ALSO IN THIS ISSUE: HOW PRIVATE CREDIT AND ABL WORK TOGETHER

THE SECURED Lender

SEPTEMBER 2025 WWW.SFNET.COM

Putting Capital To Work

TSL COVER STORY

The 2025 Legal Issue

A publication of: Secured Finance Network


Because things aren’t always as they seem

Helping $200M+ Lenders Scale Smarter

From onboarding to optimization, our experts help you scale with confidence.

THE SECURED Lender
A PUBLICATION OF SECURED FINANCE NETWORK

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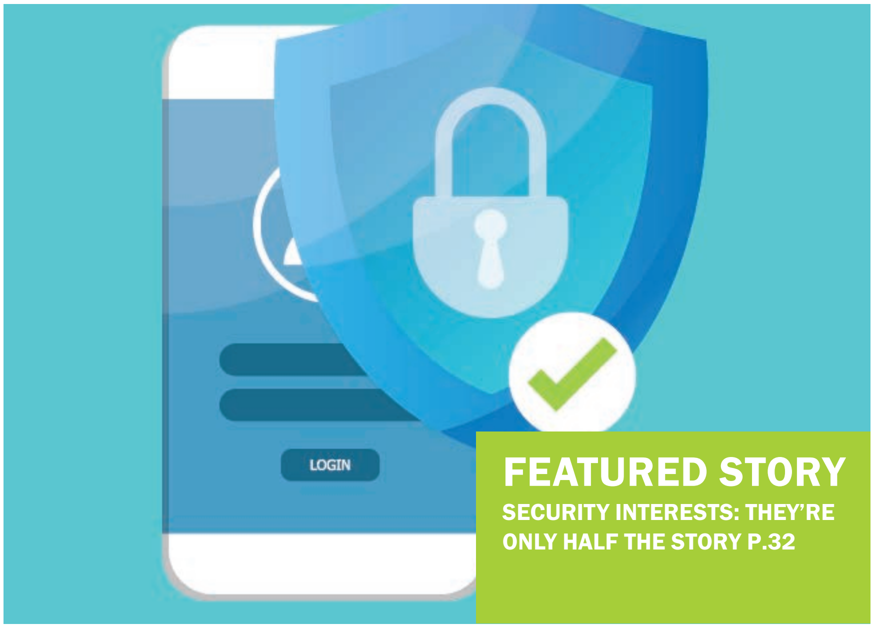

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The Benelux region - comprising Belgium, the Netherlands, and Luxembourg - has long established itself as a dynamic and business friendly environment for secured lending. In particular, the legal frameworks governing security over bank accounts in these jurisdictions reflect a combination of sophisticated legal systems, well developed market practices and a practical openness to structures familiar to U.S. and U.K. lenders. 36

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Secured Finance Network

An association of professionals putting capital to work

The Secured Finance Network is the trade group for the asset-based lending arms of domestic and foreign commercial banks, small and large independent finance companies, floor plan financing organizations, factoring organizations and financing subsidiaries of major industrial corporations.

The objectives of the Association are to provide, through discussion and publication, a forum for the consideration of inter- and intra-industry ideas and opportunities; to make available current information on legislation and court decisions relating to asset-based financial services; to improve legal and operational procedures employed by the industry; to furnish to the general public information on the function and significance of the industry in the credit structure of the country; to encourage the Association's members, and their personnel, in the performance of their social and community responsibilities; and to promote, through education, the sound development of asset-based financial services.

The Secured Lender, magazine of the asset-based financial services industry (ISSN 0888-255X), is published 6 times per year (Jan/Feb, March, June, July/Aug, Sept and Nov) $65 per year non-member rate, and $105 for two years non-member rate. SFNet members are complimentary.

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Assembled Brands Capital Welcomes Seton Swiderski as Vice President of Originations

Seton Swiderski, based in Florida, will lead origination efforts, focusing on new business development and expanding our presence in the consumer products space. Swiderski brings a robust background in sales leadership and business development. She most recently served as sales lead and founding account executive at Highbeam, where she was instrumental in establishing and scaling sales initiatives, demonstrating a strong ability to drive early-stage growth.

Sanat Amladi Joins Austin Financial Services as Senior Credit Officer and Underwriting Manager

Austin Financial Services, Inc. (AFS) is pleased to announce that **Sanat Amladi** has joined the AFS team as senior credit officer and underwriting manager. In this role, he will oversee the company's underwriting, compliance, problem loan management, and other risk management initiatives. He will also work with the credit team to ensure credit quality and support portfolio growth.

BofA Names Julie Schmelzle President of Southwest Florida

Bank of America has named **Julie Schmelzle**, senior relationship manager, Global Commercial Banking, president of Bank of America Southwest Florida.

eCapital Names Veteran Executive Miguel Serricchio to Lead Channel Development for Commercial Finance Group

eCapital Corp. appointed **Miguel Serricchio** as managing director, Channel Development for its Commercial Finance Group, where he will lead the sales team and expand partner engagement efforts. A recognized leader in capital markets, enterprise transformation, and channel enablement, Serricchio brings more than three decades of experience to the role, most recently serving in senior leadership positions at LSQ, now part of eCapital.

Denise LeMay Joins Eastern Bank as Senior Vice President, Head of Foreign Exchange and Derivative Sales, Commercial Banking

Eastern Bank is pleased to welcome **Denise LeMay** as senior vice president, head of Foreign Exchange and Derivative Sales, Commercial Banking. LeMay brings over 25 years of experience advising commercial clients on interest rate risk management and structuring complex financial solutions through derivative products.

eCapital Appoints Melissa Forman-Barenblit as President, Head of Transportation Group

A highly respected leader in transportation finance and freight technology, **Melissa Forman-Barenblit** steps into the role at a pivotal time for the organization and the industry at large. She will oversee the continued growth, modernization, and performance of the Transportation Group, with a focus on advancing platform integration, expanding market reach, and deepening service excellence for carriers, brokers, shippers, and strategic partners.

Encina Private Credit Expands Leadership Team, Promotes Mark Patchell to Chief Commercial Officer, Head of Originations

Mark Patchell has been named chief commercial officer and head of Originations and will lead the nationally deployed originations team with a focus on new business originations from direct lenders, private equity sponsors and financial advisors across the US and Canada.

Financial Services Partner Peter Palladino Joins Holland & Knight in Boston

Peter Palladino, a leading finance practitioner known for his loan structuring and negotiation, workout and insolvency experience, has joined Holland & Knight as a partner in Boston. Palladino focuses his practice on complex leveraged and asset-based financings, with a special focus on restructuring, out-of-court workouts, recapitalizations and other special situation facilities with a focus on senior secured lending.

First Bank Welcomes Chris Layne as Greater Richmond Market Executive

First National Corporation, the bank holding company of First Bank, is pleased to announce the addition of **Chris Layne** as senior vice president, regional market executive for Richmond. Layne will be responsible for all lines of business banking and business development in the Richmond market.

Flagstar Bank Adds Vince Belcastro to Lead ABL Portfolio Risk Management

Flagstar Bank has named **Vince Belcastro** as senior vice president and head of Portfolio for its Asset Based Lending (ABL) division, marking his return to the ABL industry after several years in private equity-backed advisory roles and a variety of group head roles in the equipment finance industry. Belcastro will lead Flagstar's ABL Portfolio Risk Management group, reporting directly to Robert Love, group director of Asset Based Lending.

Flagstar Bank Expands Specialized Industries Group to Accelerate Industry-Focused, Relationship-Led C&I Loan Growth

Flagstar Bank, N.A., a subsidiary of Flagstar Financial, Inc., announced a significant expansion of its Specialized Industries Group, a major milestone in its long-term growth and transformation strategy. This group comprises 12 distinct industry verticals, each focused on serving the debt finance and banking needs of a specific sector.

The Specialized Industries Group, led by **Adam Feit**, EVP and head of Specialized Industries & Capital Markets, plays a key role in Flagstar's growth strategy and is a core part of the

Commercial & Private Banking organization led by **Rich Raffetto**.

Within the 12 industry verticals of the Specialized Industries Group, seven recently launched sectors represent key areas of growth for the Bank.

Dan Koch will lead Subscription Finance. Koch has over 20 years of experience in private capital and fund finance, with a focus on subscription lending solutions for private equity, venture capital, and real asset managers.

Technology, Media & Communications (TMC) will be led by **David Sozio**, who has over 25 years of experience in the Technology, Media & Communications industry and more than 35 years in corporate and investment banking.

Crockett Woodruff will lead the Entertainment division. Prior to joining Flagstar, he spent more than 20 years at City National Bank, leading a team within the Entertainment Division, where he structured complex credit solutions and advised clients across the entertainment industry.

Sports will be led by **Amit Mahajan**, who brings over 27 years of experience in sports, infrastructure finance, and capital markets, specializing in financing solutions for professional sports leagues, teams, owners, stadiums, arenas, entertainment districts, and related businesses.

Jerry Wells will lead Power & Receivables. Wells has more than 15 years of experience in power and renewable energy finance, with expertise in structuring capital solutions for clean energy projects and infrastructure.

Oil & Gas is led by **Michael Dombroski**. Dombroski brings over 20 years of experience in oil and gas finance, specializing in providing capital solutions and strategic advisory to upstream, midstream, and downstream energy companies.

With 30 years of experience, **David Albanesi** leads Flagstar's Insurance Partnerships, providing tailored financial solutions that drive growth. He oversees new business, portfolio management, and revenue generation, playing a key role in the company's insurance sector expansion.

Frost Brown Todd Expands Columbus Office with Addition of Consumer Finance Partner Lindsay Oak

Frost Brown Todd (FBT) has added consumer finance attorney **Lindsay Oak** as a partner in the Business Department's Commercial Finance Practice Group in Columbus, OH. Oak specializes in consumer financial services, including banking and credit union law, consumer and mortgage lending, licensing, money transmission, and payment systems.

Great Rock Capital Adds Senior Originator in Northeast Region

Great Rock Capital announced that **Jake Goldberg** has joined the firm as a managing director of Originations. Goldberg will be responsible for expanding the firm's private equity coverage in the New York metro area and covering deal referral sources across the New England region. Stephen Shelton, managing director of Originations, will continue covering ABL Lenders, Investment Bankers, and Advisors in the New York Metro area, as well as all deal referral sources in Philadelphia.

Haynes Boone Expands New York Litigation Bench with Trial Partners Gabriel Berg and Lauren Coppola

Haynes Boone is pleased to welcome Litigation partners **Gabriel Berg** and **Lauren Coppola** to the firm's New York office. Their arrival marks the 10th and 11th partners to join Haynes Boone in New York since the start of 2025. Berg and Coppola bring significant trial experience and a collaborative approach to resolving high-stakes disputes across industries including telecommunications, financial services, technology, healthcare and consumer products. Known for their creative strategies and business-focused advocacy, they have successfully guided clients through complex commercial jury trials, bench trials and arbitrations.

Haversine Funding Expands Leadership Team with Appointment of Farrah Vargas as Senior Director, Portfolio Management

Haversine Funding is proud to announce that **Farrah Vargas** joined the firm as senior director, Portfolio Management. In this key leadership role, Vargas oversees portfolio strategy and performance while also working closely with factors and commercial lenders to identify growth opportunities, streamline operations, and add measurable value across our ecosystem.

Holland & Knight Welcomes Patrick Driscoll as Director of Client Development for the Emerging Companies & Venture Capital Practice

Based in Century City, CA, **Patrick Driscoll** will lead strategic initiatives focused on business development, client engagement and growth for the ECVC team and related practices. Prior to joining Holland & Knight, he served as a vice president at J.P. Morgan, where he led VC and startup initiatives through the company's Capital Connect Program and advised top-tier funds, limited partners and founders nationwide.

JPalmer Collective Announces Appointment of Jack Gindi to Board of Directors

JPalmer Collective (JPC), an asset-based lending company committed to funding high-growth, women-led and natural products companies, announced the appointment of **Jack Gindi**, principal at ASG Equities, to the JPC Board of Directors. Gindi will play a critical role in helping to shape JPC's commercial strategy.

JPalmer Collective Announces Appointment of Adam Razik to Board of Directors

JPalmer Collective (JPC) announced the appointment of **Adam Razik**, president of Archer Meat Snacks, to the JPC Board of Directors. Razik will play a critical role in helping to shape JPC's commercial strategy, with his 20 years of experience in scaling premium, better-for-you, high-growth companies.

Iron Horse Credit Welcomes Aaron Brand

Iron Horse Credit is pleased to announce the appointment of **Aaron Brand** as vice president. Brand brings more than 15 years of sales and sales leadership experience in the commercial finance industry and his career includes roles at financial institutions such as First Business Bank, Axos Bank, eCapital, GMAC and CIT.

Loeb Announces James Mills, Jr. Joins as Vice President of Business Development, West Coast Head

With nearly two decades of experience as an industrial machinery and equipment auctioneer, agent and USPAP appraiser, **James Mills, Jr.** brings a deep understanding of asset valuation, liquidation strategy, and auction execution. He begins his journey at Loeb energized and ready to help clients unlock greater value through strategic asset solutions.

MidCap Business Credit Announces Jerry Clinton has Joined as SVP, Underwriting Manager

Based in the Greater Philadelphia region, **Jerry Clinton** will oversee and grow the underwriting department supporting MidCap's overall strategy. Clinton brings nearly 30 years of experience and expertise in the ABL and factoring industries including underwriting, portfolio management, business development, and field examination.

