



Kroll Issuer Services Case Study

Carlson Travel Inc.



In connection with Carlson Travel Inc.'s new money financing in 2021, Kroll's Issuer Services practice worked closely with the issuer's legal and financial professionals to develop, implement, and process complex corporate action events related to multiple publicly traded securities. With expertise in both the U.S. and European markets, Kroll administered numerous consent solicitations for Dollar-and Euro-denominated bonds. Kroll also facilitated equity and notes rights offerings, generating \$830 million of new money financing for the issuer.

Consent Solicitations and Private Placements

Certain amendments to the bond indentures were deemed necessary for the issuer and its subsidiaries to improve their liquidity positions. By obtaining requisite consents via several consent solicitations, the issuer was able to increase its indebtedness capacity by issuing new notes. Kroll was uniquely positioned to facilitate the consent solicitations for U.S. dollar-denominated bonds trading in the Depository Trust Company (DTC), as well as

Euro-denominated bonds trading in both Euroclear and Clearstream. Kroll worked closely with the U.S. and European depositories to set up tendering and blocking events in their systems. With team members and expertise in both markets, timely and accurate reporting was delivered to the issuer, followed by official confirmation of receipts to effectuate the amendments. The private placements were delivered via DWAC deposit to numerous U.S. and EU noteholders. Kroll worked with all constituents to ensure efficient and accurate delivery of the new securities.

Complex Notes and Equity Rights Offerings

Following the consent solicitations and private placements, Kroll worked with the issuer's professionals to draft rights offering procedures consistent with both the U.S. and European depositories' capabilities. Kroll's global expertise allowed the debtors to confidently adhere to appropriate processing and distribution mechanics, and the materials were disseminated to holders of more than \$410 million Senior Secured Notes and holders of €325 million Senior Secured Notes.

The issuer provided current noteholders the rights to purchase both new equity and new notes to raise \$830 million in liquid capital. Kroll's advanced technology provided the means for efficient processing of over 350 subscriptions via an electronic platform and reconciliation of numerous wires. Leading up to the subscription deadline, Kroll coordinated with the three depositories to receive confirmations of positions, which were then used to provide clear reporting to the issuer's working group. Upon expiration, Kroll identified all valid subscriptions and prepared results to assist with backstop party calculations. Finally, the backstop parties received directions from Kroll to fund supplemental cash, and the issuer was able to achieve its financing goals.

About Kroll's Issuer Services Practice

Kroll's Issuer Services team has over 200 years of combined solicitation and public securities experience and are experts in partnering with clients to provide strategic, effective and well-communicated issuer services. Successful outcomes require deep subject matter expertise and a high level of professionalism to effectively interact with a client's key constituents. Our team has led some of the most complex global consent solicitations, exchange offers, rights offerings, tender offers and annual and special proxy solicitations. To learn more, visit www.kroll.com/issuer-services.

Distributions

After fully reconciling new equity and notes subscriptions, including confirmation of the applicable funding, Kroll prepared distribution files in advance of settlement. As a result of ordinary subscriptions, direct allocations, and backstop party purchases and premiums, over 23 million new shares were allocated on the books and records of the issuer's transfer agent. Additionally, \$500 million of new notes were allocated through DTC's Voluntary Department and DWAC transactions for the holders of Euro-denominated bonds. Following the settlement of both rights offerings, Kroll assisted holders of certain Euro denominated bonds that had not yet received their consideration. By crafting a supplemental event through Euroclear, these holders were able to come forward at a later date to receive their previously unclaimed equity. Finally, Kroll efficiently administered cash refunds to noteholders and brokers that had inadvertently overfunded subscription amounts.

About Kroll

Kroll provides proprietary data, technology and insights to help our clients stay ahead of complex demands related to risk, governance and growth. Our solutions deliver a powerful competitive advantage, enabling faster, smarter and more sustainable decisions. With over 6,000 experts around the world, we create value and impact for our clients and communities. To learn more, visit www.kroll.com.

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