis leads to more interference by both local governments and the EU in the healthcare systems in member states. Many new regulations and amendments are on their way. In the Pharmaceutical strategy for Europe published

in November 2020, the Commission talks very much about convergence, common international standards, EU guidelines, and opinions. The European Medicines Agency's role will further be expanded and a new European Health Emergency Response Authority will be established.

Just as an example, Germany, like other EU Member States, was called upon to take a particularly critical look at planned acquisitions and preserve assets in the EU. It sounds so familiar when you come from the banking sector, where acquisitions are subject to enormous scrutiny by the regulators.

**CEEIHM: Do you believe a similar harmonization can be expected in the Pharma sector?**

Iliana: I truly believe that unified regulations and guidelines coming from the EU would deliver tangible results and have very positive effects overall. Of course, the EU does not define Member



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States' health policies, nor the organization and provision of health services and medical care, because of what was agreed in the Treaty on the Functioning of the European Union. However, I strongly believe the EU will increase its influence on the States because of its importance and because of the crisis.

As a GC, regulatory efficiency is desired and is the best thing that could happen to us legal professionals and the businesses we serve. It is not the volume or complexity of regulations that matter, but rather their efficiency and adequacy.





And if we, GCs, support the business in improving the services and products, or developing new ones in accordance with all opportunities that regulations give us, we all, as customers, will benefit. Allow me to remind you how much we all benefit, every single day, because of the EU's interference in the telecom sector and the reduction of roaming costs.

**CEEIHM: Another similar element in the two recent global crises is the impact of technology.**

Iliana: Indeed, another resemblance is definitely related to the impact of new technologies.

There are new players in pharma, especially technological companies. They are set to transform current business models and markets, but this process looks like it is still in its early stages. In banking and finance, it is in its advanced stage with all these Fintech companies that conquered a great deal of the traditional banking services.

A couple of years ago, online identification and online deposits and loans seemed impossible because of AML regulations. Today, banks offer all these services, and it seems as if they have always been offering them. This process has been boosted by the pandemic. Similarly, in the pharma sector today, the online sale of prescription medicines is impossible due to local Bulgarian regulations (as it is in most countries within CEE), but this service, I believe, will soon be allowed, because of customer

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needs. In my view, pharma regulations develop at a slower pace compared to banking, because they cannot benefit as much from the scale of mutual learning, knowledge, and capacity of EU institutions. They are local and not pan-European. However, one of the goals of the European

Commission is aimed to ensure that innovation matches the needs of patients.

Central banks, the ECB, the EBA, and the ESMA have an enormous depository of data about the banking and finance market. The European Commission still struggles to collect all data necessary to enable better research and, ultimately, better healthcare. The Commission is preparing to propose European health data space and establish an interoperable data access infrastructure.

**CEEIHM: How is this evolution translating into the operations of the company itself?**

Iliana: Sopharma Trading's mission is to drive evolution in healthcare (you can check out our logo to see what I mean) and these are not only words – evolution is part of our daily life. We are often setting the tone in terms of innovation in Bulgaria. Ask others if they follow us. For example, I am very proud to share that our retail SOpharmacy arm processed the first electronic prescription in the country a couple of weeks ago, on the very same day the ordinances allowing e-healthcare were promulgated. We are leading in Bulgaria by offering this electronic service. We are ready to offer much more to our customers and improve their customer experience, however, the strict regulations that apply in Bulgaria, and across the EU, are still a barrier to that.

**CEEIHM: If you could make one call to action to your GC peers, or to the business environment as a whole, what would that be?**

Iliana: We need to face the fact that a huge challenge has confronted, and still is confronting, the human race. We should realize and tell ourselves daily that we should come together to address the challenges; we are a piece of the healthcare system and we are required to contribute to the fight against pandemics and diseases. ||



# Reflecting on Mr Wolf: The GC Soft Skills That Get Things Done

**Artur Chrzanowski**, Head of Legal at Eiffage Polska, shares his thoughts on the development of soft skills critical for a General Counsel.

## "?", "!"

A famous writer sent a manuscript to his publisher. He didn't get a reply for some time, so he sent his publisher a letter saying "?". The publisher quickly replied: "!".

You can list many soft skills that are important in our daily lives, in our legal, managerial, and all other roles, but communication is king.

I know that we - lawyers - learn how to be great, eloquent speakers, how to convince others of our arguments, how to write beautiful, lengthy pleadings (which is especially nice when we are paid by hourly rates). Sometimes just "?" and "!" won't be enough, but let's try to find a sweet balance between the comprehension of our expression and its condensation. A receiver will appreciate it. What are my tips?

**Concentration.** During meetings (I have to plan well), I keep my phone on mute and sometimes try to be offline with my mailbox, so that I am not distracted by new messages, and I focus on the interlocutor and on what he wants to tell me. It would be a waste of our time to recreate the same information again, so I try to capture it the first time around.

**Listening.** Only by listening may I learn more than I have known so far. I try not to interrupt someone else's speech, but let the interlocutor feel that I am listening carefully and with interest. I refrain from prejudices, judgments, and criticism.

**Asking Questions and Paraphrasing.** Finding the *point*. I try to find out what is going on, what the problem is, and how I can help in solving it. It is my role to understand it well, so I feel free to ask questions, even if they seem funny. I paraphrase what I have just heard to make sure that's what it was about. Sometimes I take notes.

**Structuring.** Before starting to write anything (or while preparing a speech or presentation) I spend some time thinking about what and how (and in which order) I would like to write or present. As with everything else, the more time I spend preparing, the better I do later.

**Precision.** I try to provide answers in a language that is understandable to the recipient. This is easier if I am talking to someone from the industry

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in which I work. I avoid linguistic ornaments, pleonasm, and tautologies.