Michael Horsman Promoted to Senior Vice President - Lender Finance, Asset-Based Lending at M&T Bank

Michael Horsman is senior vice president of Lender Finance within the Asset-Based Lending group at M&T Bank. Horsman plays a key role in building and executing the bank's national Lender Finance platform, supporting the effort led by managing director, Pat Lee.

Monroe Capital Appoints Dimitri Stathopoulos as Head of Business Development – Americas to Drive Growth

This strategic leadership addition underscores Monroe's commitment to scaling its platform and achieving its growth goals. As managing director and head of capital formation, **Dimitri Stathopoulos** will lead Monroe's fundraising strategy in the Americas, overseeing capital development across the firm's diverse investment strategies including direct lending, alternative credit, structured credit, real estate, equity and venture debt.

Moritt Hock & Hamroff Bolsters New York Litigation and Business Restructuring Capabilities with Addition of Susan J. Coleman and Michael Kwiatkowski

Moritt Hock & Hamroff, a New York headquartered commercial law firm, announced the addition of attorneys **Susan J. Coleman** and **Michael Kwiatkowski** as Counsel in the firm's Garden City office. Coleman joins Moritt Hock & Hamroff's Litigation and Real Estate practice while Kwiatkowski joins the firm's Creditors' Rights, Restructuring & Bankruptcy practice.

M&T Bank Names Tracy Woodrow Regional President for Western New York

M&T Bank announced the appointment of **Tracy S. Woodrow** to serve as regional president for Western New York, the company's home and headquarters for nearly 170 years. Woodrow will remain M&T Bank's chief administrative officer, adding new regional leadership responsibilities to her current work overseeing human resources, corporate services, sustainability, fraud customer experience and the Buffalo Promise Neighborhood initiative.

Oxford Finance LLC Appoints Nick McDearis to Lead ABL Originations, Expands into Traditional ABL Market

Nick McDearis was appointed to lead Asset-Based Lending (ABL) Originations at Oxford Finance LLC. This strategic hire marks a significant milestone as Oxford enters the traditional ABL market. McDearis brings nearly 20 years of experience in the ABL industry and a proven track record of success in originating and structuring complex financing solutions.

Restructuring Experts David Elkin and Minesh Patel Join Paladin Management as Managing Directors

Paladin Management, a middle-market advisory firm driving value creation through financial, strategic and operational consulting services, is pleased to announce the appointments of **David Elkin** and **Minesh Patel** as managing directors. Both Houston-based executives will enhance Paladin's national client portfolio with their expertise in restructurings, financial advisory, and operational turnarounds.

Provident Bank Expands Asset-Based Lending Team with First Vice President, Senior Relationship Manager

In this role, **Robert Orzechowski** will be responsible for sourcing, evaluating, and developing new business opportunities while supporting existing clients across the ABL portfolio, with a focus on serving clients throughout the Mid-Atlantic region, with emphasis on southern NJ, PA, and the surrounding areas.

Michael Haddad Appointed President of SouthStar Capital, LLC, Driving Strategic Growth in Commercial Finance

SouthStar Capital, LLC is proud to announce the appointment of **Michael Haddad** as president—a move that underscores the firm's commitment to strategic leadership and innovation in commercial finance. Haddad brings a distinguished background with more than 35 years of leadership experience in financial services and the banking industry. He has successfully built market share and enhanced profitability at top-tier companies in both independent and regulated environments, nationally and internationally, on numerous occasions.

Teri Haynes Joins Quasar Capital Partners as Vice President of Operations

With nearly 20 years of hands-on experience in commercial lending, **Teri Haynes** brings unmatched operational insight to Quasar's mission of delivering better, faster, and more thoughtful service to its clients. Haynes joins Quasar Capital at a pivotal time, as the company expands its offerings in factoring and asset-based lending across North America.

RelPro Appoints Maria Grineva as Chief Data Officer

In her role, **Maria Grineva** is leading RelPro's data innovation and operations as the company executes data and Artificial Intelligence initiatives to support its clients.

Tiger Finance Taps Jason Rae as National Sales Director Amid Robust Growth

In his new role, Boston, MA-based **Jason Rae** is responsible for expanding Tiger Finance's outreach throughout the North American marketplace, sourcing secured debt opportunities and developing new, and enhancing existing, strategic relationships with lenders, private equity sponsors, advisors and investment banks.

Truist Strengthens Commercial Banking Team in Florida

Scott Cathcart was named regional president of Florida, responsible for leading the commercial banking teams across the state to drive focused growth in a key market. Cathcart has more than 20 years of corporate finance and commercial banking experience at Truist, most recently leading the corporate finance team within the expanded Truist Commercial and Corporate Banking group.

Javier Suarez was named market president for Miami-Dade and the Florida Keys. Suarez has nearly 15 years of banking experience and reports to Cathcart as leader of the commercial banking team in this dynamic and fast-growing area of the state. Cathcart is based in Orlando and Suarez is in Miami.

Shane Butler Joins Utica Equipment Finance as Managing Director of Sales

Shane Butler, based in Wilton, CA will be responsible for sourcing and developing client and referral relationships throughout the United States. A 25-year veteran of the equipment finance industry, Butler most recently founded and operated his own brokerage firm, where he advised clients and sourced deals based on credit and collateral structures. He can be reached at (917) 446-2401 or shane.butler@uticaef.com.

Mathew Hennings Joins the Utica Equipment Finance Team as Managing Director of Sales

Utica Equipment Finance is pleased to announce that **Mathew Hennings** has joined the firm as managing director of Sales. In this role, he will be responsible for sourcing and developing client and referral relationships across the United States. Hennings can be reached at (562) 708-8621 or mathew.hennings@uticaef.com.

Western Alliance Bank to Unify All Divisions Under One Brand

Western Alliance Bank unveiled plans to unite all of the Bank's divisions under the Western Alliance Bank brand. By year-end, six division bank brands – Alliance Association Bank, Alliance Bank of Arizona, Bank of Nevada, Bridge Bank, First Independent Bank and Torrey Pines Bank – will take on the Western Alliance Bank name.

Greg Gartland and Jon Levine Named Co-Chairs of Winston's Financial Restructuring Practice

Winston & Strawn is pleased to announce the appointment of **Greg Gartland** and **Jon Levine** as co-chairs of the newly named Financial Restructuring Practice. This leadership transition marks an exciting new chapter as the firm continues to expand its capabilities in distressed finance, cross-border insolvency, and complex restructuring matters.

TSL
COVER
STORY

2025 TSL Leaders in Law Profiles

Highlighting the indispensable role attorneys play in the SFNet Community.

SECURING THE FUTURE

Celebrating the Legal Community and Strengthening Our Industry Together

In the dynamic world of secured finance, the legal community stands as a cornerstone of stability, innovation, and trust. As transactions grow more complex and regulatory landscapes shift, legal professionals provide the clarity and structure that allow deals to move forward with confidence. Their work underpins the confidence that lenders rely on every day.

This issue of *The Secured Lender* highlights the indispensable role attorneys play—not just as advisors, but as architects of the frameworks that support our industry. From structuring asset-based lending agreements to navigating bankruptcy proceedings and regulatory compliance, their work touches every facet of secured finance.

As we look ahead, collaboration between legal and financial professionals will be more critical than ever as we all deal with emerging technologies, geopolitical challenges and global market shifts.

On the following pages, we're proud to feature profiles of 20 SFNet member firms, spotlighting professionals whose leadership and insight continue to shape the future.

We dedicate this issue to the legal minds who help us achieve our mission of putting capital to work. Their contributions are not only technical—they are foundational.

To complement the featured member profiles, SFNet member firms put their thought leadership on display in this issue. On page 32, in *Security Interests: They're Only Half the Story*, Lon M. Singer and Jaime R. Koff of Riemer & Braunstein LLP discuss how in today's competitive lending market, weakened loan structures and relaxed covenants have become the norm—leaving lenders with fewer safeguards when trouble arises. This article explores practical, asset-specific strategies to preserve collateral value and strengthen exit options, from inventory and receivables to real property and equity interests.

NautaDutilh attorneys shine the spotlight on two European issues. On page 36, Bank *Account Security in the Benelux* provides a comparative overview of the key legal and practical considerations when taking security over bank accounts in Belgium, the Netherlands, and Luxembourg.

On page 40, *Good News: No More Ban on Assignment of AR in the Netherlands* spotlights the Act on the Abolition of Pledge Prohibitions (de Wet opheffing verpandingsverboden) which took effect on July 1. This legislative change eliminates restrictions on the assignment and pledge of accounts receivable (AR). Before, a debtor and creditor of a monetary receivable governed by Dutch law could agree that such receivable could not be assigned or pledged.

RICHARD D. GUMBRECHT
SFNet Chief Executive Officer

Private Credit and ABL Partnerships Meet Middle-Market Challenges, on page 48, features a roundtable of secured finance leaders discussing their perspectives on the middle market and reveals how ABL and private credit can work together to keep good businesses moving forward.

Facing economic uncertainty and ongoing tariff changes, lenders and importers must rely on tried-and-true lending practices and expert guidance to navigate risk. On page 51 in *Supply Chain and Inventory Financing in Challenging Times*, Tammy Kemp of The Garrington Group explores the critical role of specialist lenders and supply chain experts in today's challenging environment, offering practical strategies and real-world insights to help businesses safeguard profitability and strengthen client relationships.

As our industry continues to evolve in response to economic shifts, regulatory changes, and technological innovation, SFNet is here to help members meet these challenges head-on—through advocacy, education, networking, and thought leadership. Whether you're navigating new markets, adapting to digital transformation, or managing risk, our community is stronger together.

Looking ahead, I encourage you to join us at SFNet's 81st Annual Convention, November 12–14 in Los Angeles, where these conversations continue in person. This year's agenda includes panels on alternatives to bankruptcy, legal and regulatory updates, AI's impact on lending, cross-border lending, and much more. It's an unmatched opportunity to connect with peers, gain insights from industry leaders, and help shape the future of secured finance together. The Annual Convention is your opportunity to discover new business prospects, build meaningful connections, and gain critical insights to move your organization forward. I hope to see you there.

Becker

beckerlawyers.com

Becker is a full-service commercial law firm with a deep and dynamic Financial Services practice encompassing banking, finance, and creditors' rights. With offices strategically located along the East Coast and a multidisciplinary team of experienced attorneys, the firm represents some of the most respected financial institutions, non-regulated lenders, and hedge funds. Becker attorneys handle a diverse array of transactions including asset-based lending, commercial finance, real estate secured transactions, and leasing transactions. Attuned to the intricacies of the financial industry and the numerous legal risks lenders face, Becker attorneys are experienced in structuring complex transactions and enforcing the rights of our financial services clients in state and federal courts in such matters as loan workouts, receiverships, foreclosures, UCC litigation, title insurance disputes, and lender liability defense.

Whether negotiating the terms of a complex commercial loan, managing a distressed asset situation, or litigating in court, Becker delivers tailored, results-driven legal counsel that meets the full spectrum of its clients' financial services needs. With decades of experience and a forward-looking mindset, Becker continues to serve as a trusted legal partner for lenders and financial professionals nationwide.

Thought leaders in the financial services industry, Becker attorneys serve in leadership positions, are active in, and are frequently called upon to speak to industry trade groups and legal organizations such as the Secured Finance Network, the American College of Commercial Finance Attorneys, New York Institute of Credit, Turnaround Management Association, International Factoring Association, and the Risk Management Association, among others.

2025 TSL LEADERS IN LAW

BLANKROME

Blank Rome started in 1946 as two corporate lawyers practicing together in Philadelphia and has grown into an Am Law 75 firm with 16 offices and more than 750 professionals. We provide comprehensive legal and advocacy services to clients operating in the United States and around the world. Our professionals are widely recognized for their leading knowledge and experience across a broad spectrum of industries. What truly sets us apart is our investment in client relationships—our unwavering commitment to understanding their businesses, the around-the-clock access we provide, and our nimble and customized delivery of services. We treat your goals, ideas, and objectives as our own and fight fiercely for resolutions that are in your best interest. To learn more, visit blankrome.com.

Blank Rome office Locations
Boston, Chicago, Cincinnati, Dallas, Fort Lauderdale, Houston, Los Angeles, New York, Orange County, Philadelphia, Pittsburgh, Princeton, Shanghai, Tampa, Washington, D.C., Wilmington.

Finance Practice

A prominent player in the secured lending space for 75 years and a participant in SFNet and predecessor CFA since its inception, Blank Rome's commercial lending attorneys have extensive experience in structuring, negotiating, and documenting all types of complex financing transactions. Our attorneys have significant depth of talent in financial services legal matters and experience in representing senior and subordinate lenders, including mezzanine and second lien, ABL, cash flow and syndicated lenders, as well as factors. The finance practice group lawyers combine sophisticated commercial finance and lending experience with a strong familiarity with contract, tax, real estate, and securities law.

Focusing on complex financial transactions, our clients include major national and regional U.S. and international banks, non-banks, commercial finance companies, and a broad spectrum of public and private credit funds, investors, and other institutional lenders.

Blank Rome's 90-attorney Finance, Restructuring and Bankruptcy practice represents lender clients in loan workouts, restructurings, and bankruptcies throughout the U.S., predominantly serviced from our officesin New York, Philadelphia, Los Angeles, Chicago, Boston, Dallas, Houston, Washington D.C., and Wilmington. The team is consistently ranked top tier by Chambers USA and US News – Best Lawyers.

