

HUNTON & WILLIAMS INSTRUCTED ON PROMERICA'S ACQUISITION OF CITIBANK GUATEMALA

Posted on 3 November 2016



Category: [News](#)



Hunton & Williams advised Promerica on its acquisition of Banco Citibank de Guatemala and its affiliate Cititarjetas.

Promerica is a financial group with operations across Central America, the Caribbean and Ecuador. In Guatemala, it owns Banco Promerica Guatemala which is among the banks with the highest rates of growth and profitability in the country.

Citibank announced in 2014 it would sell its consumer banking business in 11 markets, including at least six in Latin America. Since then, it has shed assets in [Central America](#), [Panama](#), [Argentina](#), Brazil and Colombia. The sale is part of Citibank's refocusing its strategy to corporate banking.

The deal, which closed on October 31, increases Banco Promerica Guatemala's total assets to \$1.7 billion and 98 banking branches. The transaction, which [started](#) in 2015, received all necessary approvals.

Hunton also acted for Promerica in obtaining a syndicated credit facility to partially fund the acquisition. Bladex, Credit Suisse and Deutsche Bank were joint lead arrangers and book runners on the financing.

"This transaction is transformational for Promerica, gaining significant market share and a stronger foothold in the credit card business in Central America," stated Fernando C. Alonso, chairman of the firm's Latin American practice group. Alonso led the team advising Promerica together with partners Fernando Margarit, in Miami, and David R. Yates, in Atlanta.

Deutsche Bank Securities was Promerica's financial investment adviser. Skadden, Arps, Slate, Meagher & Flom was Citi's external counsel on this deal. The bank has retained Skadden throughout the sale of its assets in Latin America.

Consortium Legal advised Citi on Guatemala law.