**Simplification.** Apparently, if we cannot explain

something the way a child understands, we do not understand it ourselves. Consequently, when explaining, I try to adjust the detail of information to the knowledge and needs of my interlocutor. If I see such a need, I assume that my interlocutor knows nothing about the matter. I prefer short sentences to long ones. When writing, I like to use bullet points.

**Summary.** In the case of a longer statement, I try to summarize it briefly.

Finally, when emailing, I pay attention to *addressing* precisely and indicating a *subject*. Thanks to this I avoid spamming and difficulties in finding my correspondence on a given topic later. By indicating the subject I may draw the recipient in, to read the rest.

Knowing the above, I can also help my colleagues develop their communication skills - It will benefit them and me. And I remember that advice from Mark Twain: "If you have nothing to say, say nothing."

### **"I'm Winston Wolf. I solve problems."**

Do you remember Mr. Wolf from Tarantino's Pulp Fiction, played by Harvey Keitel? An excellent example of a problem-solver, he leads Jules, Vincent, and Jimmie to get the job done efficiently. His leadership and persuasion skills, and time and stress-management mastery, pushed the teamwork of the other characters to a higher level. A dream boss! And he drove an Acura NSX!

But you wouldn't be reading this if you were Mr. Wolf or if Mr. Wolf were your boss, right?

Problem-solving orientation requires a certain level of experience. Passion and engagement could be of some help, but, without a solid track record, it's hard to know what the best way is to reach your goal. First, you have to assess what your objective is, which again depends on your communication skills. Do you know the feeling when you have a great solution but have to wait for someone else's decision? Because I know it. We will never be efficient in solving problems if we do not have autonomy in them, or if we are not able to reach the decision-maker quickly.

Chauncey Gardner said "I like watching," as he gained his experience from observation, from watching TV. Observing people who are more experienced than us is a good solution, but it is worth supporting with practice, even on our smaller scale. It will bear fruit for us.



### **“Where do we come from? Who are we? Where are we going?”**

Paul Gauguin (it's always a good idea to recall the name of a French artist if you work in a French company) summed up human existence in his painting with the above title. In this crazy, rushing world, time becomes a real luxury, and self-reflection assumed a greater value, without which it is difficult to develop self-awareness.

We can only know ourselves by reflecting on ourselves through others' eyes and by introspection. Knowing our own values, strengths, weaknesses, feelings, and behaviors we can experience our own personality. Does it matter? For me, yes, as thanks to this I can be happier and derive greater satisfaction from my work and relationships. Interesting supporting tools that I use are the Hogan tests, Facet 5, or Insights, but the simplest feedback from colleagues or annual appraisals are very valuable. For hygiene and balance, I like to ask others what they think about what I said, did, or write – I think it builds my self-confidence and self-control (even if I am criticized).

What is critical thinking about? It's about a rational approach, the ability to recognize and understand connections, the ability to evaluate the importance of arguments, to establish and justify one's reasoning, and to argue and defend one's position.

It is worth paying attention to:

- getting to know your own strengths and weaknesses and understanding their impact or influence on the decisions you need to make
- obtaining the necessary information from various sources, including possible scenarios and the effects of their implementation, and evaluating them
- evaluating the results, thanks to which subsequent decisions will be more accurate.

Here's a little test to see whether you are thinking critically: How often do you take in other people's opinions? Isn't it better to be curious and make your own decisions?

### **“It's easy if you try”**

Would you agree with John Lennon? What is certain is that you won't do anything if you do not even try.

How does one succeed in developing soft skills? Well, I don't know the secret recipe, but I can tell

you how I try.

A lot depends on me. I like people and I feel great job satisfaction working as an in-house lawyer. I talk and listen a lot and naturally work on developing my communication skills. I am happy when I can share with my colleagues insights that help them grow, as far as communication, problem-solving, self-awareness, or similar skills are concerned. I know that thanks to this, my work will also be better and more pleasant because it is more effective to work with professionals. That's why I'm not greedy and selfish like Ebenezer Scrooge (well, maybe a bit malignant sometimes, but – as Jack Lemmon's character heard in *Some Like It Hot* – “nobody's perfect”), and I like to share my experiences.



***Problem-solving orientation requires a certain level of experience. Passion and engagement could be of some help, but, without a solid track record, it's hard to know what the best way is to reach your goal.***

I believe that the path of personal development leads to the implementation of more and more difficult tasks, which is why I engage my colleagues in more and more complex projects, supporting them with advice if needed. I am very happy with the achievements of my team and I like to highlight the individual achievements of my colleagues.

I am happy to work for a company with values – exemplarity, responsibility, trust, transparency, lucidity, courage, and pugnacity – that are also mine. Transforming them into internal initiatives, such as mentoring programs, the creation of the so-called “shadow management committee,” internally-prepared training programs (like contract management or business excellence), all support and enhance the development of my colleagues and myself.

Of course, this is just scratching the surface of the topic, which, perhaps, amused you a little bit, or maybe it encouraged you to think about which soft skills are important for you, which of them you would like to develop, and how.

Ok, so “?”. ||

# The Soft Touch: Focusing on People

**Elena Iacob**, Head of Legal and Compliance at Alliance Healthcare Romania, reports that GCs need to focus on soft skills and empathy in today's world.

## A Career Choice

For Elena Iacob, Head of Legal and Compliance at Alliance Healthcare Romania, the primary motivation to venture into the field of law was her desire to help people. "Ever since high school, I have aspired to provide help to others, to have a real impact through my work" she recalls. "In order to do so, I went back and forth between becoming a doctor or a lawyer. However, I soon realized that being around people who are very ill, affected me too hard and that it was just not for me." Still, Iacob is quick to express her profound respect for doctors who, in her opinion, really have to have superpowers to do their job.

"I still wanted to do good, to interact with people, and to be exposed to different situations and problems to solve, so I decided to become a legal adviser," Iacob explains, admitting that she was also attracted by the idea of finding solutions to complex problems.