Blank Rome's finance and restructuring attorneys develop solutions based on clients' specific needs, collaborating across the firm to offer integrated and strategic legal counsel on a broad range of financial matters, including complex financial transactions, corporate bankruptcies, and related litigation issues. We clearly present the probable outcomes of different courses of action and implement the agreed strategy in the most cost-effective way, utilizing market intelligence on structures and trends.A full-service firm, we have deep experience representing banks and private credit and specialty lenders in litigation, regulatory and licensing, acquisitions and sales, securitizations and sales of loan portfolios and warehouse lines, employment and benefit matters, data privacy, insurance coverage matters, including recovery from borrower D&O policies, and real estate.

Our Finance attorneys regularly represent many of the nation's leading players in lending and specialty finance in a broad range of services, including:

- Acquisition Finance
- Asset-Based Finance
- Cash Flow Lending
- DIP Finance
- ESOP Finance
- Equipment Finance
- Factoring
- Fund Finance
- Lender Finance
- Mezzanine Lending
- Real Estate Lending
- Securitizations
- Supply Chain Finance
- Technology Finance
- Trade Finance
- Workouts and Restructuring

Industry Sectors

We lead transactions across many industry sectors, including the following:

- Agriculture & Timber
- Cannabis
- Energy
- Entertainment & Media
- Financial Services
- FinTech
- Healthcare
- Information Technology
- Manufacturing
- Retail & Wholesale Distribution
- Technology & Software
- Telecommunications
- Transportation - Maritime, Air, Rail, Auto

For more information, please contact:

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2025 TSL LEADERS IN LAW

Buchalter

Buchalter is a full-service business law firm that has partnered with clients for over 90 years, helping them navigate complex decisions and legal challenges in a fast-moving economy. Clients rely on us not only for legal guidance but as trusted business partners—valued for our insight, responsiveness, and ability to anticipate what's ahead.

National Reach, Local Insight

With more than 550 attorneys across 11 offices, Buchalter serves clients throughout the Western, Central, and Southern United States. Our offices are located in Arizona, California, Colorado, Georgia, Illinois, Oregon, Tennessee, Utah, and Washington. We combine national resources with local knowledge to deliver strategic, practical advice.

Integrated Legal Capabilities

Our attorneys work seamlessly across offices and practice groups to deliver coordinated, business-focused legal solutions. Core areas of strength include Commercial Finance, Corporate, Insolvency and Financial Restructuring, International Business and Trade, Labor and Employment, Litigation, Real Estate, Intellectual Property, and Tax.

Relationship-Driven Counsel

Clients appreciate our accessibility, responsiveness, and ability to see the bigger picture. We invest in long-term relationships by understanding each client's business, delivering results, and working collaboratively to solve problems and move transactions forward.

A Leader in Secured Finance

Since 1933, Buchalter's Commercial Finance Practice has guided lenders and borrowers through the evolving landscape of secured lending. We have helped our clients adapt to changes in regulation, credit markets, and deal structures while maintaining a steady focus on practical solutions. Each year, we close hundreds of lending transactions and are known for our ability to identify issues early, negotiate effectively, and drive efficient closings—even on short timelines.

Nationally Recognized Experience

We have one of the largest secured lending practices in the Western United States, with a strong focus on representing lenders. Chambers USA has recognized Buchalter as a top-tier firm for Banking and Finance in California for over 20 years. Many of our attorneys are regularly listed in The Best Lawyers in America® for excellence in Banking and Finance Law.

Comprehensive Lending Representation

Our clients include major financial institutions, regional and community banks, private credit funds, non-bank lenders, and specialty finance companies. We also advise corporate borrowers and high-net-worth individuals in complex lending transactions. Our finance attorneys work closely with colleagues in our corporate, tax, insolvency, and real estate practices to support every stage of a deal and address all aspects of the transaction.

Capabilities Across the Lending Spectrum

We advise clients across a wide range of industries and loan types, bringing sector-specific knowledge, market insight, and deal fluency to each transaction. Our team delivers tailored legal strategies that address the unique risks and structures involved in:

- Acquisition and leveraged finance for buyouts, acquisitions, and recapitalizations
- Agricultural lending, including PACA-compliant structures
- Asset-based lending secured by receivables, inventory, and equipment
- Aircraft loans and leases with FAA regulatory compliance
- Cash flow lending based on enterprise value for sponsor-backed borrowers
- Equipment leasing and financing across asset classes
- ESOP finance with regulatory and trustee considerations
- Fund finance, including subscription and NAV-based credit lines
- Healthcare lending with regulatory and collateral-specific advice
- Lender finance for credit funds and specialty finance platforms
- Renewable energy project finance with tax credit structuring
- Securities-backed loans involving marketable or private investment portfolios
- Technology and IP lending with recurring revenue or intangible collateral
- Wine industry finance for vineyards, wineries, and distributors

Expertise in Lending Structures

We counsel clients on a full range of lending structures, from straightforward bilateral loans to complex syndicated and cross-border facilities. Our lawyers provide thoughtful guidance on structuring, documenting, and closing deals across:

- Bilateral loans with one or more borrowers
- Club deals involving a small group of lenders
- Syndicated facilities involving multiple lenders and an agent bank
- Unitranche structures combining senior and subordinated debt
- Multi-tranche facilities with layered repayment priorities
- Split-lien arrangements with intercreditor agreements
- Cross-border transactions with jurisdictional compliance
- Multi-currency facilities with obligations in different currencies
- Refinancings to address market or borrower changes
- Restructurings and amendments for distressed situations

Contact Us

To learn more about Buchalter's Commercial Finance Practice, please contact: Robert S. Gillison Shareholder, Chair – Commercial Finance (213) 891-5014 | rgillison@buchalter.com Visit www.buchalter.com for more information.

Cahill

With a history of legal innovation dating back to the firm's founding in 1919, Cahill is trusted by market-leading financial institutions, companies and their boards to manage significant corporate transactions, litigation, and regulatory matters. Based in New York, Cahill also has offices in London, Washington, D.C., and Delaware.

Cahill has thrived for a century by focusing on the most significant opportunities and complex challenges facing the top financial services firms and other multinational corporations. Our premier transactional and litigation groups have developed impressive records of accomplishment in high profile cases and headline-grabbing deals. The firm is specifically chosen by clients because of our experience, depth of knowledge and facility in managing challenging situations.

Cahill is known for innovative trial strategies and financing solutions that draw on the strengths of the entire firm and reflect a wider perspective than that typically afforded by the specialized niches and micro practices that make up a large law firm. A passion for challenging and distinctive work is at the heart of our firm culture and explains why Cahill consistently wins cases and ranks among the most active firms in the financial league tables year after year.

Banking & Finance

Cahill's lawyers advise leading commercial and investment banks in complex financing transactions while also counseling direct lenders and other institutional investors in leveraged and strategic transactions, earning Band 1 recognition from *Chambers USA* in Banking & Finance and a Tier 1 ranking from *The Legal 500* US in Commercial Lending. Cahill has been the #1 ranked legal advisor to lead arrangers of leveraged loans every year since 2010 by LSEG Loan Connector, representing most, if not all, of the major lending institutions. Cahill's banking and finance practice has been recognized as a Practice Group of the Year by Law360 for two consecutive years.

Clients rely on Cahill to deliver solutions-focused advice and deal execution in some of the most challenging transactions in the market today across:

- Leveraged finance
- Private credit & direct lending
- Asset-based lending
- Investment grade finance
- Middle market lending
- Project finance

Our transactions further span acquisition financings, leveraged buyouts, going-private transactions, recapitalizations, project financings, bridge lending, and loan commitments. Cahill's Capital Markets and Banking practices are highly integrated, making it seamless for companies and financial institutions executing multiple simultaneous financings.

Capital Markets

Cahill's Capital Markets practice is among the top-ranked in the world, as measured by volume and deal count and as judged by Chambers USA, Chambers Global, and The Legal 500, among others.

Our lawyers take a commercial and collaborative approach, advising global financial institutions and companies on domestic and cross border transactions. Clients seek out Cahill for our solutions-focused advice and deal execution, especially when the factual and legal issues are challenging and/or the financing structures are complex. Cahill's Capital Markets and Banking practices are highly integrated, making it seamless for companies and financial institutions executing multiple simultaneous financings.

While best known for our four decades leading the high-yield bond market (earning the distinction of being ranked as the #1 legal adviser to U.S. high-yield bond underwriters by Bloomberg for 20 consecutive years), our deep bench of attorneys work across a wide variety of capital markets products, represents underwriters and issuers in debt, equity and equity-linked securities offerings and dealer managers and solicitation agents in exchange offers, tender offers and consent solicitations, in leveraged, distressed, high-grade, and cross-over credits.

That depth of experience has positioned the practice to lead some of the most sophisticated financial transactions across global markets, often at the forefront of cutting-edge deal terms.

Private Credit

Cahill's Private Credit Group is a large team of highly qualified practitioners dedicated exclusively to serving the firm's private credit clients. The group advises leading direct lenders, CLOs, BDCs, private credit, mezzanine and structured equity funds as well as other institutional investors across a broad range of private credit and structured equity transactions.

Cahill's position as the leading adviser to banks in leveraged lending produces tangible benefits to its Private Credit Group clients where continuously evolving market terms for private credit and structured equity investments often originate in the large cap leveraged financing and high-yield markets. Cahill's leading market knowledge of emerging trends allows our lawyers the dexterity to match the right deal technology and deal terms with each client's particular transaction needs, regardless of deal size.

Website: www.cahill.com

CHAPMAN
Focused on Finance

Chapman and Cutler LLP is a law firm focused on finance. We work with the most sophisticated financial companies and institutional investors in the world and are recognized for industry-leading practices spanning the financial services marketplace, including secured finance.

Asset-Based Lending. Chapman has long been a leading counsel to ABL lenders. We represent major financial institutions in single lender facilities, club deals, and broadly syndicated credits, preparing time and market sensitive term sheets and solving legal and business issues relating to special collateral structures. Our experience includes ABL facilities for a wide spectrum of borrowers and industries and includes middle market and large-cap loans.

Equipment Finance. Chapman represents clients in all types of lease and equipment finance transactions, including structured secured financings, project financings and leveraged leases (involving multi-tier, double dip, and cross-border leases), tax-advantaged lease financings, synthetic leases, credit-tenant leases, and other lease-related transactions such as equipment trust certificates, enhanced equipment trust certificates, and lease portfolio securitizations.

Lender Finance. Chapman advises banks, credit funds, and other institutional lenders in structuring, documenting, and negotiating credit facilities to specialty finance companies and leasing companies providing working capital loans, factoring, merchant cash advances, and other structured products across a wide range of asset classes.

Renewable Energy Finance. Chapman represents tax equity investors, lessors, lenders, utilities, and governmental entities in connection with financing renewable energy projects and equipment. Chapman has helped pioneer the development of financing products for solar, wind, and other alternative energy projects and energy efficiency improvement assets, including property-assessed clean energy loans (PACE).

Securitization and Purchase Facilities. Chapman has worked with and helped develop asset-backed products since the dawn of the market. We have one of the largest teams in the country dedicated to asset securitization and structured finance and work across traditional and esoteric asset classes. Chapman also represents banks and other financial institutions in structuring, documenting, and negotiating all manner of vendor/supply chain financing transactions. Our work in this area includes extensive experience with receivables purchase facilities.

Supplier Finance. Chapman attorneys have experience working with supplier finance programs offered by banks and third party providers that are frequently used by major companies to organize vendor payment processes. We help originators to advance their trade objectives, while expanding their companies into competitive global markets.

History

In 1906, Chicago attorney Theodore S. (“TS”) Chapman was hired as counsel to convert the largest distributor of municipal and corporate bonds in the United States into a state-chartered bank. Thus began the path to the firm’s founding and focus on finance. In 1913, TS Chapman launched his law practice and partnered with public finance attorney Henry Cutler to form Chapman and Cutler. Today, we have offices in key financial centers—Charlotte, Chicago, New York, Salt Lake City, San Francisco, and Washington, DC. Chapman’s clients span the global financial markets, and we have worked with these clients to help develop many original financial products and structures that are still used today. Our client relationships have spanned decades and literally over a century—TS Chapman’s first client in 1913 is still a client of the firm.

Recognition

Chapman is among the law firms featured by *The Secured Lender* as a Great Place to Work in Secured Finance. We are a firm that cares deeply about our clients, colleagues, and co-workers. Nearly half of our partners (49%) began their legal careers at Chapman, and 40% of our professional staff have worked at the firm for 15 or more years because of our collaborative, cohesive, and inclusive culture.

With respect our practice, Chambers and Partners, an independent legal research company providing detailed rankings of the world’s top lawyers and law firms, notes: “Chapman and Cutler boasts a talented finance practice. The team is primarily recognized for its ability to provide counsel on municipal bond-related matters and asset-based lending. The group is also highly capable of assisting clients in asset-based lending transactions, acquisitions, and debtor-in-possession financings.”

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2025 TSL LEADERS IN LAW

Frost Brown Todd
ATTORNEYS

Frost Brown Todd (FBT) is a full-service national law firm serving America's top corporations and emerging companies. The firm's more than 600 attorneys across 18 strategically located offices provide unparalleled service to meet clients' needs; deliver the insights and solutions available only from a diverse group of professionals; and support the communities in which they operate.

Commercial Finance

FBT's Commercial Finance attorneys advise leading finance and lending clients, structure, negotiate and close a broad spectrum of transactions, from routine asset-based financings to large-scale commercial transactions creatively conceived to meet unique circumstances. We focus on maximizing the value measures our clients care about most – time, money and risk containment. We strive in every transaction to be trusted advisors to our clients.

