

Mid-Market Lending 2

Documentation and Negotiation

Summary

This course focuses on preparing loan documentation to ensure the bank is protected in an event of default.

Participants will discuss security and documentation requirements for a syndicated deal. A credit agreement will be reviewed to learn which sections are contentious and need to be negotiated.

Participants will have an opportunity to negotiate a client's request for major changes to an existing Credit Agreement.



Prerequisites

Participants should have a high level of familiarity with credit products prior to taking this course.



Timing

This course requires 16 hours.

Learning Topics

1. Types of Security

- ✓ Understand what types of security are required for different financing structures
- ✓ Review different types of security, including:
 - GSA, PPSA, Mortgages, Guarantees, PMSI, Negative Pledges
 - Guarantees
 - Ringfencing
 - Structural subordination

2. Documentation

- ✓ Understand what documents are required to take security in a corporate lending transaction
- ✓ Review of key sections of a Credit Agreement, including:
 - Definitions
 - Conditions Precedent
 - Payment of Interest and Fees
 - Reps & Warranties
 - Financial Covenants
 - Security
 - Events of Default
- ✓ Identify items which are contentious and subject to negotiation

3. Negotiation

- ✓ Identify business issues that need to be resolved prior to involving legal counsel
- ✓ Learn how to negotiate changes to an existing Credit Agreement