

 Early Warning System

IFC-39878

DCM Dunas FIDC



Quick Facts

Countries	Brazil
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	FI
Voting Date	2017-12-11
Borrower	DUNASPLUS CORP
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Equity
Investment Amount (USD)	\$ 15.00 million
Project Cost (USD)	\$ 15.00 million



Project Description

The proposed transaction (the “Project”) consists of an investment in the Senior quotas of the Exten Apoio SME FIDC (Fundo de Investimento em Direitos Creditórios), a special investment vehicle under Brazilian law for the offering and distribution of credit risk instruments to Institutional Investors, to be sponsored by Exten Corp. (“Exten” or the “Sponsor”), formerly named DunasPlus Corp. The fund will make advances based upon B2B domestic performed trade receivables, which are generated by Brazilian SMEs (“Originators”) on goods sold / services provided to other Brazilian companies (“Obligors”). The investment is up to US\$15 million equivalent in BRL.



Investment Description

- International Finance Corporation (IFC)

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.

- [Dunas Plus Corp.](#) (Financial Intermediary)
- [DUNASPLUS CORP](#) (Financial Intermediary) **is owned by** [Exten Corp](#) (Parent Company)



Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

The FIDC is sponsored by Exten (a non-regulated finance company), responsible for the credit origination, underwriting and collection efforts. Exten presents a strong track record in the FIDC and invoice discounting spaces, having established one of the first securitization trusts in Brazil targeting SMEs in 2007.

Exten Corp. was incorporated as a holding company in the Cayman Islands in 2015 initially as Dunas Plus Corp. It has recently changed its name to Exten Corp, as part of a new branding exercise. It is owned by Joao Batista (26.7% participation), Paul Gilson (13.3% participation), Tom Cauchois and Alicia Noyola (26.7% participation), Accion Frontier Inclusion Fund, L.P. (16.6%), responsAbility Participations AG (16.6%) and Brean Capital LLC (.13%). It has five operational units: Dunas Plus Soluções (Origination, Collections and Master Servicer); Brazil Plus Investment Management; Brazil Plus Investimentos; Brazil Plus Participações (Securitization Vehicles Managers, Functionaries) and Supera Ltd. (Transformation, Technology), all of whom will be renamed to coordinate with the Exten name change.



Contact Information

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/>