FBT represents a wide range of financial institutions and borrowers in transactions involving bilateral and syndicated asset-based lending, equipment and real estate finance, C&I loans, and workouts and restructurings. Our attorneys serve as bond counsel nationwide and support complex public finance projects involving healthcare, infrastructure, and housing. We also have a nationally recognized tax credit finance practice advising stakeholders on NMTC, HTC, energy tax credits, and LIHTC transactions. Additionally, we assist clients with all aspects of UCC compliance and commercial contracting, including the creation and enforcement of security interests, intercreditor agreements, and international sale of goods matters.

Our Asset-Based Lending Expertise

Our Commercial Finance attorneys are market leading advisors in asset-based lending transactions across multiple industries, representing senior secured agents and lenders and borrowers in a variety of routine and complex syndicated and bilateral transactions. We provide thoughtful analysis and advice to our clients in all stages of the deal. We are closely engaged in deal structuring and documenting proposals, conducting the legal due diligence that is critical to an asset-based lending transaction, and negotiating and documenting an effective transaction for all parties.

While we counsel clients in transactions involving every major industry, our ABL team has an exceptional record managing transactions in food and beverage, transportation and logistics, health care, manufacturing, importing and distribution, and retail sectors. We blend our technical industry knowledge with middle-market savvy to help clients properly assess and manage collateral and other deal risks unique to particular industries, while facilitating and finding solutions to those risks. With offices across the country, we are often situated in the communities where the customers are, providing unique industry knowledge efficiently and effectively.

Our Industry Knowledge and Experience

Manufacturing

Our team's deal experience in manufacturing is extensive, particularly working with complex capital stacks that include subordinated debt. Our team excels in analyzing machinery, equipment, and inventory collateral, and we are well-versed in negotiating intercreditor agreements. Representative matters include multi-currency international deals and syndicated credit facilities in the auto industry.

Food and Beverage

In the food and beverage industry, we routinely advise our clients on the rights of growers and other third parties under the Perishable Agricultural Commodities Act, the Food Security Act, and Packers & Stockyards Act. We have extensive experience analyzing the related risks and have handled asset-based financings for processors and suppliers dealing with perishable goods.

Transportation and Logistics

We understand the unique risks of financing in this sector, from the interline trust doctrine to the challenges of perfecting liens on fleet titles across multiple states. Our experience includes transactions involving USPS contractors and the documentation required as a result of the Assignment of Claims Act.

Healthcare

The healthcare industry's regulatory landscape demands specialized ABL knowledge. We advise on financing structures involving Medicare/Medicaid receivables, brand-tax issues, and licensed inventory. Our work includes syndicated facilities for pharmaceutical companies, requiring deep analysis of regulatory impacts on collateral.

Importing and Distribution

ABL lending for in-transit inventory requires sophisticated structuring. We frequently negotiate agreements with customs brokers and logistics providers to protect lender interests before goods reach the U.S. Our experience includes, for example, transactions involving importers and wholesalers of minerals.

Retail

Retail lending involves distributed inventory, branded goods, and intricate treasury operations. We've represented lenders in deals for national retailers, handling collateral tied to intellectual property, credit card receivables, and deposit accounts. Our team ensures lenders remain perfected across all cash and inventory collateral. Our work in retail includes, for example, revolving credit and term loan facilities for a national shoe retailer.

2025 TSL LEADERS IN LAW

GreenbergTraurig

Greenberg Traurig, LLP (GT) is an Am Law 100 firm recognized globally for its multidisciplinary approach, entrepreneurial culture, and commitment to client service. Founded in Miami in 1967, the firm has grown to become one of the world's largest law firms, with more than 2,850 attorneys across 49 offices in key markets throughout the United States, Europe, Latin America, Asia, and the Middle East. GT delivers practical legal solutions across a broad range of industries and practice areas, providing seamless, integrated counsel to clients around the globe.

The firm's Banking & Financial Services and Restructuring & Special Situations are ranked among the most sophisticated and client-focused in the legal industry, delivering best-in-class customer support and service to clients. GT attorneys understand the objectives of financial institutions and offer a holistic perspective of the financial services industry, market conventions, and business cycles across every major industry, including hospitality, healthcare, retail, gaming, agribusiness, telecommunications, and energy, among others. The Banking & Financial Services and Restructuring & Special Situations represent both U.S.-based and international clients in numerous types of financing transactions, including:

- Asset-based financing
- Senior-secured debt
- Second lien debt
- Unitranche facilities
- Cash flow loans
- Acquisition financings
- Cross-border and multi-currency credit facilities
- Working capital facilities
- Financial restructurings
- In- and out-of-court reorganizations
- Debtor-in-possession financings and exit financings
- Plan confirmation and valuation disputes
- Portfolio sale transactions
- Section 363 asset sales
- Purchases and sales of distressed debt

GT's team of attorneys includes former in-house counsel, bankers, and government attorneys, all of whom represent leading commercial and investment banks, alternative lenders, private equity sponsors, institutional investors, distressed asset purchasers, government entities, and major corporations in complex, high-value matters. From structuring innovative, cross-border financing transactions to navigating multifaceted restructurings and high-profile bankruptcies and workouts, GT's teams offer commercially grounded advice tailored to today's dynamic market conditions.

With professionals strategically located in global financial centers, GT offers the scale, reach, and agility to advise on cross-border matters with efficiency and precision. The firm's collaborative model enables clients to access subject-matter and jurisdictional depth across every deal team.

Notable Deals and Transactions

GT attorneys frequently advise on high stakes matters. Among the firm's notable recent deals are:

- **$2.2 Billion Infrastructure Financing –** Represented a global syndicate of lenders in a multi-tranche secured financing supporting the acquisition and development of critical North American infrastructure assets. The transaction featured bespoke structuring and execution under challenging market conditions.
- **$1.9 Billion Credit Facility –** Represented the lender in a $1.9 billion syndicated credit facility to a REIT to facilitate the purchase of 43 accommodation properties located in 18 states.
- **$1.9 Billion Cross-Border Airline Restructuring –** Acted as lead restructuring counsel to a major Latin American airline in one of the region's largest Chapter 11 filings. GT coordinated complex international insolvency proceedings, achieving favorable outcomes for a broad range of stakeholders.
- **$1.5 Billion Multi-Currency Credit Facility –** Represented a multinational technology company in structuring a global revolving credit facility, navigating regulatory and tax considerations across multiple jurisdictions.
- **$600 Million DIP Financing for Energy Client –** Advised a leading energy sector company on securing debtor-in-possession financing during a high-stakes bankruptcy. GT's cross-practice team helped position the client for operational continuity and long-term recovery.
- **Asset-Based and Cash Flow Financings –** Represent major financial institutions as lender in numerous transactions involving asset-based and cash flow credit facilities secured by hedge fund interests, real estate, aircraft, vessels, and carbon credits.

2025 TSL LEADERS IN LAW

HAYNES BOONE

Haynes and Boone, LLP is an international corporate law firm with offices in Texas, New York, California, Charlotte, Chicago, Denver, Northern Virginia, Washington, D.C., London, Mexico City and Shanghai, providing a full spectrum of transactional and litigation legal services in finance, technology, energy and private equity. With more than 700 lawyers in 19 offices, Haynes Boone is ranked among the largest U.S.-based firms by *The American Lawyer* and *The Lawyer.* In 2025, *Chambers USA* recognized 41 different firm practice areas, the most in the firm's history.

Haynes Boone's culture provides our firm and clients with strength and stability. Our culture is defined by our collaborative work environment and by putting our clients' interests first. Our long-term view supports investing in the future of our firm, and we strive to be an outstanding professional services institution.

We emphasize the "internal" aspects of our culture because they form the foundation of our outstanding client service. To further our goals, we recruit self-motivated lawyers with strong work ethics and encourage communication and accountability. We focus on developing cutting-edge practices to create a working environment that provides the most interesting and challenging professional experiences.

We carry with us the progressive, entrepreneurial spirit that has always animated our firm. Our partners and associates from other firms will attest that we work differently than other AmLaw 100 firms. We are committed to remaining forward-thinking and prepared for the dynamically changing world of business law.

We serve businesses around the world, including 26 percent of Fortune 100 companies, in a wide variety of industries, including energy, technology, aviation, transportation and healthcare.

Chambers USA 2025 recognized Haynes Boone's Finance group among the Top 9 firms in the Texas Banking and Finance category. The North Carolina office ranked among the top 3 in the state, while the New York office earned a Band 5 ranking in the same category. Nationally, the firm's Financial Services Regulation Banking (Compliance) group was ranked among the top 15 firms. Additionally, *Chambers Global 2025* recognized the firm's Derivatives, Banking & Finance and Banking & Finance: Mainly Regulatory practice groups.

Finance

With a team of over 100 finance lawyers across key markets, Haynes Boone advises clients on the full spectrum of lending transactions. We represent domestic and foreign borrowers, commercial and investment banks, private credit funds, financial sponsors and private equity, venture capital and hedge funds. Our team brings deep experience to structuring financing solutions across many specialty areas, including asset-based lending, fund finance, leveraged finance, project finance, energy finance, real estate finance, private credit finance, derivatives, margin lending and structured equity in addition to emerging areas like digital assets, blockchain and cryptocurrency. Having represented parties on all sides of the negotiating table, we understand our clients' goals and deliver practical, efficient solutions to navigate today's complex regulatory environment and market conditions.

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2025 TSL LEADERS IN LAW

Holland & Knight

About Holland & Knight LLP: Founded in 1889, Holland & Knight is a global law firm with approximately 2,200 lawyers and other professionals in 35 offices worldwide. The Firm's lawyers and advisors provide representation in litigation, corporate and finance, real estate, healthcare and governmental matters. Interdisciplinary practice groups and industry-based teams provide clients with efficient access to attorneys throughout the Firm.

Asset-Based Lending

With more than 60 attorneys firmwide, Holland & Knight's Asset-Based Lending (ABL) team provides highly coordinated teams to counsel our clients in a wide range of industries, including manufacturing, healthcare, energy and energy services, lender finance, transportation and logistics, equipment rental, staffing and employment, retail, commodity finance, food and agriculture, restaurant finance and many more.

Our experience extends from single-lender deals in the core middle market to large syndicated ABL facilities for borrowers with complex debt capital structures. We regularly counsel bank and nonbank clients on acquisition and working capital facilities, including sponsor-driven transactions, that often involve coordination of the ABL facility with subordinated debt, first lien/second lien (1L/2L) facilities, and pari passu term loan and bond facilities. Our attorneys have extensive knowledge and experience integrating asset-based facilities with these complex capital structures and the structuring and documentation of the intercreditor agreements that go along with them.

In addition, we have significant proficiency in multicurrency and cross-border transactions for our ABL clients, regularly documenting these types of ABL credit facilities in coordination with Holland & Knight offices worldwide and local foreign counsel in numerous jurisdictions.

Holland & Knight serves clients throughout the life span of their ABL transactions. Our firm's Bankruptcy, Restructuring and Creditors' Rights Group is experienced in handling the back end of ABL deals, and we also work with our highly ranked Financial Services Team to provide integrated, efficient and comprehensive solutions for ABL clients.

ABL Matters Across Industries

Our asset-based lending lawyers serve clients in credit facilities to borrowers that span all segments of the economy and a wide range of ABL structures.

Representative clients and matters include:

- advising a national bank as agent in a $5 billion syndicated asset-based credit facility to a national beverage distributor
- advising a national bank as agent in a $2.4 billion syndicated asset-based credit facility to a national transportation and receivables finance company
- advising the administrative agent in a $600 million syndicated asset-based revolving credit facility for a leading U.S. aggregates supplier involving the granting of security interests in collateral constituting "as-extracted collateral" in 16 states
- advising a national bank as agent in a $500 million syndicated multicurrency, asset-based credit facility
- advising the administrative agent in a $400 million cross-border, asset-based loan financing to a U.S.-based multinational manufacturer of microprocessors
- advising the administrative agent in a $400 million asset-based loan financing to a major U.S. clothing retailer
- advising a national bank as agent in a $300 million syndicated asset-based credit facility to a national pipe manufacturing company
- advising a national bank in a $250 million syndicated asset-based credit facility to a national paper company
- advising the administrative agent in a $225 million syndicated asset-based revolving credit facility provided to a fuel distributor
- advising the administrative agent in a $150 million syndicated first lien/second lien, asset-based revolving credit facility provided to a leading U.S. candy manufacturer

Primary Contacts

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2025 TSL LEADERS IN LAW

LATHAM & WATKINS LLP

With over 3,500 lawyers spread across 14 countries, Latham is a global law firm committed to delivering strategic, efficient, and tailored legal solutions to its clients. The Latham team offers financing solutions across the capital stack, including syndicated finance, capital markets, securitizations, convertible instruments, private credit & hybrid capital, and liability management.

Our capital solutions practices top league tables and industry rankings, including:

- Band 1 across multiple *Chambers* categories including Banking & Finance, Private Credit, Capital Markets: High Yield Products, Capital Markets: Equity, and Capital Markets: Securitization: ABS | *Chambers USA 2025*
- #1 Global Syndicated Loans (Combined Lender & Borrower Advisor) by Deal Count | LSEG YE 2024
- #1 US Direct Lending Deals (Lender Advisor and Combined Advisor) by Deal Count | KBRA DLD YE 2024
- #1 US High Yield Corporate Bonds (Combined Advisor) by Deal Count | Bloomberg YE 2024

We advise on more deals than any other law firm, providing us with unparalleled insight into every corner of the market, including nearly every major deal, new structure, and market innovation in real time. Clients turn to Latham for strategic and efficient advice on their most significant financing transactions, trusting our ability to navigate complex financial landscapes and deliver results that advance their objectives. Our vast scale and scope allow us to maintain a 360-degree view of public and private markets, making us a dominant market leader in the legal advisory space.

