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LIBERTY GLOBAL RESTRUCTURING

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Ropes & Gray LLP and Baker Botts LLP in in the US and Chile's which saw the US cable company separate its operations in Chile from its European business, enabling the Chilean arm to obtain independent international financing.

The reorganisation of Liberty Global's credit pools was completed on 24 January. The deal saw VTR GlobalCom and VTR Wireless, which are Chile's leading broadband and wireless providers and 80 per cent owned by Liberty Global, placed into a separate credit pool from their European counterpart, UPC.

The move forms part of a strategic decision by Liberty Global to extract VTR's financing ability from its other businesses. "This allows VTR to obtain financing internationally on a stand-alone basis," explains Carey partner Pablo Iacobelli.

As part of the multi-stage deal, VTR also issued US$1.4 billion of senior secured notes due in 2024 and obtained a US$200 million senior secured revolving credit facility in order to pay outstanding indebtedness in connection with reorganising VTR's Chilean operations into a stand-alone credit pool. For those transactions, Allen & Overy LLP in the US and Chile's Philippi, Yrrarázaval, Pulido & Brunner advised the lenders, while Latham & Watkins LLP in London, Chicago and New York counselled the initial purchasers alongside Philippi Yrrarázaval. According to Latham & Watkins partner Roderick Branch, the multi-jurisdictional nature of the deal was particularly noteworthy, given that VTR's business is located in Chile, the finance entity that issued the notes is organised in the Netherlands, VTR's controlling shareholder is organised in the UK and the notes were secured by pledges of assets granted under New York and Dutch law, with an intercreditor agreement governed under English law.

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