

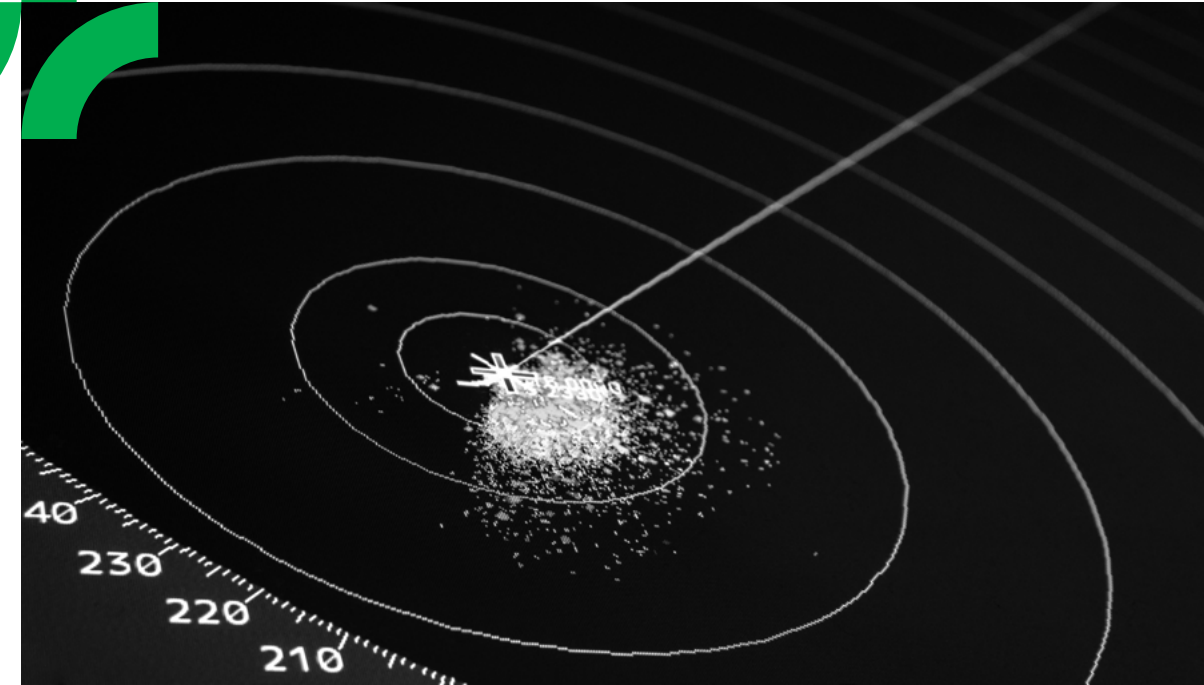
Our experience in the defense sector *sets us apart*

2025



Your strategic partner for defense

We bring a decade of unmatched experience in representing and advising global and regional defense sector clients and investors. In a progressing industry with increasing investments, we provide our clients with unparalleled sector-specific legal advice and expertise.



KEY EXPERIENCE WHEN IT COUNTS

Our clients include leading defense contractors, private equity funds, investors, financing institutions, and governments. We provide end-to-end legal services for the entire defense supply chain, from planning and procurement to implementation. With a comprehensive suite of services, including regulatory, defense procurement, mergers and acquisitions (M&A), joint venture (JV) structuring, financing, and capital markets transactions, as well as expertise in global sanctions, export control regimes, classified information, dual-use items, and indirect taxation on arms trade, no other firm can match our ability to guide you through complex legal challenges.

WE ARE WHERE OUR CLIENTS NEED US

Our global network makes it possible for us to support you wherever you need us. Zooming in on the EU, we work across all EU jurisdictions and seamlessly integrate our top-tier European legal expertise with our global network's capabilities. Members of our team hold security clearance in selected areas, and this enables us to handle classified information and assist with procurement proceedings. This unique capability ensures that we are always ready to support you, no matter how complex the legal challenge.

Comprehensive market coverage, world-class knowledge and a track record of client impact make us your ideal partner.

How we support the defense sector

1

Defense procurement and regulatory

2

M&A, joint venture structuring and growth capital financing

3

Financing

4

Compliance and investigations



We offer comprehensive expertise, service and proactive advice across every aspect of the sector lifecycle.

Defense procurement and regulatory

WITH YOU EVERY STEP OF THE WAY

We have a strong record of successful negotiations with government authorities, agencies, and the global and local defense industry. From the beginning of the procurement process, we advise clients on responding to governmental RfPs. We provide practical insights on cooperating with governments and recognizing constraints like supply chain security and compatibility requirements.

Our support extends to government-to-government agreements for military equipment, such as foreign military sales, and hybrid projects involving both governmental and commercial sale processes. We support clients through offset deliverables, ensuring compliant, smooth outcomes.