Market Leading Asset-Based Lending Capabilities

Latham's Asset-Based Lending group is at the forefront of pioneering transactions, advising a full spectrum of lenders—from commercial banks to private credit providers—as well as equity sponsors and borrowers across all asset classes and global jurisdictions. Our ABL team provides comprehensive support to traditional ABL lenders and borrowers, managing both domestic and cross-border loans, and offering on-the-ground tax and regulatory support, even in jurisdictions where the ABL space remains nascent. We also advise private credit lenders on bespoke ABL transactions, leveraging our up-to-the-minute understanding of market and regulatory conditions to offer tailored solutions.

Our expertise spans a wide array of asset-based transactions, including acquisition financings, leveraged buyouts, NAV facilities, corporate workouts, out-of-court debt restructurings, DIP financings, project financings, back-leverage facilities, and reserve-based loans. We advise on loans secured by diverse asset classes, drawing on Latham's deep industry insight across sectors such as healthcare, retail, entertainment, energy, infrastructure, and technology. Our ABL practitioners have also advised on loans secured by non-traditional assets, including AI/growth tech assets, intellectual property, music royalties, subscription revenues, investment fund portfolios, distressed collection pools, precious minerals, proven oil reserves, energy and infrastructure projects, and plant, machinery, truck chassis, and container assets.

Latham has advised on some of the largest and most complex transactions involving ABL financings, including:

- Advising the lenders on the $1.2 billion ABL acquisition financing of Nordstrom.
- Advising the lenders on the debt financing, including a $4 billion ABL facility, for Herc Holdings' acquisition of H&E Equipment Services.
- Advising the lenders on the $1.4 billion ABL facility in connection with Dollar Tree's divestment of the Family Dollar business to Brigade Capital Management and Macellum Capital Management.
- Advised Great Outdoors Group on a $1.25 billion ABL facility.
- Advising the lenders on the $900 million ABL financing in connection with Patient Square Capital's acquisition of Patterson Companies.
- Advised Platinum Equity on an ABL facility in connection with their acquisition of Héroux-Devtek.

These deals exemplify our ability to handle high-stakes transactions and deliver innovative solutions that meet the unique needs of our clients.

For more information on our Capital Solutions and Asset-Based Lending capabilities, please contact:

- Jennifer Ezring, Global Chair of the Asset-Based Lending Practice, Jennifer.Ezring@lw.com
- Dan Seale, Global Chair of the Banking & Private Credit Practice, Daniel.Seale@lw.com
- Conray Tseng, Global Vice Chair of the Asset-Based Lending Practice; Conray.Tseng@lw.com
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2025 TSL LEADERS IN LAW

McGuireWoods

McGuireWoods is a thriving, full-service firm with 21 offices worldwide. Over our 190-year history, we have earned the loyalty of our many longstanding clients with deep and broad legal experience; a passion for understanding their businesses and markets; innovative delivery of practical, business-minded solutions; and unmatched client service.

Firm Overview

McGuireWoods is a thriving, full-service firm with 21 offices worldwide. Over our 190-year history, we have earned the loyalty of our many longstanding clients with deep and broad legal experience; a passion for understanding their businesses and markets; innovative delivery of practical, business-minded solutions; and unmatched client service.

Debt Finance

McGuireWoods has one of the largest finance practices in the United States and is recognized as a preeminent firm in debt finance and general corporate lending.

With more than 90 debt finance lawyers and a presence in New York, Charlotte, London, Chicago, San Francisco, Los Angeles, Atlanta, Dallas and other key financial markets, McGuireWoods leverages its industry knowledge to develop best practices, along with standard forms and documentation that streamline transactions for lenders and borrowers. The team's skill working with clients on transactions for borrowers across industries ensures a sophisticated approach to structuring deals.

McGuireWoods consistently ranks among the top 10 U.S. law firms by deal count and dollar volume for representing lenders in debt financings in Bloomberg, Debtwire, and LSEG rankings. In 2024, for the 14th consecutive year, the firm ranked among the top 10 in the world by deal count and proceeds for advising lenders in syndicated loans, delivering another dominant performance.

McGuireWoods also has a nationally recognized asset-based lending (ABL) practice that includes more than 30 attorneys dedicated to structuring, negotiating, and documenting syndicated and single-lender ABL credit facilities. The ABL team represents national and regional financial institutions in transactions across the U.S. and Europe, with experience in sectors including manufacturing, distribution, retail, healthcare, and technology.

The firm represents each of the top 10 U.S. banks ranked by assets and, year after year, handles domestic and cross-border commitments exceeding $100 billion. We serve as lead counsel to major global financial institutions, lead arrangers, administrative agents, and other borrowers and issuers across the spectrum of credit profiles, including investment grade, leveraged, middle market and troubled credit profiles, and in a range of structures. We are equally prepared to help regional banks, funds and other lending clients handle middle-market, mission-critical deals efficiently and cost-effectively.

Areas of Focus

- Syndicated Cross-Border and Multicurrency ABL Facilities
- Sponsor Acquisition ABL Financings
- First Lien/Second Lien and Wrapping Lien Facilities (TLB and Term Notes)
- Unitranche Facilities
- DIP Financing
- Senior Syndicated Credit Facilities
- Mezzanine and First Lien/Second Lien Financings
- Bilateral Financings

Accolades

- Named "Law Firm of the Year" for banking and finance law for the sixth time since 2013. – BEST LAW FIRMS
- Ranked among the top firms in banking and finance. – CHAMBERS USA
- Ranked among the top firms for advising lenders in debt finance transactions in league tables published by the London Stock Exchange Group, Bloomberg and Debtwire. – LEAGUE TABLES
- Repeatedly named one of North America's most innovative law firms. – FINANCIAL TIMES "NORTH AMERICA INNOVATIVE LAWYERS"
- Named to prestigious "Client Service 30" more than a dozen times — the gold standard in measuring client service. – BTI "CLIENT SERVICE A-TEAM"

Representative Experience

- Representation of a financial institution as lead agent in the restructuring of a $326 million syndicated asset-based senior credit facility to a distributor of fitness equipment.
- Representation of a national bank, as administrative agent for over 45 lending institutions, in a senior asset-based credit facility to a national beverage distributor and its subsidiaries.
- Represented a financial institution in an asset-based financing for a international distributor of thermoplastic resin used in a variety of industries.
- Representation of Gunvor USA LLC, one of the largest independent energy commodity traders in the world and a subsidiary of Gunvor Group Ltd., in its revolving credit facility, which included assets and guarantors located in the United States, Canada, England, Switzerland and Cyprus.
- Representation of a major financial institution as administrative agent in connection with a revolving asset-based credit facility to a third-party logistics company specializing in freight brokerage services and managed transportation.

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2025 TSL LEADERS IN LAW

Moritt Hock & Hamroff LLP

ATTORNEYS AT LAW

STRENGTH IN PARTNERSHIP®

Moritt Hock & Hamroff LLP (MH&H), founded in 1980, is a full-service law firm with over 90 attorneys and offices located in New York City, Garden City and Fort Lauderdale. Leading national and regional financial institutions in the secured lending industry have relied upon MH&H's Secured Lending Practice group to draft and negotiate complex loan agreements, syndication and capital markets transactions, workouts, structured specialized loan programs and portfolio sales, secured by a broad range of asset classes.

We represent many banks including those with global reach, mezzanine lenders, hedge funds, specialized lenders and other financial institutions in single and multiple lender financings and syndications. We are actively engaged in industries including, auto receivable financing, debt buyer finance, consumer receivable finance, master repurchase agreements, and other highly specialized industries.

MH&H has also leveraged its experience as a nationally recognized Secured Lending practice, along with its Equipment and Transportation Leasing practice, in a broad range of lender finance transactions, with recent transactions, including, but not limited to, representing a specialty finance division of a regional bank in the disposition of a portfolio of vehicle and equipment leases and loans in which the seller retained the servicing, representing a lender in the issuance of an approximately $75,000,000 revolving line of credit to a national motor vehicle finance company secured by a pledge of special units of beneficial interest in the borrower's titling trust, representing a middle-market bank in the negotiation of an open ended reciprocal master assignment agreement, representing agents, lenders and participants in a wide range of lender finance credit facilities across various industries, and ongoing representation of banks and specialty finance companies in the drafting and management of master program agreements and syndication facilities.

Our attorneys possess a strong understanding of both the legal and business issues facing the industry, which has enabled them to deliver cutting-edge advice in a highly regulated, and often litigious, arena. Relying upon the broad experience of our practice, we often come to be thought of as the general counsel to our finance and leasing clients, representing them on matters such as real estate, tax planning, purchase and sales of finance companies, formation of bank owned and independent finance companies and other business transactions.

We also provide general litigation and bankruptcy support for the enforcement of our clients' defaulted lease transactions through our Creditors' Rights group and advise clients on a wide variety of transportation and finance matters, including the documentation of aircraft and marine transactions.

MH&H's experienced Lender Finance team provides the comprehensive legal services required for financial transactions between lenders. These transactions typically involve specialized lending to non-depository financial institutions, which is secured by a portfolio of financial instruments executed by third-party obligors. Our attorneys have advised and represented all parties in lender finance, including institutional lenders and regional banks, private debt funds, sponsor-supported companies, start-ups, fintechs and other alternative lenders, traditional lenders and funds, leasing companies, asset-based lenders, and real estate and mezzanine funds.

The team is known for its nationwide legal expertise in lender finance, deep understanding of complex financing structures and specialized knowledge of state laws affecting lender finance. This includes requirements in New York and Florida, where MH&H has extensive offices. Our attorneys provide lenders and lessors the legal support needed for lender-to-lender facilities, A/B structure, note-on-note credit arrangements, portfolio sales, warehouse facilities, master program agreements, hypothecation loan and repurchase agreements, revolving lines of credit, syndication facilities and other transactions.

With decades of experience, our Private Lending team provides non-traditional lenders with the legal services they need to succeed throughout the credit cycle.

As a result of our depth of experience in creditors' rights, workouts and foreclosures, we bring a unique perspective to the origination of financings by non-banks and other non-traditional lenders. Our proactive approach to resolving issues, coupled with our comprehensive understanding of the industry and the regulations governing it, translates into efficient and effective service to meet our clients' unique and individualized needs while minimizing their risk. We represent private equity funds, family offices, investment groups, debt and mezzanine funds, purchasers of troubled loans and other non-traditional lenders in connection with a variety of transactions. These transactions include, but are not limited to, bridge loans, DIP loans, real estate-related financings, ESOP financings, Chapter 11 exit facilities, acquisition facilities, syndications, and second lien facilities.

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2025 TSL LEADERS IN LAW

NautaDutilh

Netherlands, Belgium, and Luxembourg Counsel in your time zone

NautaDutilh is a leading European law firm advising global financial institutions and corporate borrowers on secured lending transactions involving the Benelux jurisdictions. From our New York and London offices, we are the first point of contact for top law firms, lenders and borrowers seeking local Benelux counsel.

Leaders in Cross-Border Financings in the Benelux

Our firm's Finance Practice is consistently ranked among the top tiers in our jurisdictions. We work for the top global financial institutions as well as those in our domestic home markets. We advise global banks and direct lenders, and borrowers in various industries. We are particularly active in secured lending, including asset-based lending, leveraged and acquisition finance, fund finance, tech finance, as well as cross-border financial restructuring. We have a robust track record in ABL, with deep experience in structuring and implementing cross-border financings that align with both U.S. and European market expectations. U.S. lenders are comfortable lending into the Netherlands, Belgium, and Luxembourg.

Netherlands - Pioneers in Secured Lending and ABL

We have helped shape the Dutch ABL landscape by developing bespoke legal solutions for crossing lien structures and other complex features. Our team has advised leading Dutch and U.S. financial institutions, the Dutch Bankers Association (NVB), and the Factoring & Asset Based Financing Association Netherlands (FAAN) on template documentation and legal frameworks that underpin the Dutch ABL market.

Dutch law offers clarity and predictability for secured parties. Dutch courts are independent, experienced in complex cross-border finance disputes, and relatively swift. Since 2019, the Netherlands Commercial Court has enabled litigation in English, further supporting international transactions. Recent developments, such as the introduction of the WHOA (a Dutch debt restructuring procedure) in 2021 and the abolition of transfer restrictions for Dutch law-governed contracts in 2025, have enhanced the flexibility of the Dutch legal system for structuring and restructuring secured loans. Combined with efficient enforcement mechanisms and a favorable tax and corporate framework, the Netherlands is an attractive jurisdiction for cross-border secured lending.

Key contacts on our Dutch team include:

- Elizabeth van Schilfgaarde, Dutch Finance Partner, New York Office, Elizabeth.vanSchilfgaarde@nautadutilh.com
- Boudewijn Smit, Dutch Finance Partner, New York Office, Boudewijn.Smit@nautadutilh.com
- Janneke de Goeij, Dutch Finance Partner, Amsterdam Office, Janneke.deGoeij@nautadutilh.com
- Saskia Heumakers, Dutch Finance Partner, London Office, Saskia.Heumakers@nautadutilh.com
- Diederik von Konigslow, Dutch Finance Senior Associate, Amsterdam Office, Diederik.vonKonigslow@nautadutilh.com
- Camille van Liebergen, Dutch Finance Senior Associate, Amsterdam Office, Camille.vanLiebergen@nautadutilh.com

Belgium - Secured Lending, ABL, and Project Finance

Our Belgian team has a strong presence in secured finance transactions, including ABLs and project finance. We provide comprehensive advice on all aspects of secured lending, leveraging our deep understanding of the local market. ABL structures with a Belgian borrowing base are broadly accepted by large financial institutions.

