EUROMONEY LEGAL TRAINING

DRAFTING & DOCUMENTING SYNDICATED LOANS

Loan Transfers & Loan Participations

IN ASSOCIATION WITH

SINCLAIR ROCHE & TEMPERLEY

- Forming the Syndicate
- Drafting the loan offer and the information memorandum
- Direct participations - the agency relationship
- The options for indirect participation
- Particular problems for secured loans

PLUS

A special session focussing on the recent innovation using credit derivatives as indirect participations

9-10 May 2002, Central London

First 12 delegates to register will receive a complimentary copy of “The Euromoney Syndicated Lending Handbook 2002”

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The syndication of loan facilities - whether at the outset or at a later stage - has become increasingly important in recent years as a result of the even larger loans required by borrowers and the lending constraints imposed on banks by regulations concerning capital adequacy and liquidity.

An understanding of the drafting difficulties and problem areas in syndicated loan documentation is highly desirable for bankers, their in-house legal staff and external advisers. As well as helping them to avoid the major pitfalls when drafting the loan offer and information memorandum, it also enables them to work more effectively with outside lawyers in the preparation of the subsequent loan documents.

The faculty
Sinclair Roche & Temperley is an international commercial law firm with offices in London, Hong Kong, Shanghai and Bucharest and with associated offices in Singapore, Jakarta and Bangkok. The firm has an experienced team of partners and assistant lawyers specialising in banking, and has regularly acted for banks in London, Europe, the United States and the Far East in arranging and documenting secured and unsecured cross-border loans, particularly in the international transport sector.

Course director
Gavin Shepherd is a partner at Sinclair Roche & Temperley. A graduate in law from Cambridge University, he specialises in syndicated finance, both secured and unsecured. Gavin has had extensive experience in advising banks and borrowers in connection with the construction, sale, purchase and finance of ships along with related documentation. He advises lead banks on the formation of syndicates, agent banks on the term of their agency agreements and trustee banks on their deeds and their rights and obligations in respect of the securities covered by the trusts. Additionally, Gavin advises participating banks in connection with their membership of syndicates and the granting of assignments, transfers and sub-participations.

Who should attend
The course will focus on how syndicated loans work in practice in the marketplace and offer practical solutions to the legal and documentational problems that participants face regularly in their work. There will be a particular emphasis on workshops to give participants the chance to put the skills learnt on the course into practice.

- Bankers concerned with the detailed negotiation of syndicated loans, transfers and participations
- Bank staff involved in documentation of syndicated loans
- In-house lawyers in financial institutions dealing with syndicated loans
- Lawyers in private practice who advise clients on syndicated loans

Teaching methods
The background and key legal aspects of syndicated loans, loan transfers, and loan participations will be thoroughly explained by means of lectures and workshop exercises. The faculty is drawn from the international law firm – Sinclair Roche & Temperley. Gavin Shepherd has extensive practical experience in documenting syndicated loans. Prior to the course, each participant will receive a study package. At the course there is a complete set of notes and illustrations which cover each lecture. This is an invaluable aid, both during and after the course.

Participants will learn:
- The basic principles of loan syndication and its benefits
- How to choose the appropriate method of syndication
- The essential elements and the problem areas in drafting the documents usually produced by the bank
- How to document loans to permit subsequent participation
- How to ensure that future participants receive the rights they expect
- The skills required to vet documents produced by external legal advisers
- How to avoid errors in documentation which could increase institution’s liability for damages
- The different techniques for indirect participations, including the most recent innovations on credit derivatives and their features
- How to recognise the dangers and problem areas for indirect participations
- The techniques for dealing with the particular problems of secured loans
DAY ONE - THURSDAY 9 MAY

GENERAL INTRODUCTION
An explanation of the motives and objectives of syndicating loans and the methods most appropriate for achieving the desired results.
- Purposes
- Choice of Method
- Legal and commercial considerations

FORMATION OF THE SYNDICATE
An examination of the pre-loan agreement documentation and the pitfalls awaiting a lead bank which drafts without due care.
- Lead bank’s relationship with the borrower:
  - effect of the loan offer
- Lead bank’s relationship with the participants:
  - effects of the information memorandum

WORKSHOP 1
Participants are split into groups and asked to analyse various scenarios posing legal, commercial and drafting problems in connection with the information memorandum.

