

 Early Warning System

IFC-38101

Vector Mezzanine Mexico Uno



Quick Facts

Countries	Mexico
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	FI
Voting Date	2016-07-07
Borrower	VECTOR PARTNERS SC
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 22.65 million



Project Description

According to IFC website, the project would involve supporting Vector Partners S.C. in raising and structuring a Mezzanine Debt Facility in the form of a co-lending agreement among Mexican and international institutional investors to provide long term financing to Mexican mid-size companies. By supporting middle market companies, the project aims to strengthen job security, increase productivity and strengthen local economic development.

As part of IFC's Capital Market Development Strategy, the project has the potential to enhance the development of the local debt capital market in Mexico by channeling capital flows from local and international institutional investors into a credit asset class, such as mezzanine debt, for the benefit of mid-size companies. The facility will provide long term mezzanine financing to mid-size Mexican companies. The project is expected to increase the access to long term finance to mid-size companies while developing a new investable asset class in the local capital market.

The Environmental and Social risks are related to the potential impacts of the Facility's portfolio, which due to the size and likely sectors of investment are considered to be of moderate E&S risks. As such the project was categorized as FI-2 according to IFC's Sustainability Framework. The applicable environmental and social requirements include the IFC's Exclusion List, the national E&S laws and regulations and the IFC's Performance Standards.



Investment Description

- International Finance Corporation (IFC)

The proposed project consists of an IFC investment of up to US\$24 million, managed by Vector Partners, that will provide long term financing to Mexican mid-size companies. Vector Partners is not targeting any specific sector and will likely invest in manufacturing, services, healthcare and telecommunications among other sectors.

Vector Partner S.C. is owned 99.998% by Agrotecnología Geotel, S.A. de C.V., a Mexican company owned 99.998% by Plenus, S.A. de C.V.. Plenus, S.A. de C.V. is owned 99.998% by Consuelo Lourdes Garza Laguera Rangel. It is expected that, as part of the Vector Grupo Empresarial restructuring, the ownership structure of Vector Partners S.C. will change to belong 99.998% to Vector Grupo Empresarial who will consolidate all Vector's companies (Vector Casa de Bolsa S.A. de C.V., Vector Partners S.C. and others) under the same controlling company, under Plenus Group.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Vector Partners](#) (Financial Intermediary)



Private Actors Description

Vector Partners S.C. is owned 99.998% by Agrotecnología Geotel, S.A. de C.V., a Mexican company owned 99.998% by Plenus, S.A. de C.V.. Plenus, S.A. de C.V. is owned 99.998% by Consuelo Lourdes Garza Laguera Rangel. It is expected that, as part of the Vector Grupo Empresarial restructuring, the ownership structure of Vector Partners S.C. will change to belong 99.998% to Vector Grupo Empresarial who will consolidate all Vector's companies (Vector Casa de Bolsa S.A. de C.V., Vector Partners S.C. and others) under the same controlling company, under Plenus Group.

Vector Partners S.C, through its affiliate company, Vector Casa de Bolsa, S.A. de C.V. ("VCB") has national presence with 24 offices in the 22 most important cities in Mexico. VCB is currently the biggest independent brokerage house in Mexico, with over MXN96bn (\$5.48 bn) of assets under management for more than 37,500 clients.



Contact Information

Project Contact: Pablo Taberna Albea

Office Address: Mezzanine Facility Director, Vector Partners, S.C

Ave. Roble #565 ote. Col. Valle del Campestre, Garza García, N.L.

Telephone No.: +52 (81) 8318 3670

Email Address:ptaberna@vector.com.mx

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>