Key Contacts on our Belgian Team include:

- Thibaut Willems, Belgian Finance Partner, Brussels Office, Thibaut.Willems@nautadutilh.com
- Nathalie Van Landuyt, Belgian Finance Counsel, Brussels Office, Nathalie.vanLanduyt@nautadutilh.com

Luxembourg - ABL, Collateral Regime, and Enforcement

From our Luxembourg office, we advise both international and domestic clientele across the full spectrum of asset-based lending, from structuring to enforcement. Luxembourg benefits from a robust collateral regime that offers high levels of certainty and protection for secured parties, as well as efficient enforcement processes. Our team has extensive experience in securing loans over various types of collateral, including shares, receivables, and bank accounts.

Key contacts on our Luxembourg team include:

- Josée Weydert, Luxembourg Finance Partner, Luxembourg Office, Josee.Weydert@nautadutilh.com
- Meliha Dacic, Luxembourg Finance Partner, Luxembourg Office, Meliha.Dacic@nautadutilh.com
- Ann Blaton, Luxembourg Finance Counsel, London Office, Ann.Blaton@nautadutilh.com

Industry Engagement

NautaDutilh is a member of the Secured Finance Network (SFNet) and has leadership roles in the European and American chapters. We regularly participate in SFNet events and provide secured lending guidance on our jurisdictions. We also participate in the SFNet's Women in Secured Finance (WISF) and are active members of the Business Section of the American Bar Association.

Ready when you are

We are proud of our record. We are proud of the trust placed in us by U.S. and global lenders, corporate borrowers and lead counsel. And we are ready to help you navigate the Benelux aspects of your next cross-border secured financing. Let us take care of the Dutch, Belgian and Luxembourg piece - so you can focus on the rest.

Otterbourg P.C.

Otterbourg is a New York City-based law firm that represents businesses and financial institutions, including international, national, and regional banks, asset-based lenders, private credit lenders, and commercial finance companies.

At our heart, we are a creditors' rights firm, known internationally for our solid lending and creditors' rights practices. For several decades, we have also served as co-general counsel of the Secured Finance Network (SFNet), which gives us authority and credibility among other firms.

With a nod to our deep bankruptcy roots, we are often referred to as the "cradle of bankruptcy judges," with five federal bankruptcy judges – including two chief judges – having worked at the firm. Most of our financial transaction attorneys are cross trained with bankruptcy law expertise, so deals are documented in a manner to best protect our lending clients in the event that the borrower becomes financially distressed.

With attorneys who have been at the firm for their careers, we have a consistency with the institutions that we represent, which allows us to be more sensitive to the needs of our clients and encourages long-standing relationships with them.

Practice Areas

Otterbourg provides services across a range of practice areas, covering domestic and cross-border financings, litigation and alternative dispute resolutions, real estate, cybersecurity, restructuring and insolvency proceedings, mergers and acquisitions, corporate transactions, and trusts and estates.

Notably, the firm excels in various specialties, including:

- Asset-based lending, junior lien lending, general corporate lending, venture and growth lending, international finance and leveraged and structured finance.
- Representation of committees of unsecured creditors in large and complex bankruptcy reorganization cases throughout the United States.
- Representation of individual institutional lenders, bank groups, commercial enterprises, hedge funds and other secured and unsecured creditors in complex, high-profile litigation.
- General corporate and securities matters, including mergers and acquisitions, public and private offerings of debt and equity securities, and debt and equity restructurings.
- Privacy and cybersecurity in both the transactional and litigation context. This includes advising on matters related to corporate governance, corporate and finance transactions, regulatory compliance, employment matters, risk management and breach response.
- Fiduciary work, with members of the firm frequently serving as trustees, receivers, auditors or examiners as well as other appointed roles.
- Mass tort litigation, advising and representing creditors and fiduciaries of creditors in anticipation of, during, and after plan confirmation of, bankruptcies involving substantial mass tort liabilities.
- Real estate matters, including real estate acquisitions, sales, joint ventures, 1031 tax deferred exchanges, real estate development, financing and leasing across different asset classes.
- Trusts and estates law, including the development of sophisticated estate plans to transfer wealth while minimizing tax implications.

Culture

Otterbourg provides a collegial work environment, with mentorship and learning opportunities for junior lawyers seeking the ability to work with senior attorneys. The size of the firm offers unique opportunities for learning and leadership for professional development. We also offer a competitive summer associate program with a very selective hiring process that enables us to attract and retain talented individuals at the beginning of their legal careers. During the summer, these law students experience what it is like to be a first-year lawyer at Otterbourg, with important, substantive work assigned accordingly.

Otterbourg is one of the few mid-sized law firms participating in the Sponsors for Educational Opportunity (SEO) Career Program in Corporate Law. The firm also supports the efforts of its lawyers and staff to give back to the community, and it provides significant financial support to a variety of nonprofit organizations

Firm History

Founded in 1909, Otterbourg initially gained prominence representing textile companies and handling insolvency cases prevalent in the industry during that period. Edwin M. Otterbourg, a notable figure in legal ethics who served as president of the New York County Lawyers' Association, instilled a legacy of integrity that continues to guide the firm today.

Over the decades, Otterbourg developed significant practices in litigation, commercial finance, securities, trusts and estates, and bankruptcy. The 1960s saw a shift to representing financial institutions, which remains a firm stronghold. The firm was also a pioneer in commercial arbitration and alternative dispute resolution – particularly beneficial during the 1970s when financial institutions adopted these methods.

The 1978 Bankruptcy Code expansion allowed further growth in the firm's bankruptcy practice, and by the 1980s, Otterbourg had become a financial services specialist, forming a corporate restructuring department and enhancing capabilities in real estate and fraud-related business transactions, leading to the expansion of its expertise to the areas that are part of its practice today.

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2025 TSL LEADERS IN LAW

parker hudson

Parker, Hudson, Rainer & Dobbs LLP is a U.S. law firm with an integrated collection of boutique practices dedicated to helping our clients excel. The firm has represented and served clients nationally and internationally in the areas of finance, bankruptcy, commercial litigation, real estate, corporate law, and healthcare for more than 40 years and continues to grow and develop its experience and talent in all areas.

Our Commercial Finance team has developed a significant reputation in representing clients in the financial services industry, particularly in asset-based lending, cash flow lending, syndicated loan facilities (representing agents and lenders), healthcare finance, lender finance, cross-border loans, acquisition financing, DIP financing, factoring, franchise finance, and trade financing in transactions ranging in size from $5 million to over $1 billion. The transactions often involve multi-lender syndicated credit facilities, multiple layers of other debt in the capital structure including institutional term debt or bonds, and equity.

In a competitive landscape, we leverage our deep experience representing both lenders and borrowers to navigate complex finance and capital markets transactions with precision and efficiency. Parker Hudson's Commercial Finance practice was built upon our representation of financial institutions. We also represent borrowers in all types of transactions, which strengthens our ability to understand the needs of both parties. From structuring innovative financing solutions to closing deals across industries, our team delivers strategic counsel that drives successful outcomes for all parties involved.

As private credit has expanded its role and scope in the marketplace in recent years, we have represented a variety of different clients in this space. We have the market knowledge and familiarity with the full spectrum of debt products to assist our private credit clients. We represent lenders and private equity sponsors throughout the life cycle of a financing, including initial extensions of credit, day-to-day administration of the credit, restructuring existing debt, intercreditor matters, and bankruptcy and workout issues. Our involvement extends from the upfront negotiation of the economic terms and governance protections, such as registration rights, preemptive rights, board seats, and voting rights through the exit from the investment.

We also offer full-service counseling and litigation expertise, not only for lenders and other creditors but also for distressed businesses, trustees, receivers, examiners, and court appointed monitors. The Restructuring and Creditors' Rights practice group handles debt restructurings, out-of-court reorganizations, and bankruptcy cases involving large corporate and other commercial obligors. While a primary focus of the group's bankruptcy and restructuring practice often consists of representing financial institutions as secured or unsecured creditors or lessors, a significant part of our practice includes the representation of debtors, fiduciaries, private credit funds, insurers and other constituents in bankruptcy and restructuring matters. The Firm regularly represents clients in bankruptcy cases filed in Delaware, New York, New Jersey, Georgia, California, Alabama, North Carolina, South Carolina, Florida, Tennessee, and Texas. In addition, members of the Restructuring and Creditors' Rights practice group have served in the role of examiner in a number of large chapter 11 cases.

Parker Hudson's strength lies in our integrated team model, offering seamless support across related disciplines such as bankruptcy, tax, real estate, corporate, and healthcare regulatory law. This cross-functional capability allows us to advise on all aspects of a transaction, including structuring, negotiation and compliance.

Our attorneys are not just legal practitioners, but thought leaders in the secured lending space. We regularly conduct client training and speak at industry events on advanced topics. This commitment to education and partnership reflects our belief in building long-term, strategic relationships with our clients.

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RIEMER BRAUNSTEIN

Riemer & Braunstein LLP ("R&B" or the "firm") is among the largest finance-focused national boutique law firms in the United States, with offices in Boston, New York, Chicago, Miami, and Newport Beach. On behalf of domestic and international money-center, middle market and regional banks, finance companies, hedge funds, private debt funds, and other alternative lenders, the firm provides preeminent cradle-to-grave representation of creditors with respect to an expansive range of commercial and real estate finance transactions.

The firm provides a practical and cost-effective approach to commercial finance and other lending transactions, and our efficient, business-oriented process benefits clients in the highly competitive lending market. We collaborate effectively with all stakeholders in financing arrangements, working closely with borrowers and their counsel, co-lenders, private equity sponsors, venture capital investors, and other constituencies and financing sources in the debt stack. In addition, we seamlessly integrate our colleagues in our various jurisdictions and departments when transactions require interdisciplinary specialization, such as real estate finance, ERISA, tax, or intellectual property expertise.

Our clients provide revolving loans, term loans, and other financial accommodations to borrowers across a range of industries that include high-tech, life sciences, fund finance, manufacturing, retail, oil and gas, metals and minerals, chemicals, aviation, agricultural products and agribusiness, healthcare, telecommunications, automotive parts, consumer goods and venture lending. Many are market leaders who rely upon us to help them navigate unique underwriting challenges and "state-of-the-market" intercreditor arrangements with respect to first-lien/second-lien, split collateral, and first-in/last-out structures, as well as agreements among lenders in unitranche facilities. The scope and breadth of our practice enables us to leverage comprehensive visibility of the credit markets. This perspective adds value for our clients and their customers alike, often streamlining documentation and negotiating processes and creating economies of scale for lenders whom we regularly represent.

In the early stages of any transaction, we assist clients with the identification and analysis of risks and mitigants and provide practical guidance on structuring each facility consistent with each lender's underwriting, risk appetite, and view of the market. In addition to managing all legal aspects through the closing of newly originated loans and other financing transactions and beyond, we also manage workouts and restructurings and maintain a particular expertise in the intricacies of debtor-in-possession financing and the enforcement of creditors' rights, including in bankruptcy courts throughout the country.

Our Commercial Finance Practice attorneys are thought leaders in the finance industry who regularly write and lecture on an array of legal and related business topics covering their extensive experience with a wide variety of domestic and multinational financing arrangements.

We structure, document, and negotiate secured and unsecured credit facilities, including the following:

- Acquisition financing
- Traditional and non-traditional asset-based lending
- Cash flow and enterprise value lending
- Lender finance
- Mezzanine finance
- SaaS and other revenue-based lending
- Debtor-in-Possession financing and emergence facilities
- Equipment leasing and financing
- Export/Import financing transactions
- Fund financing
- Leveraged buyout lending
- Technology and Life sciences lending
- Retail financing
- Factoring and receivables financing
- Supply chain financing
- Early stage/venture debt

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StradleyRonon

Founded a century ago in Philadelphia, Stradley Ronon has helped private and public companies — from small businesses to Fortune 500 corporations — achieve their goals by providing practical, value-driven legal counsel. A recognized industry leader in investment management and known for sophisticated financial services clients, our firm of 200-plus lawyers offers a comprehensive range of services in corporate, finance, regulatory and litigation.

Stradley Ronon's reputation for sensible, sophisticated and results-oriented client representation is, at its core, an extension of our culture: an ethos of collegiality and collaboration that begins with our lawyers and business professionals and radiates outward — to clients, community and beyond. With offices in nine locations across the United States — including in major markets such as New York, Chicago, Washington, D.C., Philadelphia and Los Angeles — we seamlessly address the full spectrum of our clients' needs.

Ranked in *Chambers USA* for banking and finance and bankruptcy/restructuring in the Greater Philadelphia area, Stradley Ronon is committed to providing sophisticated legal guidance across the secured finance spectrum:

Commercial Lending

We represent clients in all types of commercial lending transactions. Our clients include banks, commercial finance companies, private debt and credit funds, specialty finance companies and hedge funds offering syndicated, participated and single-lender loans and other credit accommodations. We counsel issuers, underwriters and borrowers in financing the development, construction and operation of capital projects.

Our clients provide credit throughout the capital structure of a company, including senior, second-lien, mezzanine and other subordinate positions. Many of our engagements involve complex structures, such as intercreditor and subordination arrangements among holders of senior and junior liens, senior and junior debt, and preferred and other equity components.