DAY TWO - FRIDAY 10 MAY

CONVENTIONAL INDIRECT PARTICIPATIONS
Where the participants are not parties to the loan agreement but take participations in a loan made by another bank which is a party to the loan agreement. The different kinds of conventional indirect participations are explored and their advantages, disadvantages and potential problems are explained.
- Novation
  - transfer certificates and their consequences
- Assignments
  - types of assignment and the respective rights of the participants
- Sub-loans
  - limited rights and dangers for the participants
- Guarantees
  - participation only on default by the borrower
- Duties of lead bank
  - different types of indirect participation
- Increased cost clauses
  - whether the benefit can be assigned
- Balance sheet considerations
  - Bank of England notice
  - loan transfers and securitisation

WORKSHOP 3
Workshop session on conventional indirect participations, the balance sheet considerations and their effect on the drafting of the participation documents.

CREDIT DERIVATIVES AS INDIRECT PARTICIPATIONS
Delegates will become familiar with the most recent innovations by which indirect participations can be granted.
- The different types of credit derivatives
- The legal relationships with the borrower
- Documentation and legal issues
- Duties and liabilities of the original lender
- Rights of the participant
- Balance sheet considerations

SECURED LOANS
An analysis of the particular problems concerning the syndication of secured loans and the varying rights of the participants to the benefit of the security.
- Direct participations
  - security in or out of trust and the effect on future indirect participations
- Indirect participations
  - security in name of trustee only
  - rights of participants
  - dangers of novation
registration form for Drafting & Documenting Syndicated Loans

I wish to register for Drafting & Documenting Syndicated Loans, Loan Transfers & Loan Participations 9-10 May 2002, Central London

Please send me the 2002 Euromoney Legal Training calendar

Please send me further information on the programmes indicated below

FORTHCOMING COURSES

- WINTER SCHOOL, 10-15 FEBRUARY
- BOND & DEBT, 07-08 MARCH
- ALTERNATIVE INVESTMENTS, 16-19 MARCH
- CORPORATE FINANCE FOR LAWYERS, 17-19 APRIL
- MERGERS & ACQUISITIONS, 16-17 MAY
- EQUITY OFFERINGS, 12-14 JUNE
- SWAPS, 18-21 JUNE
- TRADE FINANCE, 27-28 JUNE

COURSE FEES

STANDARD DELEGATE FEE: £1,680 (+VAT@17.5%) TOTAL: £1,974

The fee includes all tuition, lunches, teaching equipment and course documentation. Delegates are responsible for their own accommodation. Payment must be received a minimum of three weeks before the course begins. Delegates places are not guaranteed until payment has been received. An invoice will be sent upon receipt of registration.

CANCELLATION POLICY

A full refund will be given for cancellations received up to 15 working days before the event. Cancellations must be in writing (letter, fax or email) and reach this office at least 15 working days before the event. No refunds will be given to cancellations received less than 15 working days before the event. However, if you wish to attend the next course you will only be invoiced for 25% of that course fee. Please note that the next course must take place within 12 months of initial application. Of course, a replacement is always welcome.

Euromoney Legal Training reserves the right to cancel any event it deems necessary and will in such an event make a full refund of any registration fee. Please note that the next course must take place within 12 months of initial application. Of course, a replacement is always welcome.

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Please print clearly or attach business card

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Signature

Date

I have read and understood the booking terms and conditions

I wish to register this delegate for the course indicated above. We undertake to pay his/her fee and release him/her from all company responsibilities for the period of the programme. (Please print clearly)

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Payment Details

Payments may be made by credit card by filling out the form below. Cheque made payable to Euromoney Training - Legal, or BACS, please always quote the invoice number which you will receive once you have registered, or alternatively please quote the reference EIL and the Delegates surname in the transfer instructions.

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