

---

# Hughes Hubbard & Reed

## Firm's \$3 Billion Financing for Mining Giant Named 'Loan of the Year 2011'

News & Events | Deals & Matters

Hughes Hubbard & Reed LLP • A New York Limited Liability Partnership  
One Battery Park Plaza • New York, New York 10004-1482 • +1 (212) 837-6000

Attorney advertising. Readers are advised that prior results do not guarantee a similar outcome. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. For information regarding the selection process of awards, please visit <https://www.hugheshubbard.com/legal-notice-methodologies>.

---

A transaction involving Hughes Hubbard & Reed that secured a \$3 billion credit line for Brazilian mining giant Vale from a consortium of 27 international banks with historic low fees and margins was named 'Loan of the Year 2011' by International Financing Review magazine (IFR).

In a recent article headlined "Into the Premiere League," IFR, which covers capital markets, called the deal a "watershed that repriced the market in Latin America and set a precedent for its peers in the region to access European pricing."

"For leading the way and positioning the borrower as a global player, Vale's US \$3 billion five-year revolver is IFR's Latin America Loan of the Year," the article reads.

Hughes Hubbard was the lead counsel for Vale, the world's second largest mining company, in the April 2011 transaction. Vale added the revolving credit facility to an existing \$1.6 billion revolving credit line due to mature in 2011 and 2012. The deal was structured to allow Vale's subsidiaries to draw upon the fund during its five-year timeframe. The financing was designed as a "short term liquidity buffer" to enhance the company's liquidity and allow more efficient cash management.

IFR noted that several other landmark transactions in 2011 copied the structure of this deal. "The wide syndication alone would be noteworthy, given that most deals in Latin America since 2008 were club syndications," the article reads. "But the transaction was also savvy in terms of timing, since it took advantage of bottled up demand and launched before volatility hit in mid-2011."

The consortium of banks was led by Crédit Agricole, Mizuho and Natixis. Other members included HSBC, Société Générale, Deutsche Bank, Citibank, Morgan Stanley, Credit Suisse and Goldman Sachs.

Amy G. Dulin, Mark Denham and Emilio Saiz worked on the transaction.

## **Related People**



**S. Mark Denham**



**Amy G. Dulin**



**Emilio Saiz**

## **Related Areas of Focus**

Latin America

Banking & Financial Services