

Company name IA Capital Structures (Ireland) plc  
Headline Notice to Noteholders of Series 179

19 May 2021

**THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**THIS NOTICE CONTAINS IMPORTANT INFORMATION OF INTEREST TO THE OWNERS OF THE NOTES. IF APPLICABLE, ALL DEPOSITARIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO PASS THIS NOTICE TO SUCH OWNERS IN A TIMELY MANNER.**

**If you are in any doubt as to the action you should take, you are recommended to seek your own financial, legal or other advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser.**

**If you have recently sold or otherwise transferred your entire holding(s) of the Notes referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.**

## **NOTICE FROM THE ISSUER TO NOTEHOLDERS**

**IA Capital Structures (Ireland) plc**  
(the “**Issuer**”)

Asincro Panama Guaranteed Financing Program (Series 179) Notes due 2021  
ISIN: XS1785120566 COMMON CODE: 178512056  
(the “**Notes**” or the “**Series**” and the holders thereof the “**Noteholders**”)

Capitalised terms used but not otherwise defined in this notice shall have the meanings ascribed to them in the Series Memorandum dated 26 March 2018 as supplemented on 20 March 2020 and the Conditions of the Notes as same may be amended and / or supplemented from time to time.

### **BACKGROUND**

The Issuer used the entire net proceeds of the Notes to make a loan (the “**Loan**”) to Asincro Panama Corporation (the “**Borrower**”).

The Notes originally had a Scheduled Maturity Date of 11 March 2019. Pursuant to an Extraordinary Resolution of the Noteholders dated 25 January 2019, the Noteholders approved an Extended Maturity Date of 11 March 2020 in respect of the Notes (the “**First Extended Maturity Date**”). Pursuant to a further Extraordinary Resolution of the Noteholders dated 13 March 2020,

the Noteholders approved an additional Extended Maturity Date of 11 March 2021 in respect of the Notes (the “**Second Extended Maturity Date**”). The Notes have now matured as the Second Extended Maturity Date has occurred.

Special Condition (II) (*Redemption Amount*) provides that, unless previously redeemed or purchased, the Notes will be redeemed by a payment in respect of each Note of the Redemption Amount on the Final Maturity Payment Date. The Redemption Amount is defined as an amount equal to the greater of (i) zero and (ii) the Net Proceeds. The Special Condition also provides that no interest or other amount shall accrue or be payable in respect of the Notes in respect of the period from and including the Extended Maturity Date, to and including the Final Maturity Payment Date.

The calculation of the Net Proceeds is dependent on the determination of the Realisable Value. The Realisable Value is defined as an amount determined by the Calculation Agent being the proceeds of sale or other means of realisation of the Charged Assets less any costs, expenses, taxes and duties incurred in connection with the disposal or transfer of the Charged Assets by the Sale Agent.

Subject to the Conditions, the Final Maturity Payment Date is defined as the date falling five (5) Business Days following the day that the Issuer receives the aggregate Realisable Value pursuant to Special Condition 5.3 (*Redemption Amount*). It is also stipulated that the Final Maturity Payment Date may be significantly later than the Extended Maturity Date (as was disclosed in the “*Risk Factors – Payments*” in the Series Memorandum).

The Issuer hereby gives notice to the Noteholders that the Borrower has failed to make the payments of accrued but unpaid interest and the Loan Arranger Fee under the Secured Term Loan Agreement on 16 September 2020 (the “**September 2020 Loan Interest and Loan Arranger Fee Payment Failure**”) and 11 March 2021 (the “**March 2021 Loan Interest and Loan Arranger Fee Payment Failure**” and, together with the September 2020 Loan Interest Payment Failure, the “**Loan Interest and Loan Arranger Fee Payment Failures**”). The aggregate amount owing pursuant to the Loan Interest and Loan Arranger Fee Payment Failures are referred to as the “**Loan Interest and Loan Arranger Fee Unpaid Amounts**”.

The Borrower also failed to make the scheduled payment of the entire principal amount outstanding under the Loan (together with accrued but unpaid interest and Loan Arranger Fee) due on 11 March 2021 (the “**Loan Principal Payment Failure**” and, together with the Loan Interest and Loan Arranger Fee Payment Failures, the “**Loan Payment Failures**”). Each Loan Payment Failure constitutes an event of default under the Secured Term Loan Agreement (the “**Charged Assets Default**”). No Event of Default has occurred in relation to the Notes as a result of the Loan Payment Failures.

On 25 September 2020, the Issuer provided written notice to the Borrower that the September 2020 Loan Interest and Loan Arranger Fee Payment Failure constituted a payment default under clause 12.1.1. (*Events of Default; Non-payment*) of the Secured Term Loan Agreement. The Issuer has not, however, exercised any of the rights or remedies available to it under the Secured Term Loan

Agreement following the occurrence of the Charged Assets Default with respect to this or any other Loan Payment Failure.