We also offer strategic advice on managing compliance regulations for public contracts, regulations such as global sanctions and export control regimes, classified information, dual use items, and indirect taxation on arms trade.

DELIVERING EXCELLENCE IN HIGHLY REGULATED PUBLIC-PRIVATE PARTNERSHIPS

In the last decade, we have advised clients on some of the most high-profile defense projects. We have significant experience in handling defense procurement cases, which are awarded under public procurement laws and international rules. We also deal with cases governed by the internal regulations of local Ministries of Defense. Specifically, Article 346(1)(b) of the Treaty on the Functioning of the European Union (TFEU) which allows EU Member States to bypass EU-wide public tender procedures for reasons related to national security. This exemption is often invoked in defense procurement to ensure that sensitive and critical defense projects are managed in a secure and controlled manner.

INTERNATIONAL AND DOMESTIC CONTACTORS SUPPORT

We support both international and domestic contractors working with the U.S. Army stationed in Europe, and we have advised clients on issues related to NATO SOFA and local SOFAs made with selected European governments.

EXPERTS IN ARMS TRADE REGULATIONS

Very few law firms have our deep expertise in arms trade regulations, particularly international traffic in arms regulations, which uniquely positions us to use our expertise to our clients' benefit. We can help you with applications and advise on the regulatory framework for the licences required for manufacturing and trading in arms and dual-use items, as well as import and export queries.

UNIQUELY PLACED TO ADVISE ON CLASSIFIED INFORMATION

We also regularly advise clients on matters of collecting, storing, and processing classified information, as well as obtaining security clearances and undergoing security checks. This unique capability is bolstered by our core team members who have security clearance across a range of global jurisdictions.

M&A, joint venture structuring and growth capital financing

LEGAL EXPERTISE FOR A GROWING INDUSTRY

The defense sector is technically advanced, legally complex and capital intensive, therefore, defense companies are highly specialized. The expected rise of investment in the sector and the need for fast-paced growth may trigger a wave of mergers, acquisitions, and joint ventures. Our top-tier M&A practice advises clients on all aspects of public M&A transactions and joint venture structuring. We help clients negotiate the terms of joint ventures with both international and local industry partners, as well as advising companies that are new to the defense sector on financing for business growth.

PRACTICAL SOLUTIONS FOR TRANSACTION CHALLENGES

Our transactional team understands the challenges that may come as a result of scrutiny by the antitrust authorities and foreign direct investments reviews, the impact of the EU's Foreign Subsidies Regulation, public procurement procedures, and other regulations within the EU's defense markets. IP and technical data clauses are among the most heavily negotiated; we are alive to these and have the expertise required to manage these issues and develop the most suitable solutions.

Financing

AHEAD OF FINANCING TRENDS

Governments have announced significant investments in the defense sector; and banks, asset managers, and investors will need to play a crucial role in leveraging public funds for these initiatives. We are close to the latest updates on how European institutions are managing decisions to lift restrictions on funding defense-related business activities. Combining our global market-leading position in finance with our extensive experience in the defense sector, we are well-positioned to secure robust financing arrangements that will support the growth and success of defense-related projects (including acquisition, export and infrastructure financings). Our expertise and strategic approach enable us to navigate this evolving landscape and maximize the potential benefits for all stakeholders involved.

TOP-TIER ESG REGULATORY LEGAL ADVICE

We provide comprehensive guidance on ESG regulatory compliance related to the financing of defense projects, including the European Green Taxonomy, the Sustainable Finance Disclosure Regulation (SFDR), and the Corporate Sustainability Reporting Directive (CSRD). With these evolving regulations, it is crucial for financial sector entities to stay ahead of the curve and ensure that their internal policies and procedures align with the latest requirements.

We support our clients in the financial sector in preparing/updating their internal policies and procedures concerning financing in the defense industry and we assist in the development and review of documentation related to financing transactions within the defense sector, ensuring full compliance with regulatory standards.

HELPING OUR CLIENTS WITH COMPLEX EQUITY AND BOND MARKETS

We are considered a leading global legal advisor when it comes to navigating the complexities of international capital markets (ECM/DCM). Our expertise in this area is renowned, and we pride ourselves on our ability to work on a broad range of complex cross-practice and cross-border transactions and secure favorable terms for our clients.

With our deep understanding and extensive experience, we are well-equipped to guide our clients through the intricate processes involved in capital markets transactions.

Compliance and investigations

EXPERTS IN RISK MANAGEMENT AND COMPLIANCE

As enforcement and regulatory authorities around the world continue to increase their focus on the conduct of multinational businesses, we advise defense sector clients on managing the resulting risks, which requires an understanding of both the technical legal requirements in the defense sector and enforcement priorities across various jurisdictions. Our firm also provides comprehensive support to defense sector clients by conducting thorough internal investigations and ensuring there is compliance with regulatory requirements, including anti-money laundering (AML) regulations.

