

| TITULO: Guerrero Olivos and Garrigues steer La Araucana bond swap | | | | |
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Emily Darby | 12 October 2020

Guerrero Olivos has helped Chilean social security administrator Caja de Compensaci3n La Araucana complete a bond exchange worth US\$442 million.

Garrigues (Chile) advised the creditors in the deal, which was announced on 9 September.

In the deal, Araucana – Chile’s second largest social security company – swapped two series of previously issued bonds for new debt. The full details of the old and new bonds were not disclosed.

The bonds swapped in the deal represent 80% of Araucana’s outstanding debt.

The deal is the latest development in the company’s wider restructuring programme, which began after it defaulted on loans worth US\$68 million in 2015. Araucana announced a US\$620 million debt restructuring in 2016, which represented Chile’s largest judicial reorganisation in over two years at the time. That deal was adjusted in 2018 to establish new maturity dates and amend the payment obligations. Guerrero Olivos and Garrigues helped on that deal too.

Founded in 1968, Araucana provides social security services to employers and families in Chile.

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Guerrero Olivos

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