

Larrain y Asociados Advises on Major Highway Project in Chile

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Larrain y Asociados has advised Banco de Chile, BCI and Banco del Estado de Chile (the structuring banks) in the structuring, negotiating and documenting of a long-term syndicated financing granted to the concessionaire Vespucio Oriente S.A (the debtor). Barros & Errázuriz advised the debtor and its sponsors, Sacyr Concesiones y Aleatica, SAU, a Spanish subsidiary of the Australian pension fund IMF. The transaction closed December 10th.

The financing will be used to carry out the construction and start-up of a public works entitled "*Américo Vespucio Oriente Concession, El Salto – Príncipe de Gale Section*", which consists of a 9km toll road concession located in the metropolitan region, including the municipalities of Recoleta, Huechuraba, Vitacura, Las Condes and La Reina, and Consiste.

The \$910m financing includes coverage of the peso/UF exchange rate and interest rate with respect to one of the tranches of the financing, granted by the structuring banks. The financing has a local guarantee package, as well as a sponsor guarantee granted under the laws of Spain.

Eight local financial institutions were involved in the transaction as creditors in the financing, including

structuring banks, Banco Consorcio, life insurance company Consorcio Nacional de Seguros SA, Principal Life Insurance Company Chile SA, Bice Vida Company Insurance SA and Metlife Chile Life Insurance S.A.

The operation represents local financing for the largest road infrastructure project in the history of Chile by local banks and insurance companies, constituting an operation that marks a milestone for the local financial industry.

The Larrain team was made up of partner Patricio Montes and associates Diego Garay, José Pedro Ruiz and Teresita Vinagre.

C.G.L.