

## International

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### Coto completes restructuring

Argentine retailer Coto Centro Integral de Comercialización SA has successfully restructured its US\$180 million financial debt with a group of international financial institutions. The transaction closed on November 29.

**Fabián D'Aiello**, of Muñoz de Toro & Muñoz de Toro, commented: "After a long negotiation process, the restructuring ended up a fair deal for all parties, allowing the company to obtain an unsecured long term restructuring based on its real capabilities. In addition, thanks to the constructive position finally adopted by the company and the leading creditors, the restructuring was agreed to by all of the creditors, without recourse to an APE or *concurso*, thus saving time and money for the benefit of both the company and the creditors."

The debt stemmed from a US\$175 million syndicated loan granted to Coto in 2001, as well as several bilateral export finance facilities. Creditors involved in the restructuring included Banc of America Securities Limited, Citibank International plc, JP Morgan Chase Bank, Credit Suisse First Boston, Banco Galicia Uruguay SA, Rabobank International, New York Branch, Banco Macro Bansud SA and Deutsche Bank AG, London Branch.

The restructuring included one agreement to cover the debt under the loan, and three bilateral agreements to restructure the export facilities under similar terms. The tenor of the debt was extended, and the interest rates were set at Libor plus a step-up margin, from 2.5 per cent in the first year to 4 per cent in the last two years.

Coto took financial advice from Infupa SA.

The company is one of the leading supermarket chains in Argentina, and one of the country's top employers with approximately 19,500 employees.

Marval, O'Farrell & Mairal advised the banks in Argentina, through associates **Tito Livio Venturini**, **Diego P Roizen** and **Sergio Tálamo**.

They were advised in New York by [Shearman & Sterling LLP](#), through partners [John Millard](#) and [Denise Grant](#), and associate **Geoffrey Richardson**.

Muñoz de Toro & Muñoz de Toro acted as counsel to Coto, through partners **Fernando Muñoz de Toro**, **Ricardo Muñoz de Toro** and **Fabián D'Aiello**, and associate **Sebastián**

**Cordova Moyano**.

**Juan Pablo Vázquez Avila** gave in-house counsel to the debtor