COMPREHENSIVE CYBERSECURITY GUIDANCE

Cybersecurity is another area where clients in the defense sector come to us for advice on their internal policies, incident response plans, and regulatory compliance. We also place a heavy emphasis on privacy matters and advise our clients on the complexities of privacy regulations, particularly the General Data Protection Regulation (GDPR).



With new urgency for action and new sources of funding available, we'll help you get the fundamentals of your investment in place—quickly.

Our *notable experience* advising our clients

DEFENSE PROCUREMENT AND REGULATORY

A U.S. DEFENSE CONTRACTOR

On its negotiations with the Polish Ministry of National Defense concerning an offset agreement with a total value in excess of PLN530 million (approx. USD134m). The offset agreement is a part of the Raven Program (Kruk Program), one of the biggest ever Polish defense procurement programs with its total value estimated at USD12 billion.

BAE SYSTEMS INTEGRATED SYSTEM TECHNOLOGIES

On a public procurement procedure for the delivery of air defense radars to the Slovak Ministry of Defense.

A LEADING MULTINATIONAL CORPORATION IN THE DEFENSE INDUSTRY

Focusing on the intricate aspects of export transactions. This multifaceted counsel encompasses a thorough examination of the supply of defense products to non-EU government entities, ensuring adherence to the myriads of relevant regulations, while also addressing the intricate implications under accounting and tax law. Our expertise ensures that our client's international operations are conducted within the stringent confines of compliance, reflecting our commitment to legal excellence and operational integrity in a sector where precision is paramount.

MBDA U.K. LIMITED (MBDA)

Who will equip the Polish armed forces (through Polska Grupa Zbrojeniowa S.A.) with an enhanced ground-based air defense system as part of the NAREW program estimated at EUR8bn, which involves the development and delivery of components for 23 short range anti-aircraft missile systems.

THE BOEING COMPANY

During the VIP and head of state aircraft tender procedures, including the sole source. The scope of our advice covered advising on the compliance of our client's tender with the public procurement regulations, negotiating with the Armament Inspectorate (Ministry of National Defense), and representing the client before the National Chamber of Appeals and the District Court in Warsaw.

A U.S. DEFENSE CONTRACTOR

In the course of preparation, negotiations, and implementation of an offset agreement and any related agreements connected with one of the biggest defense procurement projects in Poland concerning the acquisition of a medium range air and missile defense system for the Polish Armed Forces.

GERMAN NAVAL YARDS KIEL GMBH

In a procurement proceeding for military equipment by the German government (Bundesamt für Ausrüstung, Informations—technik und Nutzung der Bundeswehr (BAAINBw)) as well as on a competitive public procurement procedure regarding the award of a EUR5bn+ contract.

A MAJOR AEROSPACE COMPANY

In respect of cross-border aspects of compliance requirements across the various branches and subsidiaries of the group, arising out of export control regulations, including rules on defense articles/data, both from a U.S. and a Belgian perspective. Our assistance included strategic advice in relation to our client's participation in the construction program of F-35 jets, as well as training and the design of audit and compliance programs.

M&A, JOINT VENTURE STRUCTURING AND GROWTH CAPITAL FINANCING

VALUE QUEST

A private equity fund, on the sale of a leading satellite services group, with operating entities in Poland and Germany, focused on the defense and security sector.

CZG—ČESKÁ ZBROJOVKA GROUP SE

In connection with its acquisition of the U.S. firearms maker Colt.

ABU DHABI MAR, NOBISKRUG, AND GERMAN NAVAL YARDS

On numerous projects, including a consortium with Blohm+Voss Naval to build two frigates.

BAE SYSTEMS

On the disposal of its regional aircraft operating lease business to Fortress and its aerostructures business to Onex.

THALES

On the acquisition of Cobham Aerospace Communications, a leading supplier of advanced and innovative safety cockpit communication systems, from Advent International.

AIRBUS

On its EUR1.6bn disposal of 17.5% of its share in Dassault Aviation.

VODOCHODY HOLDINGS LIMITED

On its acquisition of Aero Vodochody, the largest Czech aircraft manufacturer, from Penta Investments.

INDRA

In the acquisition from SEPI of a call option that Duro Felguera granted in favor of SEPI over 30% of the shares of Epicom.



FINANCING

ING AND DEUTSCHE BANK AG.

On a partial repayment of a collar transaction secured with Indra's shares and extension of collar transaction to cover additional Indra's shares.

GE AEROSPACE

In the procedure related to obtaining funds for various European defense projects from the EDF (European Defense Fund).