So, right after finishing law school, in 2003, Iacob started her career as a junior legal advisor at Romanian distribution company Interbrands. "When my former boss asked me in the job interview where I saw myself in five years, I said 'in your place,'" she recalls with a laugh. What began as a joke became a reality for Iacob in 2008, when she was promoted to Chief Counsel at the company. "At that moment, I discovered that the power of our thoughts and wishes is not fictional, but that we can reach our goals through positive thinking and proactivity, passion for our work and stubbornness (the positive kind)."

Iacob spent nine years at Interbrands – a period she describes as an important experience that shaped her as a professional and a human being as much as her formal education did. However, over time Iacob began exploring ideas of other ways in which certain cases and legal issues could be handled. "When I started asking myself these questions, I knew it was time for a change," she says.

In 2012 she joined Coca-Cola Hellenic in Romania, and in 2018 she moved to Alliance Healthcare, where she has been ever since. "After 15 years in the FFC industry, I wanted to get closer to people," she says, emphasizing that her current company's primary goal is to help people, which put it on the front lines of the struggle against the COVID-19 pandemic. "I felt that with my knowledge and experience I could support my company on its mission to deliver vaccines and medication to patients on time."

### Business with Empathy

"In life and in our practice we are faced with high-pressure, stressful situations," Iacob states. In her opinion, it is important to see how people handle themselves in such situations. When push comes to shove, "the usual instinctive reaction is to find the guilty person who caused the problem." In Iacob's opinion, this approach is wrong. "Instead, we have to invest our energy in figuring out a solution, because searching for a 'guilty person' is just a huge waste of energy and time," she notes, while adding: "This does not mean that we should not find time to pause, reflect, and learn from our mistakes."

She works to spread this belief to her colleagues. "I try to be the person who reminds others that we are a team and that we need to put our knowledge, energy, and resources on the table and see how we can make things better," she explains.

However, handling issues in a rational and calm

manner is easier said than done, as people are often guided by emotions. "Nowadays it is obvious that digitalization is the name of the game," she says. "However, we are not robots and we cannot just push a button to deliver a review of a 50-page complex contract, for example. People sometimes have feelings which come in the way of doing work." For that reason, Iacob insists that it is crucial to develop soft skills and empathy.

And that need is particularly potent today, during a global, crippling pandemic. "I see that many people around me are afraid of the unknown, the uncertainty that surrounds the current setting," Iacob says. "Fear causes pressure – and everyone has been under a lot of it recently." As a result, she says, people at work lose sight of things that need to be done and delivered. To counteract this phenomenon, Iacob works to mitigate the negative effects of the pressure-heavy environment her team works in, helping them understand and reconcile their sometimes-contradictory feelings. "I told my team that I am there for them and they can always share their feelings and thoughts with me to take the time to de-focus from work, explore their feelings, and understand them." In this effort, and because of the pandemic, tools such as Zoom, Microsoft Teams, and Google Meet have come in handy.



***Nowadays it is obvious that digitalization is the name of the game. However, we are not robots and we cannot just push a button to deliver a review of a 50-page complex contract, for example. People sometimes have feelings which come in the way of doing work.***

She stresses that an even more important tool is good humor. "That is why I always try to open meetings with a joke, or try to insert one when I feel discussions might get tense," she says. "Another useful method is to ask people about personal things, such as their children, plans for holidays, or what they have been up to lately."

### In Another Person's Shoes

However, Iacob believes that before you can understand and help your fellow human being, first



you need to feel what they feel. That is where empathy comes in. "We are all managing this stressful situation that presented itself this year," she says, noting that this awareness that "we are all feeling the stress," in turn, caused a general feeling of being understood.

On the other hand, Iacob's points out, it is difficult to separate people from their job. "My role at the company is not only to understand and help people but also to protect the business," she says. "I have to make sure the business's profit and growth are not only sustainable but also legally sound," she explains. "Otherwise, the company might not only be fined but also have its reputation tarnished."

Ultimately, Iacob believes that in order to help professionals deliver optimal solutions, you need to understand not only them but also the business. "Sometimes, lawyers provide solutions without necessarily understanding the business side of things." To change that, Iacob always tries to find a tailored solution. "Don't tell people 'no,' because they really don't like that," she says. "Show them that you are trying to improve on what they gave you, in order to find something that works in the

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***When push comes to shove, the usual instinctive reaction is to find the guilty person who caused the problem. Instead, we have to invest our energy in figuring out a solution, because searching for a 'guilty person' is just a huge waste of energy and time. This does not mean that we should not find time to pause, reflect, and learn from our mistakes.***

end." Still, in doing so, she says it is best for her to communicate in such a way that her team members can understand her role and her expectations. "I have to deliver the message that I am not their enemy," she says. Instead, they should understand that she is there to listen to their ideas, while looking to identify sustainable and compliant business solutions. ||



# Coping With COVID-19: Respect, Adaptability, and a Human Touch

**Zsuzsanna Lippai**, Legal and Compliance Manager at Mercedes-Benz, explains how she had to adapt her negotiation style in a COVID-19 world.



**CEEIHM: Please tell our readers about your career leading up to your current role with Mercedes-Benz.**

Zsuzsanna: During and after my university studies, I worked for several international companies (including Procter & Gamble and

Friesland) where I gained solid legal and compliance experience in multinational and multicultural environments. Since 2007, I have been working at Mercedes-Benz Hungaria Kft. as Legal and Compliance Manager.

**CEEIHM: This has been a challenging year for many companies/in-house counsel. What did you find to be the biggest challenges for your function?**

Zsuzsanna: Home office – as a new working arrangement caused by the pandemic – led to a new form of collaboration. This was a sudden change. Previously, I also had the opportunity to work from home, but not for such a long time. Thus, I had to switch from personal meetings to only virtual communication.

New technologies – and the digital transformation – came into focus in the course of my day-to-day work, including the digitalization of workflows and preparation for the more extensive use of the electronic approval process.