We assist and represent clients in structuring, negotiating, documenting, and restructuring a wide range of financing transactions, including asset-based loans, cash-flow financings, leveraged financings, mezzanine loans, middle-market loans, real estate loans, second liens and unitranche loans. Our work often involves negotiating relationships among parties within the same level of the capital structure, such as agents and lenders in syndicated financings, agreements among lenders in unitranche deals, and lead/participants in participated transactions.

We have experience across diverse asset classes, representing clients in transactions involving commercial and industrial real estate borrowers in industries such as health care, mortgage warehousing, servicing and staffing, manufacturing and distribution, retail and wholesale, and real estate development. Our lawyers regularly advise on transactions secured by a broad range of collateral, including accounts receivable (including government and health care), airplanes and engines, investment property (including securities), credit card receivables, farm and agricultural equipment, inventory, machinery and equipment, rail cars, real estate, ships and other vessels, and structured settlements.

Bankruptcy & Restructuring

When transactions become troubled, these matters bring a unique set of rules and parties with conflicting interests that can be challenging. Representing both creditors and debtors, we handle the full range of out-of-court restructurings and workouts, and in-court bankruptcy and other insolvency proceedings. We help clients mitigate their risks and maximize their recoveries or otherwise resolve troubled situations. Our highly regarded bankruptcy and restructuring lawyers assist financial institutions, secured lenders, insurance companies, lessors, trade creditors and other businesses and individuals in dealing with financially distressed entities and financial products. Our lawyers routinely advise on financing arrangements secured by a wide range of collateral.

We are often called on to structure transactions, which may include addressing lien perfection and priority, fraudulent conveyance or preference risk, and intercreditor and subordination issues. We regularly counsel our clients in connection with the entire cycle of loans, contracts, distressed relationships and related litigation.

With a century of experience, a collaborative culture, and a deep bench of finance lawyers, Stradley Ronon remains a trusted partner to clients navigating the complexities of today's secured lending landscape.

Key Contacts:

- Caroline Gorman, partner and chair of Stradley Ronon's corporate department, can be reached at cgorman@stradley.com or 215.564.8633.
- Christopher Rosenbleeth, partner and chair of Stradley Ronon's finance and real estate practice, can be reached at crosenbleeth@stradley.com or 215.564.8051.
- Michael Bonner, partner and chair of Stradley Ronon's commercial lending practice, can be reached at mbonner@stradley.com or 856.321.2405.
- Peter Brockmeyer, partner in Stradley Ronon's commercial lending practice, can be reached at pbrockmeyer@stradley.com or 212.812.4134.

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THOMPSON COBURN LLP

Established in 1929, Thompson Coburn LLP is a full-service law firm working with clients across the United States and the globe. The firm provides comprehensive legal counsel to clients ranging from Fortune 500 companies to emerging businesses. Its broad practice spans corporate transactions and M&A, business litigation, banking, intellectual property, labor and employment, cybersecurity, government contracts, private equity, tax, and public finance.

Thompson Coburn serves a diverse client base across key industries, including financial services, real estate, health care, government, higher education, information technology, life sciences and biotechnology, transportation, utilities, agriculture, and food products. This industry-spanning experience enables the firm to deliver tailored legal solutions that align with each client's unique business objectives.

A cornerstone of the firm's national reputation is its Commercial Finance practice, known for its depth of experience, collaborative approach, and consistent delivery of high-value legal counsel. The team advises a wide range of clients—including commercial finance companies, major money center banks, regional and community banks, funds, and other credit providers—on complex and sophisticated financing transactions.

The firm's New York office, located on Madison Avenue in Midtown, serves as a hub of commercial finance excellence, providing integrated legal services to institutional lenders and financial stakeholders. The team is actively involved in all aspects of the lending process, including loan structuring and documentation, transaction execution, distressed debt workouts, restructurings, bankruptcy proceedings, and related commercial litigation. Their work often involves navigating multi-party, cross-border transactions that demand precision, agility, and strategic insight.

Thompson Coburn's attorneys are particularly skilled in designing and implementing complex unitranche structures, including first-out/last-out tranches and priority revolver components. These transactions frequently involve intricate intercreditor arrangements and require a nuanced understanding of market dynamics and client priorities. The team also brings deep experience in structuring and negotiating syndicated and bilateral credit facilities—both cash flow and asset-based—as well as sponsor-backed and leveraged finance deals.

Beyond transactional work, the firm provides strategic counsel on regulatory compliance, risk mitigation, and enforcement actions, helping clients navigate the evolving legal and regulatory landscape of commercial finance. This full-spectrum capability allows Thompson Coburn to support clients throughout the entire financing lifecycle—from origination to enforcement.

Recent notable transactions include:

- Represented a leading financial services company in a $90 million asset-based credit facility used, in part, to finance American Industrial Partners' acquisition of AGCO Corporation's (NYSE: AGCO) Grain & Protein division.
- Served as administrative agent and sole lead arranger for a $300 million asset-based credit facility supporting American Industrial Partners' purchase of PPG's North American and Canadian architectural coatings business.
- Represented the same financial services company as administrative agent and sole lead arranger in a $350 million senior secured credit facility used by affiliates of American Industrial Partners to acquire Boart Longyear Group Ltd.

Looking ahead, Thompson Coburn is executing a forward-thinking strategic growth plan focused on three key priorities: expanding lateral talent in existing markets, entering new geographic regions—particularly Florida and Texas—and enhancing business development capabilities. These initiatives are designed to strengthen the firm's national footprint and deepen client engagement across core practice areas. A recent addition to the leadership team, the firm's new Chief Business Development & Marketing Officer, is playing a pivotal role in advancing these efforts, bringing fresh perspective and energy to client relationship management and market positioning.

Innovation is also central to the firm's evolution. Thompson Coburn is currently undergoing a major technology transformation aimed at modernizing internal systems, streamlining workflows, and equipping attorneys with advanced tools to better serve clients. As part of this initiative, the firm is thoughtfully integrating artificial intelligence to enhance both legal service delivery and operational efficiency—ensuring clients benefit from faster turnaround times, improved accuracy, and deeper strategic insights.

With a proven track record, a dynamic team, and a clear strategic vision, Thompson Coburn is well-positioned to remain a leader in commercial finance law for years to come.

Learn more about the firm's Commercial Finance & Banking practice group here: https://www.thompsoncoburn.com/services/commercial-finance-banking/.

troutman pepper locke

Troutman Pepper Locke is dedicated to helping clients navigate complex legal challenges and achieve their business objectives in a rapidly evolving global economy. As a firm of more than 1,600 attorneys in 30+ offices, including the 10 largest U.S. legal markets, we serve clients ranging from multinational companies to new market entrants across all major industry sectors. We offer a differentiated experience with our six industry groups, including our financial services group, whose attorneys offer clients a deep understanding of the complexities inherent in the financial landscape and a commitment to guiding companies through this ever-changing environment.

The team provides legal services to clients in every corner of the industry, from global financial institutions to small banks, private equity and direct lenders, strategic investors, and commercial finance companies. Regardless of their niche, we aim to help clients achieve their strategic and commercial goals while effectively managing regulatory and legal risks.

We handle single-lender, club, and syndicated transactions across the full spectrum of commercial loan transactions, including working capital facilities and acquisition financing. Our attorneys have substantial experience advising clients in complex debt financing transactions, such as leveraged buyouts, letter of credit facilities, first lien and second lien structures, mezzanine and unitranche facilities, and renewable energy project financing. We manage the entire loan process, from origination to closing, ensuring a seamless experience for our clients.

Recognized as one of the top technology lending practices in the United States, our team handles financings involving all types of collateral, including unusual and unique assets, as well as situations where the collateral is located outside of the U.S. Clients trust us to proactively assess risk, evaluate business impacts, and recommend creative solutions. We leverage our comprehensive experience across this broad sector to determine the most beneficial course of action for clients, regardless of the challenges they face.

Our attorneys keep clients fully informed of their options and the associated risks, providing guidance and a knowledgeable perspective on market trends throughout the business cycle. Our practical approach includes offering advice on best market practices, conducting due diligence, structuring transactions to avoid unnecessary expenses, and negotiating and closing complex deals. From financing new opportunities to evaluating and implementing restructuring and workout strategies, our attorneys support all aspects of our clients' needs.

At Troutman Pepper Locke, we pride ourselves on our ability to deliver tailored solutions that align with our clients' unique business objectives. Our commitment to excellence and client service is unwavering, and we strive to exceed expectations in every engagement. Our attorneys are also strategic partners who understand the intricacies of the industries we serve. We are dedicated to helping our clients succeed in an increasingly competitive and complex global marketplace.

Learn more at troutman.com.

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WINSTON & STRAWN LLP

Winston & Strawn LLP has served as a trusted adviser and advocate to companies in a broad array of industries for 170 years. The firm has built a law practice with tremendous breadth and a global presence, with more than 975 attorneys across three continents.

At Winston, we strive to provide our clients with creative solutions to their business problems on time and on budget; serve our communities and the public interest; promote diversity within our firm and throughout the legal profession; and maintain a culture of teamwork and collegiality.

With 14 offices in key financial centers around the world, we bring an understanding of the global legal issues our clients face in transactions, disputes, and regulatory/enforcement-related matters. In the U.S., these offices include Charlotte, Chicago, Dallas, Houston, Los Angeles, Miami, New York, San Francisco, Silicon Valley, and Washington, D.C. Internationally, our offices are located in Brussels, London, Paris, and São Paulo.

Winston has expanded our capabilities and resources in North America, Europe, and Asia to keep pace with our clients' legal needs around the world. Winston has also recently expanded our capabilities in Latin America and the Caribbean. In 2021, we opened our São Paulo office and in 2022, Winston opened its Miami office which is the firm's largest expansion in several years.

Asset-Based Lending Practice

Winston's leading asset-based lending team represents banks and direct lenders in a broad array of asset-based financing transactions, including broadly syndicated, club, and bilateral credit facilities. Our team has exceptional experience in complex asset-based transactions involving term debt subject to intercreditors, subordination agreements, and agreements among lenders, as well as multicurrency and cross-border asset-based facilities. We have the exceptional legal acumen of legal knowledge necessary to help our clients navigate aggressive, fully committed acquisition, public company, and middle-market financings.

We work closely with our bankruptcy and restructuring team to provide the "cradle-to-grave" legal services that our asset-based lending clients require. This cross-team approach ensures seamless legal service for troubled credits, debtor-in-possession financings, and exit financings. We also represent banks, direct lenders, and oil and gas exploration and production companies on reserve-based financing arrangements as well.

Select notable deals handled by Winston's asset-based lending team:

- Winston & Strawn represented Wells Fargo Bank, National Association, as Agent, in connection with a $1,100,000,000 senior secured revolving credit facility provided to White Oak ABL 3, LLC, an affiliate of White Oak Global Advisors, LLC. The transaction included 11 other banks, increasing the capital that can be invested in asset-based lending (ABL). The new credit facility expands on White Oak's already robust international lending capabilities to support its U.S., Canadian, U.K., and Australian-headquartered borrowers with international operations and lendable assets in select European and Asian jurisdictions, as well as Mexico.
- Represented Wells Fargo in connection with ABL committed financing to Quikrete on its $11.5 billion acquisition of Summit Materials. The transaction combines Quikrete's leading concrete and cement-based products business with Summit's leading aggregates, cement, and ready-mix concrete business to create a vertically integrated construction materials solutions provider.

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FEATURE
STORY

Security Interests: They're Only Half The Story

BY LON M. SINGER, ESQ. AND JAIME R. KOFF, ESQ.

In today's competitive lending market, weakened loan structures and relaxed covenants have become the norm—leaving lenders with fewer safeguards when trouble arises. This article explores practical, asset-specific strategies to preserve collateral value and strengthen exit options, from inventory and receivables to real property and equity interests.

For decades, increased competition among banks and other lenders to deploy debt capital has led to a creeping relaxation of loan structures across numerous financing segments. The proliferation of private debt has not slowed this progression, sometimes described as a "race to the bottom".

Veterans of our industry have witnessed a retreat from the documentation and underwriting convention of multiple financial covenants in favor of a single financial covenant in most transactions. Moreover, the evisceration of the defined terms that inform calculation of the remaining covenant (by virtue of the allowance of exclusions and exceptions) can render it meaninglessly easy to satisfy. In ABL agreements, the single such covenant is often an Excess Availability covenant. While that covenant might have greater value than a fixed charge or leverage covenant in assessing the ongoing health of an ABL credit, is it really a financial covenant in the traditional sense at all?

Since lenders lack the commercial power to stem the tide of declining lending standards, it is both prudent and timely to refocus efforts on the measures that can help preserve and optimize exit strategies involving the liquidation of particular pools of assets. In other words, perfected liens only take lenders so far. In both the underwriting and documentation processes, lenders and their counsel should consider and discuss how best to address the prospect of practical realization upon collateral value.

When a borrower files for bankruptcy protection, much of the analysis and many of the relevant issues flow principally from the question of whether the secured lender is undersecured, adequately secured, or oversecured. Outside the context of the federal bankruptcy process, however, agents and lenders may wish to exercise a range of available creditors' remedies against a defaulting borrower – including foreclosure on the various types of collateral discussed below, as to each of which there are important pre closing measures and post-closing considerations that deserve special attention.