In connection with the foregoing, on 17 March 2021, the Borrower served written notice on the Issuer (the “**Loan Extension Request**”) requesting that the Issuer (i) extend the maturity of the Loan until 11 March 2023 (the “**Proposed Loan Extension**”), (ii) approve certain amendments to the Secured Term Loan Agreement (the “**Proposed Loan Amendments**”), and (iii) waive any Charged Assets Default that has occurred as a result of the Loan Interest Payment Failures, provided however that the amended Secured Term Loan Agreement shall provide that a Charged Assets Default will occur if the Borrower fails to pay the Loan Interest and Loan Arranger Fee Unpaid Amounts in full by 7 September 2021 (the “**Proposed Waivers**”).

The Borrower stated that it presented the Loan Extension Request in light of the COVID-19 worldwide outbreak declared a pandemic by the World Health Organisation, which was followed by an executive decree of a state of emergency in the Republic of Panama on 24 March 2020 (“**Executive Decree 506**”). Due to Executive Decree 506, the Borrower has further stated that construction activities throughout the country were suspended, which represents the main commercial activities of the Borrower. At the same time, according to the Borrower, administrative procedures (including the presentation of accounts and invoices) to the Republic of Panama were suspended, being the Borrower’s main client. It was not until a second executive decree issued on 4 September 2020 (“**Executive Decree 1036**”) that construction activity commenced again in the Republic of Panama. At present, the Borrower claims it has been unable to collect its pending invoices from the country, which has made it difficult to resume its normal business activities. The Borrower cites article 34-D of the Panamanian Civil Code in claiming that the events that have transpired are a “fortuitous and force majeure and/or an unforeseeable and unavoidable event” which has directly impacted its ability to fulfill its obligations under the Loan Agreement. The Issuer offers no view on, and has not taken any steps to independently verify the veracity of, such claims.

In the event that the Loan Extension Request is granted by the Issuer, the term of the Notes also need to be similarly extended. Special Condition 5.11 (*Extended Maturity Date*) provides that the term of the Notes may be extended for further periods of up to two (2) years, provided that, at the request of the Issuer, the Calculation Agent, on behalf of the Issuer, has given a notice (the “**Extension Notice**”) to the Trustee, the Principal Paying Agent and the Noteholders three (3) calendar months prior to the Scheduled Maturity Date or the anniversary thereof in each subsequent year, if applicable, stating that such extension shall take place in respect of the Notes (the “**Extension Notice Requirements**”). However, such extension provision may not be relied upon since the Notes have already been extended for a period of two years. Accordingly, the Noteholders are now being asked to consent to a further extension of the Scheduled Maturity Date of the Notes to 31 March 2023.

The Issuer hereby provides notice that:

1. The Notes matured on the Second Extended Maturity Date of 11 March 2021.

2. The provisions of Special Condition 5.3 (*Redemption Amount*) apply so that the Redemption Amount of the Notes will be paid on the Final Maturity Payment Date, which may be significantly later than the Second Extended Maturity Date.
3. As a result of the Loan Extension Request, the Arranger has been coordinating with the Issuer and Borrower, in respect of the preparation of an Extraordinary Resolution of the Noteholders to consider and, if thought fit approve, (i) the extension by the Issuer of the term of the Loan and (ii) the extension of the term the Notes, (notwithstanding that the provisions in relation to extension of the term of the Notes in accordance with Special Condition 5.11 may not be utilised to effect such extension, as referred to above) and to grant the Proposed Loan Extension, the Proposed Loan Amendments, and the Proposed Waivers. The Extraordinary Resolution is expected to be distributed to Noteholders for consideration during the month of May 2021 or June 2021.

This Notice has not been formulated by the Trustee who expresses no view on it and the Trustee expresses no opinion as to the actions (if any) the Noteholders may take in respect of this Notice. The information contained herein has not been independently verified by the Trustee and the Trustee makes no representation that all relevant information has been disclosed to Noteholders in or pursuant to this Notice. In accordance with normal practice, the Trustee expresses no view as to the truth, veracity, accuracy or completeness of the contents of this Notice. Accordingly, the Trustee recommends that Noteholders consider seeking their own financial, tax, accounting, investment and legal advice in respect of this Notice.

No responsibility or liability is or will be accepted by the Trustee in relation to the accuracy or completeness of this Notice or any other written or oral information made available to any person receiving this Notice or its advisers and any such liability is expressly disclaimed. This Notice is made without prejudice to any and all of the Trustee's rights under the Conditions of the Notes and the transaction documents relating to the Notes, all of which are expressly reserved.

## **PROPOSED ACTION**

Other than as disclosed above, the Issuer proposes no further course of action at this time. This notice is for informational purposes only.

## **Further Information**

For further information with regards to your investment in the Notes, please contact the Issuer at: [iacapital@veritacorporate.com](mailto:iacapital@veritacorporate.com).