Moreover, the need for and importance of legal support for events and sponsorships, as well as the carrying out of orders significantly increased. We had to react to our partners' inquiries in order to reschedule cooperation programs, and, if possible, postpone them.

I did my utmost to act proactively and provide legal guidance to my colleagues immediately after the state of emergency was declared. My objective was to enable them to react to the situation positively, so that they would be aware of the different legal eventualities and possibilities, including questions about whether the pandemic could be deemed a *force majeure* event.

There was greater pressure on everyone to solve the unexpected situation in the best possible way so that their businesses could survive the pandemic and they were able to keep themselves and their loved ones in good health. Understandably, this

situation led to tensions and potentially uncomfortable discussions.

**CEEIHM: If you had to identify one element that helped you out the most in all of these, what would you point to?**

Zsuzsanna: I was sure about one thing: it is worth finding win-win solutions with our business partners and customers. Our main purpose was to maintain fruitful cooperation in the future, too, with a legally well-grounded solution.

One of our key corporate values is respect. It is important for us to treat our customers and business partners with respect. During this time we implemented this principle into practice.

**CEEIHM: And how does this "respect" apply in practice – say, in the uncomfortable negotiations you highlighted earlier?**

Zsuzsanna: One example occurred when a customer approached one of our authorized dealers and said that they could not take over a vehicle put in production due to unforeseen circumstances surrounding COVID-19. I provided, of course, a legally adequate answer, however, I pointed out that the preferred option would be to accelerate the production process if technically possible. This way we can make sure that our partners appreciate that we seek a solution and as the situation allows, they will take the vehicle over and we retain them as our satisfied and loyal customers.

*I was sure about one thing: it is worth finding win-win solutions with our business partners and customers. Our main purpose was to maintain fruitful cooperation in the future, too, with a legally well-grounded solution.*



**CEEIHM: I assume that applying a human touch often necessitates a form of compromise from your side as well? What were some of the main arguments you used internally to nudge the company towards these compromises?**

Zsuzsanna: It goes without saying that a situation like COVID-19 requires more adaptability from everyone. We all had to work in a way different from our usual practice and we were all under

pressure.

The key issue we faced in remote working with new collaboration methods was ensuring effective communication, especially to get your ideas through to other people.

We did not have any problems with this specific aspect as my colleagues immediately accepted my arguments. I always try to put an emphasis on explaining my point of view in a clear and factual manner, which I try to demonstrate with examples. I have always been a lawyer with an entrepreneurial mindset, so I took the business side into consideration more naturally, and I also pointed it out in my legal advice.

**CEEIHM: How do you, as a head of legal, go about developing the soft skills needed within your team to incorporate this kind of an approach?**

Zsuzsanna: I do not have my own team, but I work with external law firms. The way we cooperate fits perfectly into my holistic legal view of the impact of our legal support, both in the short term and for the long run.

I believe that people develop their soft skills over time to become effective team members. Luckily, I have always had strong interpersonal skills, which helped me during these times. I believe that showing your human side in your communications is becoming increasingly valuable.

In the future, there will be a need for a mix of soft skills and hard skills, in which the soft skills will get an even bigger focus than ever before. I am convinced that the combination of these skills will be the determinant factors of success.

Since the beginning of the pandemic, I have reached out to a couple of people with whom I had not been in daily contact before. This has become a weekly practice for me. I usually ask them how they are doing. This way, I make sure that I maintain strong connections with all my contacts.

**CEEIHM: How, if at all, do you expect this will influence negotiations with the different stakeholders of the company in the long run?**

Zsuzsanna: I believe I have built a trustful atmosphere with the people with whom I collaborate and I expect this will influence our smooth cooperation with them in the future as well, all while also aiming to maintain a strong professional legal position within the company. ||

A close-up portrait of Bozidar Ristic, a middle-aged man with short, graying hair, wearing a maroon suit jacket, a blue and white striped shirt, and a maroon tie. He is looking slightly to the right of the camera with a neutral expression. The background is blurred, showing green foliage on the left and a light-colored wall on the right.

## A Blessing And A Curse: The Pandemic Slows Down Banking Litigation in Serbia But Brings Its Own Challenges

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**Bozidar Ristic**, General Counsel, Legal Division Manager at AIK Banka, talks to CEE In-House Matters about how the COVID-19 pandemic has affected his work and how it temporarily slowed down a storm of litigation proceedings against the banks in Serbia - a storm due to return.

**CEEIHM: To start, please tell us a few words about your career leading up to your current role with AIK Banka.**

Bozidar: After getting my degree from the University of Law and after practicing in a local Law office, I had to choose between two paths for my future career: to open a law firm or to become an in-house lawyer. I chose the second option. However, back then, it was difficult to find a job as an in-house lawyer. That is why I've accepted the position in an export-import company as an agent for selling equipment for the textile industry representing Italian companies on the Yugoslav market. This period of my career was more than useful, having in mind my future work. During the period when export-import was canceled in the country, I was forced to find new a job.

And so, I went back to my original profession. I started my new career in the legal department of the first private bank in Serbia at that time. My previous experience helped me understand the banking business, domestic and international payments, guarantees, LCs, securities, etc. Knowing transactions and understanding the economy was a good base for an in-house lawyer in a bank.

Working as an in-house lawyer in the bank was quite challenging, dynamic, and interesting. Different law fields had to be covered, a fast response was always needed, and protecting the bank's interest was always my top priority.

Being a manager, no matter in which profession, is a very responsible position. And, in my view, a manager needs to develop quite a few skills such as management capabilities, knowing how and when to make the right decisions, being transparent, being always open for new ideas, using brainstorming in order to direct performance, hearing both bad and good news, and always being there to give advice to associates - when it is needed and when they ask for it. During all my career I have tried to live up to all of these, and I hope I have succeeded in it.

