



November 27, 2006

TO ALL SAN DIEGO CONFERENCE DELEGATES and PRAC PRIMARY CONTACTS

Dear Friends and Colleagues:

It is just weeks since we attended PRAC's 40th International Conference in California. I hope that your travels onward were pleasant.

Saturday's San Diego programme opened with a reception at the Manchester Hyatt where our gracious host, Luce Forward Hamilton & Scripps Chairman, Robert Bell, welcomed us. Earlier in the day, some of the Delegates and Guests attended early arrival tours of the USS Midway Aircraft Carrier and the San Diego Bay Harbor. Not even the early morning downpour stopped the heartier Delegates from visiting the open air flight deck of the USS Midway. PRACites will note that the heavy rain was well within keeping with our tradition of attracting rain wherever we go. In this case, the rain was greeted by locals with much enthusiasm as Southern California was experiencing a drought of nearly 6 months. Happy to oblige! Dine arounds at local restaurants provided further opportunity for our Host Firm, Delegates, and Guests to be re-acquainted and enjoy local cuisine.

Sunday's Group Tour and Luncheon was held at the world famous San Diego Zoo and offered a close up and personal behind the scenes look at some of the Zoo's inhabitants.

Our business programme began Monday morning with a tour of the Luce Forward San Diego offices, followed by a NAFTA Presentation. Guest panelists included Jeffrey Davidow, president of the La Jolla-based Institute of the Americas; Alain Dudoit, consul general at the Canadian Consulate General in Los Angeles; and Louis Rubio, director general of the Center for Research and Development. Luce Forward's John McNeece moderated a lively and informative discussion.

One on One Meetings followed at the Hotel, with each firm having two separate half hour sessions with other firms. .

Monday's business session ended with the Business Investment & International Trade Practice Group Meeting "Anatomy of a Multi-Jurisdictional M&A Transaction". Led by Peter Parsons (Davis Wright Tremaine – Seattle), this open forum round table panel discussion focused on the unique legal and organizational issues raised by multi-jurisdictional transactions. Using a scenario, panelists draw on their experiences acting for both purchasers and sellers, including recent multi-jurisdictional transactions in which members of the panel were involved. Panelists included Marcio Baptista (Tozzini Freire – Brazil); S. Elizabeth Foster (Luce Forward – San Diego); Xu Ping (King and Wood – Beijing); and Jaap Stoop (NautaDutilh – Netherlands).

Earlier in the day the Policy & Planning Committee held the first of its meetings.

Accompanying Guests enjoyed a scenic tour of LaJolla and the Stephen Birch Museum.

Later in the evening, Luce Forward Partners and Spouses hosted in home dinners, a very special event, unique to PRAC Conferences. Year after year, this evening proves to be one of the most enjoyable events and this evening was exceptional. Our very special thanks to all of the Luce Forward Partners and Hosts for their in-home hospitality, tremendous warmth and the wonderfully prepared meals.

Tuesday meetings began with Litigation Practice Group Meeting "The New (June 2005) Hague Convention of Choice Court Agreements". Led by co-chairs Patrick Sherrington (Lovells, UK) and Ross Perrett (Clayton Utz – Brisbane), panelists examined how the Convention will operate and the opportunities and issues arising from the Convention for clients who transact business within the PRAC Jurisdictions. Discussions included comments from panelists Peter Han (Luce Forward – San Diego); Takemi Hiramatsu (Asahi Law Offices – Japan); Jeffrey Lowe – (Richards Buell Sutton – Vancouver); Osvaldo Marzorati (Allende & Brea – Argentina). Special thanks to Troy Brown (Morgan Lewis – Philadelphia) who unfortunately had to cancel attendance due to food poisoning but managed to prepare and provide helpful materials.

The Business Investment & International Trade, Tax, Employment & Labor Meeting focused on “Remuneration of Ex-Pat Managers of Multi-National Companies”. Moderators Louis Mezzullo (Luce Forward) and Philip Jelsma (Luce Forward) led panelists through scenarios involving executive and multinational corporations and looked at the problems of dissimilar treatments and techniques for maximizing the opportunity to grant equal net benefits for equal work while minimizing the likelihood of violating host country laws. Panelists included William Benjamin (WilmerHale – Boston); Kah Leng Chen (Skrine – Malaysia); Zaitan Poonja (Morgan Lewis – Palo Alto); and Shardul Thacker (Mulla and Mulla – Mumbai).