DEUTSCHE BANK AG

In connection with the financing through a derivative agreement for the purposes of the acquisition of a stake of 5% of Indra Sistemas, by Sapa Placencia Holding.

A CLUB OF BANKS

In relation to unique financing for LOM PRAHA, a state enterprise wholly owned by the Czech Republic specializing on the Mi helicopters lifecycle support in the NATO and EU countries certified by domestic aviation authorities.

CZECH EXPORT BANK

On the pre-export financing provided to AERO VODOCHODY AEROSPACE, the largest aerospace company in the Czech Republic, for development and production of a new-generation training aircraft, the Aero L-39NG.

J.P. MORGAN

On the subscription of certain derivative transactions with Escribano Mechanical and Engineering in the framework of the recent increase by the latter of its stake in Indra Sistemas up to 8%.

AIRBUS

On the management of its shareholding interest in Dassault Aviation (including block trades and issuance of exchangeable bonds).

A MULTINATIONAL FINANCIAL INSTITUTION

On the financing of an ECA-covered buyer credit facility to a government for the financing of a commercial contract for the supply of 2 armed patrol boats.

A CONSORTIUM OF BANKS LED BY KOMERČNÍ BANKA, A.S.

On the EUR485m financing of the acquisition of Sellier & Bellot, a.s., one of the Czech Republic's foremost ammunition producers, by Colt CZ Group SE, and financing of the Colt group's general corporate purposes, including refinancing of the existing debt.

THE BANK SYNDICATE

On the issuance of convertible bonds by Safran.

A MULTINATIONAL FINANCIAL INSTITUTION

On an ECA-covered buyer credit facility to a government for the financing of a commercial contract for the provision of air-to-air missiles to equip fighter jets.

THE LENDERS

On the financing of John Cockerill's acquisition of Arquus, a French military vehicle supplier.

ČESKÁ ZBROJOVKA GROUP SE

A leading European producer of firearms, on its IPO and the listing of its shares on the Prime Market of the Prague Stock Exchange. We acted as the issuer's counsel in respect of Czech, English and, U.S. laws and were in charge of drafting the prospectus and other related documents as well as facilitating of the listing process.

COMPLIANCE AND INVESTIGATIONS

A GLOBAL DEFENSE, SECURITY, AND AEROSPACE SYSTEMS COMPANY

In respect of the criminal proceedings before Czech courts.

A EUROPEAN DEFENSE COMPANY

In a dispute with a European state regarding the delivery of surveillance systems for the use on combat vehicles, with a view to avoiding potential ad-hoc arbitration proceedings.

AN INTERNATIONAL DEFENSE COMPANY

On an internal investigation, triggered by a whistleblower report from an employee regarding corruption in sales related to a major project in the Middle East. We also advised the client on appropriate remediation measures, including the assessment of the situation from labor law, criminal law, and tax law perspectives.



A FRENCH SUBSIDIARY OF AN ENGLISH ENGINEERING AND AEROSPACE GROUP

In defending a defective product claim related to allegedly defective resolvers.

A LEADING INTERNATIONAL DEFENSE COMPANY

On criminal charges concerning allegations of employees' bribery and corruption relating to the sale of military equipment in multiple jurisdictions including Germany, Greece, and Turkey.

AIRBUS

On various employment law matters such as individual litigations (including on discrimination), trainings, and termination negotiations.

A GLOBAL LEADER IN ADVANCED TECHNOLOGIES SPECIALIZED IN DEFENSE AND SECURITY

In relation to an investigation on potential breaches of the code of conduct, at senior level, and a subsequent assignment in relation to the psychosocial risks in relation to the implementation of new HR and payroll software, as well as in the review of their internal guidelines to conduct internal investigations in relation to harassment and discrimination claims.

A LARGE GERMAN SERVICE COMPANY PROVIDING SERVICES TO MILITARY FACILITIES

In connection with a cyber attack that led to the encryption of all of the company's IT systems and advising on the associated ransom demands. In particular, fact gathering regarding potential loss of highly confidential data from military facilities as well as related communication with German law enforcement authorities, the Federal Office for Information Security, data protection authorities, and foreign authorities, including the FBI.

Key contacts

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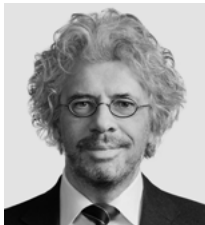
DEFENSE PROCUREMENT AND REGULATORY



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COMPLIANCE AND INVESTIGATIONS



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A&O Shearman boasts
a proud history of leadership
and is ready to chart a future of
transformational impact for the
region and its clients.



For more information, please [click here](#) for a full list of our European offices.

Global presence

A&O Shearman is an international legal practice with nearly 4,000 lawyers, including some 800 partners, working in 29 countries worldwide. A current list of A&O Shearman offices is available at aoshearman.com/en/global-coverage.

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