I was a manager of the Legal Department in Alpha Bank in Belgrade, and when AIK Bank purchased Alpha Bank in Serbia I became a member of the AIK Bank team, first as a legal counsel, and later as a manager. Working for a totally domestic bank as opposed to a bank belonging to the wider banking group with western capital, was quite different, and, in my opinion, working for a wider banking group is always better.

**CEEIHM: Looking back at that transition from a**

**purely domestic bank, in what way has the organization evolved since that makes you feel that working for a larger group is better?**

Bozidar: From my perspective, it is "better" in that it is more convenient. Being a member of the larger banking group means that you, as a member, may use the experience, support, knowledge, and ideas from the group. The internal system and organization are in constant development in order to achieve success in the market. When you are on your own, you have to achieve all of these and end up putting in more effort, energy, and time than as a member of the group. And of course, whenever you start a new project, there is a fear of "the new" because that new was not already tried and tested, whereas, when you are a part of a group, there are plenty of past experiences you can point to.

**CEEIHM: How would a "regular day in the office" look like for you as the General Counsel, Legal Division Manager at AIK Banka?**

Bozidar: AIK Banka is a fully Serbian bank, and its prospects and targets are quite different in comparison with other banks that belong to a wider banking group. That is why it is very important to be fast and organized to give support to the core business (both corporate and retail), back office, and other departments (procurement, IT, payments, etc.). Then after the merger of the two Banks (Alpha and AIK) there were more court cases (litigation proceedings) that had to be handled, and, finally, corporate governance also had to be covered. As the manager responsible for providing adequate legal support to the organization, I have to control all these processes within our department, organize daily priorities, and participate in meetings - both internal and external. I am also the Chairman of the Legal Committee of the Bank Association of Serbia.

To sum up, AIK Bank in comparison with other banks in Serbia is not that big of a bank, and because of that, it has quite a challenging working environment because fewer employees end up covering more tasks.

**CEEIHM: And how has this year been different for you?**

Bozidar: It has been quite a different year for sure. It has brought us so many different challenges and I cannot say that we were prepared for it all. Then again we have ample experience in dealings with crises.

There is no doubt that COVID-19 has stressed, like never before, the business economy. But while the

scale of this economic crisis is new, the feeling of uncertainty is something we have all been experiencing in the past years.

This pandemic brought new risks beyond what we already were used to handling, and we needed to adjust to the situation. Since the explosion of the pandemic, the everyday lives of millions of people has changed. The emergency situation has affected many aspects and is shaping a new normal. Working, learning, shopping, and many other basic routines are evolving day by day.

So, we had to re-organize our lives, operations, and social obligations, just like everybody in the world. The Serbian people are adjustable and I love that about us. So, we adjusted: most of the companies organized work from home, with remote working highly influencing the lifestyle of people, social networking was reduced to a minimum, our live meetings were replaced with meetings through digital channels, only necessary jobs have been performed from the office, and from the beginning, we protected our employees. After spring, when the pandemic calmed down a bit, we returned to the office with 70% of employees, reducing the staff by using holidays, paid leaves, etc. This organization is still in place.

*There is no doubt that COVID-19 has stressed, like never before, the business economy. But while the scale of this economic crisis is new, the feeling of uncertainty is something we have all been experiencing in the past years.*



I would say that this pandemic is an opportunity to redefine how banks can stay connected with their customers, to promote trust in technology and digital services, to adapt to the changing life, work, and economy, and to adapt to remote working patterns that have made employees more flexible, giving them more time and freedom to organize work and personal commitments.

**CEEIHM: What would you say were the biggest challenges you and your team faced and how did you overcome each?**

Bozidar: Even though it has been a difficult time, there's a bright side for workers: they appreciated the time saved by no longer commuting, the

flexibility in work, and the set-up of effective work objectives while working remotely, all allowing a balance between work and family time. This emergency forced people to behave differently.

Both to achieve that flexibility but, primarily to be safe, ever since spring, I organized my team so that most people were working from home, while myself and two of my colleagues were present in the office every day in order to address issues that still require a presence: physical signatures needed on a bunch of documents, registered mail had to be set, proxies had to be signed, etc. I am the most senior in the department and I believe my highest responsibility right now is to protect my coworkers and take most of the challenges on my shoulders, so I have to be on the front line. And we managed all tasks, we remained well-connected and made our execution of tasks as easy as possible. Today, the situation and the organization is a little bit different because the bank owns one more building in the Belgrade, which due to the COVID-19 situation we use as our second headquarter, and employees are divided into two buildings to respect the rule of 70% presence in the office.

If there is one positive outcome, then it is digitalization, which took place in Serbia earlier than we thought it would. Banks now need to embrace the new normal and go digital. The majority of operations, interactions, and processes are being performed completely online and we need to establish a knowledge base to educate our users about digital banking capabilities. At the end of the day, we also find that is possible to organize work from home because it brings many benefits including better work-life balance, less commute stress, increased productivity, and performance even if this wasn't recognized enough by domestic labor laws.

**CEEIHM: Beyond the COVID-19-related issues, the banking system has been dealing with its own specific storm in Serbia. What led to this situation and what's the current state of affairs?**

Bozidar: I would rather say alongside COVID-19. Yes, there is. COVID-19 has slowed down this storm as courts were closed during the first months of the pandemic, but after that, the storm came back with new strength. As you already know, or maybe you have experienced, every bank in the world, besides interest rates also collects agreed on fees for processing a loan, or a commitment fee, or a different kind of fee. The banks in Serbia do the same, in accordance with valid regulations.

In the beginning, in 2017, clients started initiating

litigation proceedings against the banks asking the courts to declare null the articles in the loan agreements related to such fees and oblige the banks to return collected fees with default interest rate.

The courts, which decided in favor of the claimants, initially had two different reasonings:

In the beginning, they claimed that the banks may collect only agreed interest rates, and not fees, interpreting that the earning of a bank may only be the interest rate.

