

November 11, 2020

## **Garrigues Peru Advises on Three Simultaneous US\$226 million Solar Financings**

Garrigues Peru advised BNP Paribas, Société Generale and SMBC as Lenders in three simultaneous financings for Tacna Solar, Panamericana Solar and Moquegua FV, Peruvian SPVs owned by Solarpack and Ardian, for the aggregate amount of approx. US\$226 million. The facilities refinanced existing OPIC (now DFC) debt. Collectively, the Projects have an aggregate capacity of 67.9MW.

### **Key Highlights**

- **Borrowers:** Moquegua FV S.A.C., Tacna Solar S.A.C. and Panamericana Solar S.A.C.
- **Lenders:** BNP Paribas, Société Generale and Sumitomo Mitsui Banking Corporation
- **Administrative Agent:** BNP Paribas
- **Collateral Agent and Account Bank:** Citibank
- **Financial Advisor to the Borrowers/Sponsors:** Astris Finance
- **Total Deal Value:** Approx. US\$ 226,458 million
- **Signing Date:** November 2, 2020.
- **Closing Date:** November 4, 2020.

### **Highlights of the Credit Facility:**

- Moquegua FV S.A.C., Tacna Solar S.A.C. and Panamericana Solar S.A.C. are Peruvian Solar Plant SPVs, each of which own and operate solar power plants in Tacna and Moquegua, Peru. These SPVs are jointly owned by Solarpack (Spain) and Ardian (France). The Moquegua Power Plant has a capacity of 19.4MW, the Tacna Solar Power Plant has a capacity of 24.9MW, and the Panamericana Solar Power Plant has a capacity of 23.6MW.
- Garrigues Peru's team worked closely with all parties involved in order to negotiate the local security package for the three credit facilities. Each facility benefited from a specific and segregated collateral package, with no cross-collateralization. In this regard, the deal included more than 30 local security documents.
- Additionally, the transaction entailed detailed analysis of each of the Power Purchase Agreements entered into by each Borrower with the Peruvian Government, in order to assess any potential bankability issues for the Lenders and provide them a comprehensive understanding of the Peruvian renewable market.
- The credit facilities were used by the Borrower to repay existing OPIC (now DFC) debt, which had to be closely coordinated given the unique prepayment sequence and steps that had to be taken with DFC.
- Garrigues Partner Diego Harman was quoted as saying: *"We are extremely happy to support the Lenders on this significant transaction. We expect increased lender activity supporting green projects such as these Solarpack/Ardian assets, sustainable investments which will become only more important in a post-COVID world."*

Legal counsel involved:

- **Peruvian Counsel to Lenders:** Garrigues Peru.
  - Partners: Thomas Thorndike, Diego Harman; Senior Associate: Giancarlo Vignolo (Regulatory Matters); Associate: Maria Fernanda Tamayo.
- **New York Counsel to Lenders:** Milbank LLP
- **New York Counsel to Borrowers:** Rodrigo, Elías & Medrano Abogados.
- **Peruvian Counsel to Borrowers:** Rodrigo, Elías & Medrano Abogados.
- **New York Counsel to Collateral Agent/Account Bank:** Hinckley Allen.
- **Peruvian Counsel to Collateral Agent/Account Bank:** Estudio Echeopar asociado a Baker & McKenzie International.

Notes:

Operating in 13 countries and with 32 offices throughout the world, Garrigues is one of the largest international law firms and has been working in Latin America for more than 40 years, with a long history in Peru. The firm is now growing its Latin American legal practice by rolling out a network of own offices which constitutes one of the major direct presences in Latin America, with offices in Colombia, Peru, Mexico, Chile and Brazil.

Garrigues has been named Law Firm of the Year: Andes by LatinFinance 2020 and Latin American Local Legal Adviser of the Year at the 2019 IJGlobal Awards. Garrigues was also awarded Capital Markets Firm of the Year in the Andes, and Peru's Most Innovative Law Firm of the Year by IFLR 2019. Garrigues Peru is ranked Band 1 in Capital Markets, Banking & Finance and Projects by Chambers 2021, and has multiple leading lawyers listed in the main legal directories (Chambers, Legal500, IFLR1000).

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