

Dear Clients and Colleagues,

In keeping pace with our dedication to serving the needs of our clients, we recently announced that we are finalizing a merger with London-based law firm Curtis Davis Garrard LLP ("CDG"), subject to the approval of the U.K.'s Solicitors Regulation Authority.

We are taking this trans-Atlantic voyage because our clients' transactions and disputes routinely cross national borders, particularly in the energy, intellectual property and financial services fields. It has long been our practice to grow and add capabilities to help us better serve our clients across many jurisdictions and in a manner that is responsive to today's competitive and lightning-fast business climate.

In negotiating the merger, we contemplated the possibility of a U.K. vote to exit the European Union and determined early on that such a vote would not diminish the value of the merger. We are gaining experience that will benefit our clients in a broad range of business transactions and controversies that are not dependent on EU relations. We are also adding an exceptional group of lawyers with strong practices. And, we are confident that London will remain a preeminent hub for commercial and legal services.

Let me take this opportunity to provide you with some background on CDG and connect the dots about why we are taking this action now. Foremost, CDG is a firm of the first order, with 20 lawyers who focus on advising the shipbuilding and offshore oil and gas industries, both on the transactional and controversy sides. Founded in 1996, it has been recognized by the London media as one of the city's leading boutique law firms. We feel a true and instant kinship with the lawyers at CDG, who embody the qualities – a commitment to teamwork and client service – that we hold most dear at Haynes and Boone.

London is a particularly important market for the firm because English law represents the dominant choice of governing laws for cross-border transactions and international arbitrations – a circumstance closely chronicled in the business and trade media.

This importance has been reflected within our client base. As Haynes and Boone has grown, we have seen a significant uptick in transactions negotiated under English law and in disputes for which the parties have agreed to London arbitration or High Court jurisdiction under English law. For years, we have referred clients seeking English-law expertise to trusted correspondents in London, but the merger with CDG will allow us to handle these growing requests "in-house" and more seamlessly.

We found the perfect fit in CDG, a firm that meshes remarkably well with our culture and one that will help us, in an increasingly globalized economy, provide our clients with the level of experience and service with which they are accustomed.

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Pending regulatory approval, we plan to soon begin operations as a merged firm that can handle cross-border transactions and controversies under English law – and will quickly evolve as the office adds more lawyers in the areas of energy, private equity, and financial services. We look forward to introducing you to our new partners and other colleagues in London.

We relish the opportunity to continue to serve our clients worldwide. We thank you for your business and friendship. I welcome any feedback: +1 (214) 651-5610.

Tim Powers