Later, the Supreme Court of Cassation of Serbia took a legal position that collecting a fee is legal, but the banks are obliged to provide proof and state in the contracts what the costs are, on the basis of which they are determined and why they relate to the approved amount.

The misunderstanding between the courts and the banks is that courts, without any special reason and explanation, consider the fee for the service provided equal to the actual costs incurred by the bank in providing the service. As such, according to the courts, a transparent offer to the client has to list the structure of the bank's costs.

In 2019, at the request of a Hungarian court, the European Court of Justice issued a legal opinion on the same issue that is disputable in Serbia. This court is of the opinion that the requirement that the contractual provision in the loan agreement – such as the provision on fees – should be clear and understandable but that does not mean, at the same time, that all services provided in exchange for the agreed fee in question should be specified and structured.

And this is the key misunderstanding between the courts and the banks: the fee even clearly stipulated in the agreement and well-known in advance is not enough but must be structured and specified in detail according to the current courts' position on the matter.

Because of this misunderstanding, we had a huge number of cases before Serbian courts, and I do not think it is possible that these will be solved in a reasonable time.

**CEEIHM: How do you believe both challenges will evolve in the upcoming months and what steps are you currently taking with your in-house team to support your organization through this?**

Bozidar: It is very important to stay safe and healthy

for everyone, then everything will be ok. We are trying to stay focused on providing prompt legal support to all units of the bank, to optimize our actions and performance.

Regarding the numerous court cases, we try to give the right defense, adequate evidence, while trying to do cost-cutting as much as possible. The Banks Association of Serbia (BAS) is involved and engaged in helping the banks find the most suitable solution for this issue. The BAS is also devoted to organizing meetings with the Ministry of Justice, the National Bank of Serbia, and other relevant state bodies to find an adequate exit from the current situation. I hope this will be solved in the near future in an adequate manner.



*If there is one positive outcome, then it is digitalization, which took place in Serbia earlier than we thought it would. Banks now need to embrace the new normal and go digital.*

**CEEIHM: Gazing through a crystal ball, how do you foresee 2021 will shape up for you and your team? What are the biggest risks and opportunities you are looking to mitigate and take advantage of, respectively?**

Bozidar: No matter if we continue to work from home or we come back in the office we project that the biggest risk is that of fee litigation proceedings, because the number of cases is huge, and it grows every day. We hope that, at some point in the future, a common understanding will appear which will lead to a final standpoint. Regarding opportunities, I hope that digitalization will continue to grow and replace paperwork in most fields, especially in legal issues. There are more legal challenges to cover when it comes to digitalization in the banking sector, from secure communication to securing data and not jeopardize GDPR compliance, to being in line with AML regulation using digital identification, all while offering more digital services.

At the end of the day, I would push for a radical shift to mobilize and virtualize the workforce. Flexible working with the ability to stay connected, while always keeping the customers in the center and by building a strong empathetic relationship with them, would be the best way to summarize my current focus. ||

A portrait of Irina Kravtsova, a woman with wavy brown hair, smiling and resting her chin on her hands. She is wearing a bright red zip-up jacket. The background is softly blurred, showing what appears to be an office or indoor setting with a window.

## Looking Back at a Challenging Year

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***Irina Kravtsova**, General Counsel  
at Raben Ukraine, reflects on a  
challenging year and the changes  
it brought to her role.*



**CEEIHM: To start, please tell us a few words about yourself, your career, and your current role.**

Iryna: My professional life is full of challenges and varieties. My career started in the publishing world. At first, I worked in the legal department of the newspaper of the Ukrainian legislative body. After that, I worked in the legal department of a Swiss publishing house. Then, I was offered a position to act as the sole legal counsel at L’Oreal Ukraine. That was a true challenge since I had to build the legal function from scratch in one of the biggest and most famous companies in the world. Within less than ten years, I successfully managed not only to implement the role of the legal function in the company – building a strong legal background to assist our business units in day-to-day work – but also to grow the legal function from a single position to a full-fledged legal department. Here I should mention that, in 2017, our legal department was recognized as the best legal department in the Ukrainian FMCG sector.

Since the beginning of 2019, I have had the pleasure of being part of Raben Ukraine’s team. Taking the role of General Counsel with the 3PL operator was another challenge for me, as the change of industries – from the beauty world to logistics – was rather drastic. Nevertheless, I am delighted to get this professional experience. I also have to confess that the logistics world from the inside is not the same as it appears from the outside. Logistics never sleeps and it is always on the move. It is very different and varied: cargo transportation at different temperatures, by different means of transportation, within the country and crossing borders, warehousing and different kinds of storage and handling services, co-packing, working with customs, and so on. Every business is unique: you need to take into account not only specific legislative rules but also the demands and requests of the clients. In addition to tasks that arise from the specificity of the business, as a lawyer, you should keep all the corporate, labor, compliance, and other issues that support the functioning of the company under control. Finally, you need to have a complete understanding of the business in order to predict risks.

In parallel, I am a Ph.D. student, conducting scientific research in vertical agreements and restraints in the context of administrative and competition law. I am also excited to take part in professional social activities, such as being a speaker at forums, a lecturer at webinars, or simply writing professional analytical or scientific articles.

**CEEIHM: I suspect many will remember 2020 as an interesting year now that it’s all said and done. How has the 2020 climate affected your work?**

Iryna: For sure, the events that took place in 2020 found reflection in the work of the company. Since the legal function is a supporting one, you had to react to decisions, demands, and requests even quicker than usual. The first half of the year was rather tough since the situation in the country was changing every day, as it depended on governmental decisions. It was hard to predict what tomorrow would bring, what cities and roads would be closed, what transportation rules would be, what documents would be needed, or simply how employees would get to work if roads were blocked. Every announcement from the state authorities had to be processed with the speed of light in order to deliver cargo on time and keep warehouses operating in a normal way.