To close out Tuesday afternoon's business meetings, the PRACTice Management session continued the survey undertaken for Thailand's Conference – Succession Planning for Lawyers – Is it Possible.” Moderator Joe Weinstein (Davis Wright Tremaine – Seattle); led discussions and as ever, the discussions were lively and full of useful content.

The second half of this session looked at “Marketing Analysis of PRAC Joint Efforts/Projects”. Moderator, Jorge Perez-Taiman led the open forum discussions with contributions from many Delegates, including :

William Benjamin (a review of the various equity incentive compensation arrangements in about 20 countries for WilmerHale Client Analog Devices, involving PRAC firms in Australia, Canada, Hong Kong, the Netherlands and the Philippines);

John McNeece (Luce Forward – San Diego) and Vicente Grau (Santamarina y Steta – Mexico City); A bi-national seawater desalinization project across the US-Mexico border that was made possible only because of two PRAC firms working closely together; and

Carlos Urrutia (Brigard Urrutia – Colombia); Patrick Sherrington (Lovells - UK) a major M&A transaction that took place in Colombia involving a merger between a subsidiary of SAB Miller and the holding company that controls Bavaria, Colombia's largest brewery.

These contributions served to illustrate the benefits of PRAC and how member firms were able to leverage on respective strengths and expertise.

Later that day the Policy & Planning Committee held its second meeting and earlier the Membership Committee held its ancillary meeting.

Tuesday's Accompanying Guest tours included a San Diego City Trolley Tour.

It was fitting that PRAC's 40th Conference celebration take place in San Diego and Tuesday evening's closing dinner at Manchester Hyatt will be remembered for the sentimental tribute to PRAC's Founding Chairman, John W. Brooks. John's dedication over the past 20 years has contributed greatly to the success of PRAC and we are truly grateful. As is John's classic style, he gave credit to several attending “alumni”, including Richard Underhill (formerly of Richards Buell); John Elder (Fraser Milner Casgrain – Toronto); John Shirbin (Clayton Utz, Sydney), and Denis McNamara (Simpson Grierson, Auckland).

The Wednesday Board Meeting summarized the events of the Conference and dealt with substantive issues effecting PRAC. The various committees were tasked with certain duties and functions.

The Los Angeles follow on portion of the conference saw Delegates and Accompanying Guests traveling to Los Angeles Park Hyatt via coach transfer Wednesday evening's Welcome Reception at the Hotel and ensuing local dine arounds gave everyone a chance to meet the PRAC Shared City counterparts from Host Member Firms Davis Wright Tremaine, Hogan & Hartson, Luce Forward and Morgan Lewis.

Thursday morning's Business Presentation included a joint panel presentation by the four Host Firms “How Entertainment Deals are Done”. Representatives of each of the LA offices of the four host firms participated in an interactive panel to share their experience and expertise in the world of motion pictures, television, live concerts and entertainment promotion, exploring topics including music rights, international film financing, television and film distribution and litigation specific to the industry. Moderator Greg Hessinger, formerly the Executive Director of the Screen Actor's Guild and the American Federation of Television and Radio Artists and now with Morgan Lewis, led panelists Kathy Jorrie (Luce Forward); Barbara Fitzgerald (Morgan, Lewis); Robert R. Jesuele (Hogan & Hartson) and Jill Cohen (Davis, Wright & Tremaine)

Individual firm presentations which focused each of the firm's Los Angeles practice areas were made by Henry Tashman and Mary Haas (Davis Wright Tremaine); Carissa Coze (Hogan & Hartson); Bruce Ross (Luce Forward); and David Schrader (Morgan Lewis).

The conference closed and Delegates and Guests departed for onward flights or took some time to discover Los Angeles.

Several Delegates and Accompanying Guests took in the optional tours to Fox Studios (organized by Hogan & Hartson) the Getty Tour and the Sony Tour (organized by Davis Wright Tremaine).

Board Meeting Notes

The Board Meeting held on Wednesday morning attended to the business aspects. Draft minutes will be available shortly at the PRAC web site. PRACtice Group Co-Chairs meeting in San Diego are reminded to kindly submit their minutes to Susan Iannetta by 30 December 2006 for inclusion in the Board Minutes.

Policy and Planning Committee Report

- 1) **Member** consensus regarding San Diego's Conference was positive and appreciation was extended to Luce Forward.
- 2). Results and recommendations of the survey undertaken by the Sub-Committee Terms of Reference regarding specific issues were provided in advance to the Membership and met with Board approval.
3. Members were requested to provide the PPC Chairman with suggestions regarding the format, content, and presentation of Conference, including Committee and Practice Group sessions. Suggestions will be reviewed with the PRAC Chairman, Vice Chairman, and Director prior to the Colombia 2007 Conference.

