

Latin America Capital Markets and Financing

Sullivan & Cromwell represents issuers and underwriters worldwide in significant SEC-registered and unregistered offerings in almost every country in Latin America.

Indeed, S&C has acted in more offerings by Latin American issuers than any other law firm during the past 10 years.

Financial and strategic objectives of issuers interact with local and foreign laws and practices to raise complex issues in capital markets transactions. S&C is well-known for sophisticated advice and innovative structures in capital markets transactions—for instance, the Firm's critical role in the rollout of collective-action clauses for sovereign debt financings in Latin America and, recently, the first international offering by a Colombian issuer that took place concurrently with a public offering of the same securities in Colombia.

SELECTED REPRESENTATIONS

Selected recent Latin America matters include advising on:

- **Antofagasta plc's**, the parent company of a Chile-based copper mining group with significant production and interests in transportation, inaugural \$500 million offering, which was 12 times oversubscribed, amid the ongoing COVID-19 pandemic.
- **AT&T Comunicaciones Digitales, S. de R.L. de C.V.'s** and **AT&T Telecom Holdings, S. de R.L. de C.V.'s**, as AT&T's subsidiaries, inaugural Mexican Peso \$690 million term loan facility, and subsequent \$500 million amendment and restatement.
- **Banco Agrícola S.A.'s** (El Salvador) \$300 million note offering pursuant to Rule 144A/Regulation S.
- **Bancolombia** on multiple debt offerings, including its \$750 million "Basel III-compliant" Tier 2 capital offering, making Bancolombia the first bank in Colombia – and the third financial institution ever in Latin America – to issue this type of debt (recognized as *IFLR Americas' 2018 Debt & Equity Linked Deal of the Year*; *Bonds & Loans' 2017 Financial Institutions Deal of the Year*); its \$1.2 billion SEC-registered subordinated global notes offering; its \$520 million principal amount of senior notes pursuant to Rule 144A/Regulation S; and its \$932 million capital raise consisting of a \$300 million SEC-registered ADS preferred shares offering and a \$632 million rights offering.
- **Banistmo S.A.'s** (Panama) debut \$500 million Rule 144A/Regulation S offering; and its \$400 million Rule 144A/Regulation S offering.
- **BBVA Bancomer's** (Mexico) establishment of its global \$10 billion Rule 144A/Reg S MTN program and \$750 million issuance; and in connection with its related cash tender offers totaling up to \$750 million in aggregate principal amount.
- **Cementos Argos's** (Colombia) \$628 million offering of American Depositary Shares pursuant to Rule 144A/Regulation S.