*It was hard to predict what tomorrow would bring, what cities and roads would be closed, what transportation rules would be, what documents would be needed, or simply how employees would get to work if roads were blocked.*

A lot of inner processes were changed. I personally think that all lockdowns and quarantines were a great push for many companies to review and optimize inner procedures, to identify what works well, what must be improved, and what should be stopped because it is a waste of resources. For example, in Raben Ukraine, we sped up our e-documentation workflow and electronic validation of documents.

**CEEIHM: What did you find to be the most challenging aspect of working as a GC during this COVID-19 pandemic?**

Iryna: The most challenging task was to keep a 360-degree legal overview of business in a turbulent period. On the one hand, you have to react quickly to governmental decisions, and on the other hand, you have to fulfill your day-to-day job obligations

that support the normal functioning of the company. But I am truly convinced that the success of every business depends not on one person but on a whole team, in which every person plays his or her role. In Raben Ukraine, we have a great team where we support each other. Everyone is proactive and business-oriented, which makes overcoming difficult situations easier and with fewer (or no) losses, as decisions are taken and implemented quicker and more fruitfully.

**CEEIHM: Dealing with a constant flow of changes has been a common theme among senior in-house counsel this year. What best practices have you developed to react so quickly?**

Iryna: I believe it is all about the role and powers of the GC in the company. It is very difficult to implement any change when the role of the GC is reduced by top management to a technical function. In Raben Ukraine, the GC is a member of the Senior Management Team and the top management of the company grants the GC full powers that allow him or her to be a business decision-maker in certain cases. In addition, it is very important to have business, operational, and commercial know-how, so you can communicate with business teams in the same language. Good collaboration and communication with teams is another prerequisite to finding the best business solutions and mitigating risks. Ticking off all of the above makes the life of a GC easier when changes are needed, especially ones that should be immediately implemented.

**CEEIHM: What were the types of changes that you found most difficult to implement this past year?**

Iryna: I believe that the most difficult one was the switch from working in the office to working from home. First, it is all about working with documents. In the office, you have all the necessary documents at hand, while, at home, you have only what is scanned. That is why, when I come to the office, I already have a list of documents that I need to scan or print that I will have to work with at home in the coming days. Second, it is about document validation and signing. Now, we have launched a program that allows for the electronic approval of documents. Next, it is about meeting your colleagues. It has become normal to be communicating online but, in the beginning, it felt a bit strange. Finally, work and life balance take a hit. Working from home sometimes blurs the line between work and private life so you have to build



*...nowadays, having legal counsel analyze and accept risks, suggest business ideas, and take a leadership role in business projects is part of the business. I'm sure that such an evolution towards leadership and business orientation will carry on in the coming years.*

rules for yourself as to how you should work from home.

Another difficult thing was to organize the operations of the company during the lockdown and to elaborate inner rules of distance working since Ukrainian legislation in this respect is incomplete. We had to sit at the table and draft our inner rules and procedures, based on existing laws, best practices of the market, logic, and professional feeling. We totally succeeded in it, as we may see the draft of the new law that regulates distance working corresponds to our elaborated and implemented procedures.

**CEEIHM: What were the tools you found were most useful in helping you stay apprised of what changes were taking place?**

Iryna: First of all, good networking with the rest of the legal professional community. When there was a bombardment of decisions from the Government that had to be followed with almost no explanation, all you could do was to discuss them with your colleagues from the legal market. Everyone had a piece of extra information received from here and there and, bringing all of these pieces together provided an overall understanding of the total situation and actions to be taken.

Second, many law firms stretched a helping hand towards businesses. They hosted free webinars on recent changes, giving tips on actions or even reached out personally, not to sell their services but to inform us about changes and to ask whether they could advise on any blocking points.

**CEEIHM: Indeed, once the lockdowns started across the region, there was a spike of content put up by law firms in the form of newsletters, client alerts, and so on. Were these useful?**

Iryna: I have to confess that I like all forms of newspapers, alerts, etc. coming from law firms. I am really grateful to those law firms that actively inform in-house lawyers (notwithstanding whether you are a client or not) of the latest legal news, giving at least a short description of the issues, and especially to those who conduct webinars on hot legal topics. I personally switched to some webinars regarding legislative changes due to COVID-19 and they were very useful in further decision-making. I think no one will claim they are overwhelmed with additional information when that information is well-prepared and professionally presented rather than something sent just for the sake of sending it.

**CEEIHM: How do you think your role will be different post-lockdown/COVID compared to pre-2020?**

Iryna: I do not think that my role in the coming year will be different from 2020. I already set for myself projects that need to be done in 2021. As for the longer-term, I cannot comment now as 2020 showed that all plans – whether short-term or long-term – can be adjusted based on circumstances. The constant is that the role of a legal counsel is constantly changing. In the past, a legal counsel's function was limited to basic legal consultations or drafting contracts, but, nowadays, having legal counsel analyze and accept risks, suggest business ideas, and take a leadership role in business projects is part of the business. I'm sure that such an evolution towards leadership and business orientation will carry on in the coming years. ||





## To Business and Back: Sonja Radovic's Path from Associate in Belgrade to Head of Legal in Berlin

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*On November 13, CEE In-House Matters reported that Berlin-based APX Axel Springer Porsche had appointed Serbian lawyer **Sonja Radovic** as its Head of Legal (see page 15). We sat down with Radovic to learn more about her career path leading up to her current role.*

**CEEIHM: Let's start by looking at your early legal career. What law firms and which lawyers would you say played the most important roles in shaping you as a professional?**

Sonja: Sometime towards the end of my law studies I already knew the law firm I wanted to work with. It was called Karanovic & Nikolic at the time – now Karanovic & Partners. As seen from the outside, it seemed really professional and it looked like working there created a lot of opportunities for young lawyers. I applied and landed the job rather soon, and started working there as a junior associate.