Membership Committee Report

- 1) Spain. A Stage 1 Report will be undertaken and provided in advance of the Colombia Conference.
- 2) Houston. A Stage 2 Report will be undertaken and provided in advance of the Colombia Conference.

Financial Report

- 1) 2007 Proposed Budget (including annual assessments for members) was approved by the Board. 2007 Assessments will be emailed to all Primary Contacts in December 2006.

Nominating Committee

A nominating committee was impaneled to provide recommendations for the PRAC Chairman and Vice Chairman Term 2008-2009. Osvaldo Marzorati (Committee Chair) and Committee Members Vincent Piekarski (Goodsill, Hawaii); Wang Ling (King & Wood – Beijing); Andres B. Sta Maria (Sycip – Manila); John Shirbin (Clayton Utz – Australia) and Susan Iannetta (PRAC – Toronto, Ex Officio). The Committee will report on its undertaking in advance of the Colombia Conference.

Future Conferences

Colombia – March 17-21, 2007

Brigard & Urrutia will host a double venue conference, starting in Bogota and moving to Cartagena. Additional details including Preliminary Invitation package will be available in October.

Seoul, Korea –October, 2007

Initial planning underway for the undertaking by Kim Chang & Lee. Additional details will be provided as they become known.

Future Conference Schedule rotation revisions are under consideration and will be provided at a later date.

PRAC Marketing

The PRAC web site overhaul has been completed. Visit www.prac.org

1. A reminder to complete the Post Conference Survey – attached.
2. Please follow up with your One on One meetings
3. Mention the PRAC web site (www.prac.org) in your firm's internal network
4. Our e-Bulletin continues to gain recognition both among our members and externally. The PRAC e-Bulletin is published and distributed on or about the 15th of each month via email to Primary Contacts and Marketing Contacts. Please continue to send contributions to Susan Iannetta. Consider adding Susan's name to your firm's internal marketing email or mailing list (susan.iannetta@prac.org). Deadline for contributions is the 10th of each month. Issues are available on line at the PRAC web site (e-Bulletin link). Primary Contacts are encouraged to distribute the e-Bulletin throughout your firm.
4. If you have provided contact information for your firm's practice group representatives, they will be added to the Contacts Matrix (available at PRAC web site).
5. 2007 Directory will be printed in the New Year. Please submit current bio to Susan Iannetta prior to January 10, 2007.
6. Due to increased submissions to the monthly e-Bulletin, a Public Libraries section was established at the PRAC web site to host larger member publications. Members wishing to contribute manuals or other timely publications should submit it in pdf format by email to S. Iannetta. Members are reminded that this new section "Public Libraries" will be open viewing for the public.

Other Business - Conference Materials.

San Diego and Los Angeles conference materials are available at the PRAC web site in the immediate future. Members are reminded of their private access information (example: user=asahi password=asahi8).

I think every delegate and accompanying guest will agree with me that this conference was very special for the variety and atmosphere that is unique to California, and especially to San Diego. The growth of PRAC, from an idea conceived in San Diego, to an established and widely recognized affiliation of top-tier law firms is there for all to appreciate. Being in San Diego reminds us that the passage has indeed been a remarkable journey, due in no small way to the Founding Chairman John W Brooks and the other pioneers of PRAC.

The business sessions proved to be beneficial to us. The general feedback was that we are making headway into providing a superior, business-oriented approach to the sessions with a focus on how delegates will be able to obtain more "take-away" and value-added benefits, either for themselves or for the member firms. We will continue to monitor these sessions and strive to provide informative and commercial content. The contributions from participants have been great and the co-chairs have done an excellent job. We also want to encourage greater participation from each member. The co-chairs would certainly welcome requests from you for consideration at future sessions.

I would urge all members to continue to provide feedback and suggestions on future topics, how to improve the format, content and structure of the conference and business sessions.

Our next conference will be in Colombia – March 17-21, 2007. The host firm of Brigard & Urrutia, led by Carlos Urrutia, eagerly awaits our arrival! The conference promises to be special as we visit the capital Bogota and the historical city of Cartagena de Indias. It promises to be a colorful and fascinating 41st PRAC conference!

Until then, I wish all of you the best of health, immeasurable success, and peace of mind.

S. Sivanesan
PRAC Chairman

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Early Registration Deadline for Colombia 2007 is **November 30**
Visit www.prac.org to register now!



PRAC 40TH MEETING
San Diego, USA • October 14-18, 2006

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