PRACTICES & CAPABILITIES

Latin America

Latin America M&A and Joint Ventures

Latin America Capital Markets and Financing

Latin America Project Development and Finance

Latin America Sovereign Finance

Latin America Financial Services

Latin America Dispute Resolution

Latin America Estates and Personal

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- **CEMEX's** (Mexico) five private exchange offers, in which it issued €179,219,000 of 9.875% notes due 2019 and \$703,861,000 of 9.875% notes due 2019, collectively, the new senior secured notes, in exchange for €469,619,000 of outstanding 4.75% notes, or eurobonds, €76,874,000 of CEMEX's perpetual debentures and \$350,456,000 of CEMEX's dollar-denominated perpetual debentures in three separate series. S&C represented the dealer managers of the exchange offers.
- **Colbún's** (Chile) debut \$500 million offering of eurobonds and subsequent offerings also pursuant to Rule 144A/Regulation S.
- **Ecopetrol S.A.'s** (Colombia) \$1.5 billion SEC-registered note offering.
- **Empresas CMPC's** (Chile) \$100 million green term loan with a syndicate of Japanese banks. The transaction is reportedly one of the first-ever green loans incurred by a non-Japanese borrower in the Japanese market (sometimes known as a "Samurai," "Shogun" or "Ninja" loan).
- **Empresas CMPC's** (Chile) \$500 million offering of guaranteed notes pursuant to Rule 144A/Regulation S, the first Chilean-listed "green bond."
- **Fiduciaria Bancolombia S.A. Sociedad Fiduciaria's**, as trustee of **Fideicomiso P.A. Pacífico Tres**, \$380 million project bond issuance to finance the construction and improvement of toll roads in the Valle del Cauca region in Colombia. The project financing also included Colombian peso-denominated credit facilities of approximately \$270 million, as well as a subordinated liquidity facility from the Colombian Government's Financiera de Desarrollo Nacional. The trust was created after the Colombian government awarded Colombian corporation Concesión Pacífico Tres S.A.S. a concession as part of the country's "Fourth Generation" (4G) Project, an infrastructure program aimed at modernizing road infrastructure in the country. Recognized as LatinFinance's 2016 Best Road Financing and 2016 Best Infrastructure Financing – Andes, *Project Finance International's* 2016 Latin America P3 Deal of the Year, *IJGlobal's* 2016 Latin America Roads Deal of the Year and *Latin Lawyer's* 2016 Project Finance Deal of the Year.
- **Fiduciaria Bancolombia S.A. Sociedad Fiduciaria's**, as trustee of **Fideicomiso P.A. Costera**, \$262 million project bond issuance to finance the construction and improvement of a toll road that will connect the northern cities of Cartagena and Barranquilla in Colombia. The project financing also included Colombian peso credit facilities of approximately \$308 million dollars.
- **Fiduciaria Bancolombia S.A. Sociedad Fiduciaria's**, as trustee of **Fideicomiso P.A. Concesión Ruta Al Mar**, \$178 million project bond issuance to finance the construction and improvement of a toll road that will connect the two major economic centers of Colombia (Antioquía and Bolívar). The project financing also included Colombian peso credit facilities, a long-term loan from Colombia's FDN, and other funding sources bringing the total financing to approximately \$490 million. *IJGlobal's* 2017 Latin American Transport Deal of the Year.
- **International Bank for Reconstruction and Development's** \$1.36 billion "catastrophe bonds" designed to provide Mexico, Chile, Colombia and Peru with protection against financial losses from earthquakes. This matter is the largest sovereign risk insurance transaction to date, the second-largest issuance in the history of the catastrophe bond market and the first time that Chile, Colombia, and

Peru have accessed the capital markets to obtain insurance for natural disasters. The transaction brought the total amount of catastrophe bond transactions facilitated by IBRD, and advised by S&C, to nearly \$4 billion.

- **International Bank for Reconstruction and Development's** \$320 million "catastrophe bonds" to provide funding to the Pandemic Emergency Financing Facility (PEF), a facility designed to channel surge funding for response efforts to help prevent rare, high-severity disease outbreaks from becoming more deadly and costly pandemics. The issuance of the Pandemic Notes marks the first time that catastrophe bonds have been used to finance response efforts to infectious diseases, and the first time that pandemic risk has been transferred to the financial markets. The issuance was oversubscribed by 200%, reflecting an overwhelmingly positive reception from investors and a high level of confidence in the unique World Bank-sponsored instrument, enabling the World Bank to price the Pandemic Notes well below the original guidance from the market. Recognized as *IFLR Americas'* 2018 Securitisation and Structured Finance Deal of the Year.
- **International Bank for Reconstruction and Development's** \$360 million "catastrophe bonds" to provide Mexico with protection against financial losses from earthquakes, Atlantic- and Pacific-named storms.
- **LATAM Airlines Group S.A.'s** (Chile) \$941.4 million follow-on offering of common shares.
- **Minera Los Pelambres'** (Chile) \$1.3 billion of unsecured commercial bank and export credit agency term loans related to the expansion of the Los Pelambres project, which includes construction of a desalination plant. The \$875 million commercial bank tranche received a Green Evaluation from S&P Global Ratings, making Los Pelambres the first mining company in the world to receive this evaluation from S&P.
- **Morgan Stanley's** and other initial purchasers' \$530.8 million senior secured notes offering and **Credit Agricole's** and other lenders' \$500 million senior secured credit facility, each in connection with KKR's acquisition and leaseback of certain PEMEX oil and gas infrastructure assets. Recognized as *LatinFinance's* 2016 Private Equity Deal of the Year and *IJGlobal's* 2016 Latin America M&A Deal of the Year.
- **Ternium's** (Argentina) \$778.6 million secondary SEC-registered offering of ADS.
- **Transportadora de Gas del Sur S.A.'s** (TGS) (Argentina) exchange offer to existing holders of its outstanding 7.875% notes due 2017 (the old notes) for 9.625% notes due 2020 (the new notes), pursuant to Section 4(a)(2) and Regulation S; and TGS in Grupo Inversor Petroquímica S.L., WST S.A., and PCT LLC's mandatory tender offer for the acquisition of up to a total of 194,651,345 book-entry Class B shares of common stock representing up to a total of 24.5% of the capital stock of TGS.