It was absolutely not how I imagined it – still amazing but definitely different. You learn really quickly that working in a firm like that is less about suits and shine and more about long hours in tracksuits and sneakers. That said, looking back at it, the drive that we all had as a team was amazing. It was highly stimulating, and we seemed to always be working on large transactions and looking for creative solutions to complex problems. And it makes sense that we were exposed to that. Outsourcing anything to a law firm usually means a lot of money, so nothing simple tends to be outsourced.

I spent four years with the firm and I was lucky to have some amazing mentors. The first that come to mind are Ana Lukovic and Ivan Nonkovic, who were senior associates in the firm at the time. Together with them, I worked on a lot of corporate and real estate law matters and they pretty much shaped my legal personality, with them spending quite a bit of time with me and helping me learn what I like and what I don't, and what I am good at and what I am less so.

*You learn really quickly that working in a firm like that is less about suits and shine and more about long hours in tracksuits and sneakers.*



**CEEIHM: How did you end up moving to Berlin?**

Sonja: I can't say I wanted to live in Berlin before my move. The city felt too crowded, and too big for my

taste, so it really didn't attract me that much. I decided I wanted to get a masters abroad. I signed up for a Master of Law and Business with the Bucerius Law School in Hamburg, hence the original move to Germany. The program was great as it was a combination of law and business, which was interesting for me to since it was focused on how to get things done rather than red flags and potential problems. During those studies, we also focused a lot on entrepreneurship and venture capital and it was then that I decided I wanted to have a start-up of my own eventually. That ultimate goal is what led me to Berlin – the city has a great eco-system for start-up founders.

Three years after moving to the city, the dream of setting up my company has not taken shape yet – I guess I am a bit too risk-averse and wanted to learn all about start-ups before actually creating one. I actually moved into the city to join APX – a company at its very early stages at the time because I thought it'd be an amazing experience just because of that start-up feel. Prior to that, I had worked as a lawyer catering to companies at a far more mature stage of their operations and now I was joining one that was just being founded. It was an amazing experience. As a lawyer, I was taught how to support and serve a company, and we did our best to maintain the operations of our clients, but now I had the chance to experience the mindset of actually creating one from ground zero. I got the chance to truly understand what sweat equity means and that experience was invaluable to me.

**CEEIHM: Your first role with APX was as a member of the investment team. Why did you apply for that role and what was that transition like for you?**

Sonja: When I first sat down with them I was honest: I don't know a lot about start-ups, but I am eager to learn and happy to roll up my sleeves and support the team. Having a legal background is absolutely a unique selling point for working in an investment team. I didn't know much about how a young company operates, sure, but as any lawyer, I had done a lot of due diligence by that point – even as a junior you end up doing some form of due diligence work once a month. That was a great starting point because I knew what to look at and what to ask for when looking at investments. Of course, real due diligence is far more comprehensive than a conversation with three fresh grads looking to start a new company, but the perspective used to look at things proved invaluable. It was fascinating to see how the

experience of due diligence applied to established companies in the past helped you look at young companies and help them project how they should act towards building the foundations for the future. I got to apply the knowledge of what went wrong in some of the mature companies I looked at and I could advise new ones how not to repeat those mistakes. It was great to see how I could apply those worst-case scenarios to help direct early-stage companies shape up in the right way, to begin with.

That said, of course, there were a lot of business aspects I had not been exposed to as a standard lawyer. I wasn't asked in the past to look at P&Ls, business models, or go-to-market strategies. There was a lot I had to learn, including all the abbreviations from finance that, at times, I felt like were just thrown at me and I had to scramble to wrap my head around them.

**CEEIHM: How did talks over you taking over the legal function come up? How did you feel about the prospect initially?**

Sonja: I guess it was somewhat of a natural conclusion. I was the only one who actually practiced law and was already a part of the investment team. A lot of due diligence processes were carried out by me on my own by that point, and I sort of naturally built a department around me organically as I ended up covering all the funding rounds, including getting outside counsel when needed and directing them. At one point I realized I was spending as much time handling legal aspects for all teams as I was managing my own portfolio, if not more. Looking back at it, I think I naturally grew into this role because it was something that was a part of me for so long, so it was only normal to gravitate towards it.

**CEEIHM: How do you feel putting your legal hat back on after a few years? Do you think you look at legal matters differently now?**

Sonja: Yes, very different. The business side of things makes me understand the legal opinions in a new light. I now know that if I advise a directory of a company on a legal aspect, I need to make it as practical as possible, and I need to understand the business background well enough that I can truly understand the scope of the business he or she is managing. I feel I truly understand the actual impact of a legal opinion, of an assessment I make, and I can now tailor my messaging far better for a business person. I also think I lost a bit of my risk aversion. In my current role, I need to assess how a



*I no longer look at a transaction from start to closing only, rather have to think about how it will impact the next funding round, what questions will come up then, how will an exit strategy be shaped by it all, and so on. All in all, I feel I am a much better lawyer now than I was before.*

transaction plays out within a longer timeline – I no longer look at a transaction from start to closing only, but instead have to think about how it will impact the next funding round, what questions will come up then, how an exit strategy will be shaped by it all, and so on. All in all, I feel I am a much better lawyer now than I was before.

**CEEIHM: What's on the horizon for you in 2021?**

Sonja: Our portfolio is growing quite a bit, including in terms of the number of funding rounds. We had our first big exit a little while ago, so I am hoping we'll build on that and have a few series A and B rounds, as well as a few exits.

**CEEIHM: Looking back at your career path to date, what, if anything, would you have liked to do differently?**

Sonja: I would not change a single thing. Yes, I feel at times it was more a case of me stumbling upon most of the opportunities in my career rather than them resulting from careful planning, but I was lucky to have those opportunities and have the drive to take advantage of them. Even if I planned it all out, I don't think things would have turned out as well as I feel they did, so I can only hope I'll continue to stumble upon new opportunities. ||



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