1. *Inventory* – The inventory of Borrowers varies as widely as the range of their business models and industries. Different types of inventory are located, stored, and maintained in different ways. For example, the apparel on the shelves of a department store chain's locations is starkly unlike industrial co generation equipment or other heavy machinery at the locations of a heavy industrial borrower's lessees.

Lenders are prudent to insist on rights to access, move, and dispose of inventory that can be dealt with relatively easily. In this regard, we are all familiar with landlord agreements, warehouse agreements, processor agreements, and other forms of collateral access agreement. Of course, it is important to be practical in pursuing and negotiating these agreements, focusing on locations with the greatest dollar-value concentrations of inventory (such as distribution centers and warehouses) and insisting only upon access periods and rights consistent with liquidation models used in underwriting. Further, lenders often choose to concentrate their efforts in obtaining these agreements in locations in so-called "landlord lien states" – i.e., jurisdictions such as Pennsylvania, Virginia, and Washington, where a landlord has a statutory lien that primes that of a senior secured lender. In any event, in an asset-based loan transaction, a lender may elect to institute availability reserves rather than accept an agreement whose negotiated provisions may impose undue burdens relative to the rights they afford.

If a borrower is a manufacturer, access rights to its plant and equipment may be important where the prospect of the lender retaining an agent to complete work in process would be important to ensuring a full recovery of outstanding debt. Branded goods inventory may bear trademarks that have been licensed to the borrower. In that case, it is imperative that the lender obtain, directly from the licensor, a license in its favor to liquidate the goods with the trademarks in place, thereby preserving the full value that they add to the inventory[1].

2. *Accounts Receivable* – In theory, most goods and services should convert to cash collections of a borrower; in cases other than C.O.D. sales, usually after first taking the form of an account receivable. But merely having a lien in A/R is rarely enough, alone, to enable an agent or lender to collect such cash and repay itself. First, if the music stops, how does the lender know the identities of the account debtors and how much each one owes? Linking back to our reference to access agreements, access to A/R data is imperative. This can take the form of a shared access arrangement with respect to borrower's computer and accounting data network and/or a right of physical access to the books and records of borrower (usually maintained at its headquarters).

Direct resort to A/R collections is further complicated where a third party provides invoicing and collections services to the borrower. In those cases, the lender should require an agreement that expressly allows the lender to assume the contract or otherwise compels the service provider to allow the lender or its designee to step into the borrower's shoes and have invoicing and collections services performed at the lender's instruction and for the lender's direct benefit.

3. *Cash and Cash Equivalents* – Handled properly, few species of collateral are as "money good" as actual money. That said, if

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1. For additional reading on this topic, please see the following article: Lending to Manufacturers and Sellers Operating as Licensees (not Owners) of Famous Marks | Secured Finance Network (sfnet.com)

advances are being made against cash and cash equivalents, there is little flexibility in the standards that should apply to the lender's control over this collateral class.

Generally, the cash will consist of U.S. dollars only (eliminating exchange-rate risk) and cash equivalents (U.S. treasuries) subject to a deposit account or securities account control agreement, as applicable, in favor of the agent or lender.

Where cash is not included in the borrowing base, it is nevertheless a key collateral class, and lenders should not overlook the importance of customary springing or immediate dominion deposit account control agreements (DACAs) in their favor. Too frequently in the current market, lenders seem tempted to acquiesce in long post closing windows for the negotiation and implementation of DACAs and are encouraged by borrowers or their sponsors to allow generous "petty cash" sums to be kept outside the dominion of control arrangements. Lenders should take caution that if large sums of cash are left with the borrower in accounts without DACAs in place, and the borrower files for bankruptcy, the creditors' committee or U.S. trustee will likely assert a claim that such cash is not subject to a perfected lien in favor of the lender and therefore is available for the benefit of unsecured creditors and other stakeholders whose priority of repayment would otherwise be junior to that of a senior secured lender.

As a practical matter, DACA forms used by depository banks have become largely standardized over time and are rarely heavily negotiated; accordingly, insisting upon them is reasonable, customary, and serves an important purpose in the context of secured lending.

4. *Real Property and interests therein* – Although commercial finance transactions are usually viewed as representing a financing market separate from real estate finance, as such, real property collateral is a common component of secured commercial finance transactions. Working capital lines of credit can include a term loan component supported by real property, or the borrowing base in an asset-based facility can include a fixed asset component based upon eligible real property. Moreover, real property can serve as important "boot" collateral (i.e., collateral against the value of which advances are not directly calculated and made), thereby supporting an otherwise "un-bankable" credit.

Just as a filed UCC-1 financing statement is a mere starting point for exercising rights and remedies against the personal property assets discussed above, so too, a recorded mortgage serves as merely an analytical point of departure. Because stepping into the chain of title to a property creates risk of environmental liability under federal and state statutes, the money-center banks have demonstrated considerable reluctance to foreclose directly upon boot collateral real property assets, especially in the absence of satisfactory Phase I and Phase II Environmental Site Assessments – and perhaps environmental indemnities as well.

Accordingly, even where a term loan (or provision for fixed-asset availability in a borrowing base) sharply limits the value attributed to and advances made against real property, this asset class may nonetheless have critical value, especially in the context of a theoretical sale of a business as a going concern. This is particularly true when the sale is being effected under Section 363 of the Bankruptcy Code in an effort to limit environmental and other potential liability of a prospective buyer and/or afford defenses from successor liability, including environmental liability.[2]

Finally, interests in real property leaseholds that are priced significantly below market can constitute a valuable asset of an obligor. Real property leaseholds are outside the scope of Article 9 of the UCC, however, and may be perfected only by obtaining leasehold mortgages – a measure rarely taken. When a valuable leasehold interest remains unencumbered, it is frequently assumed by a bankruptcy estate and sold. A lender should have in mind that it might seek in the bankruptcy case (particularly where it is providing debtor-in-possession financing) to ask the Court to authorize the debtor to grant the lender rights in the proceeds of the disposition of such leasehold interests.

5. *Equity Interests* – A pledge of capital stock or other equity interests is another component of an all-asset lien. A unique strategic advantage of this asset class is that following the occurrence of a default, a lender with an equity pledge can shut off both a loan party's rights to retain dividends from its subsidiaries and the exercise of voting rights and other benefits inuring to a holder of equity. Obtaining a pledge of equity interests from a parent guarantor in the equity interests it holds in the operating company borrower is especially appealing. However, exercising the right to step into the shoes of the parent guarantor with respect to voting and similar rights is laden with implications.

Most pledge agreements provide that little or no notice to any loan party is required for the lender to cut off such loan party's voting rights. However, the lender still needs to follow rules prescribed in the governing documents of the subject entity, including with respect to setting record dates applicable to shareholders entitled to vote, as well as notice periods for the setting and holding of special meetings. On one hand, the failure to adhere to these requirements could render voidable any action taken in violation of them, on the other hand, the lender risks "tipping off" the loan parties as to its plans to take action (such as replacing the board of directors) by delivering the mandated notice. In such case, the lender could face a litany of defensive moves, such as injunctive litigation from the company as a means of trying to fend off unwanted lender actions (as well as, notably, filing for bankruptcy protection to benefit from the automatic stay). Accordingly, the lender should carefully consider its options and potential consequences prior to attempting exercise of voting rights in this manner.

Another option with respect to pledged equity interests, in lieu of exercising voting rights, is for the lender to foreclose on the equity pledge and become the owner of the company. While doing so would give the lender the control it may seek, the lender thereby assumes ownership of an entity that has both liabilities and obligations—crossing a line from mere lender to an owner of the entity. As with the voting rights issues discussed above, the foreclosure on and retention of the equity in an obligor is often a remedy of last resort. More likely (though still relatively uncommon in asset-based lending) is a lender might foreclose upon equity in a special purpose vehicle concurrently with the sale of such equity to a third party, therefore converting the pledge to

2. This subject is nuanced and demands careful consideration of applicable provisions of The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), also known as Superfund, the availability of Bona Fide Prospective Purchaser (BFPP) status thereunder, the availability and merits of environmental insurance, among other issues outside the scope of this Article.

cash that pays down the loan.

In cases where there are multiple lenders in complex debt stack, typically a revolving lender holds a first lien on working capital assets and a term lender has a first lien on equity, intellectual property, real estate and other fixed assets, with "swapping second" liens. Under that structure, a revolving lender may want to take control of the borrower, to direct the process of liquidation of its collateral. However, the term lender (as the senior lienholder in equity interests) would have prior rights to take enforcement actions in respect of its first-lien collateral. Lenders should be careful to review the applicable intercreditor agreement to ensure that any steps they take comport with its terms.

Third, equipment lending is particularly susceptible to valuation risks. Lenders should routinely engage professional liquidators having experience with the equipment at issue.

6. *Equipment* – In most instances, a borrower's equipment has significant value not to be overlooked by a lender. That said, lending on equipment, or relying on it as collateral, comes with its own set of challenges. First, many types of equipment are large and heavy and therefore are difficult to move from one place to another. Second, like inventory, equipment may be at widely dispersed locations. The lender may not have access rights to all locations, perhaps because no collateral access agreement is in place, or because the equipment in question inherently is only useful where it has been used and is located.

Third, equipment lending is particularly susceptible to valuation risks. Lenders should routinely engage professional liquidators having experience with the equipment at issue. Such experts are best able to anticipate prospective value fluctuations and the costs and expenses that lenders or their agents will incur in conducting a liquidation; these considerations must be factored into any accurate understanding of true liquidation value. Finally, not all equipment is equally marketable – lenders must consider that some assets may not be broadly salable, but instead are customized for use in specific businesses and/or only by entities licensed or approved by regulation—thereby narrowing the universe of potential purchasers.

7. *Contract Rights* – Easily perfected as general intangibles, contract rights present subtle issues whose implications merit attention in the underwriting process. Specifically, material contracts should be assessed on at least two interrelated fronts: i) their assignability, and ii) the ability of the obligor business to effect "cover" (i.e., promptly engage a substitute counterparty) as to the services, manufacturing inputs, or other benefits afforded by the agreement. The loss of material agreements is often an event of default in credit agreements; the impact on the credit is inadequately addressed if lenders have not evaluated the remedial implications. Where critical agreements are readily assumed, lenders can utilize the contract rights to maximize returns on the collateral affected by those agreements. Of course, even where contracts purport by their terms to be unassignable, the Uniform Commercial Code facilitates commerce by allowing rights to payment to be assigned, even in the face of anti-assignment clauses.[3]

Finally, critical agreements between an obligor and a third party can be a fundamental lynchpin of a borrower's business operations (examples can include web hosting arrangements for an e-commerce business, exclusive supplier arrangements for a key component to the manufacturing of a product, or offsite distribution services (picking, packing, sorting, and shipping of orders)). In these cases, lenders should give serious consideration to negotiating triparty agreements with the obligor and its contractual counterparty to ensure that the lenders can receive performance of the key agreement in order to deal with collateral and preserve and realize upon its full value.

While lending standards vary over time, and sometimes in cyclical fashion, the U.S. debt market has experienced a protracted and continuing era of ready capital. This climate demands that each lender hew to market standards in both underwriting and documentation to compete successfully. Nevertheless, in collaboration with diligent and experienced counsel, lenders can remain focused on the range of measures outlined above that optimize remedial flexibility, including with respect to foreclosure upon collateral of various types. In so doing, lenders can achieve enhanced confidence that one of their traditional exit strategies, selling obligor assets to repay the obligations, is more than a theoretical option.

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3. Under Uniform Commercial Code (UCC) Article 9, specifically Section 9-406, terms in an agreement between an account debtor and an assignor that prohibit or restrict the assignment of accounts, chattel paper, payment intangibles, or promissory notes are ineffective.

Bank Account Security in the Benelux

BY MELIHA DACIC, BOUDEWIJN SMIT, AND NATHALIE VAN LANDUYT

The Benelux region - comprising Belgium, the Netherlands, and Luxembourg - has long established itself as a dynamic and business-friendly environment for secured lending. In particular, the legal frameworks governing security over bank accounts in these jurisdictions reflect a combination of sophisticated legal systems, well developed market practices and a practical openness to structures familiar to U.S. and UK lenders. This makes the Benelux an attractive destination for cross-border financing, whether as part of larger syndications, asset-based lending structures, or private credit arrangements.

This summary provides a comparative overview of the key legal and practical considerations when taking security over bank accounts in Belgium, the Netherlands, and Luxembourg. While each jurisdiction maintains its own nuances in the creation, perfection, and enforcement of account pledges, they share certain common elements, such as the general requirement to notify or involve the account bank to ensure effectiveness against third parties and to exercise cash dominion in an enforcement scenario.

Importantly, the market practice in the Benelux is increasingly aligned with expectations familiar to global lenders. U.S. and U.K.-style Deposit Account Control Agreements (DACAs) are frequently adapted in practice, especially when accounts are maintained with U.S. and U.K.-headquartered global banks. These institutions often display a level of flexibility that contrasts with the more restrictive approach of traditional domestic banks in the Netherlands and Belgium, making it easier to structure clear and enforceable control arrangements. Traditional Luxembourg banks are generally familiar with the establishment of pledges and are cooperative in facilitating these arrangements and providing necessary acknowledgements in a timely manner. Conversely, U.S. banks established in Luxembourg are typically accustomed to DACA-style agreements.

Each jurisdiction also offers flexibility in implementation. In Luxembourg, for example, banks routinely provide pre-agreed forms of notice and acknowledgement to streamline the perfection process and ensure compliance with internal policies. Belgium allows for the creation of a pledge that is immediately effective between the parties and vis-à-vis most third parties, with notice to the account bank serving primarily to resolve priority issues. In the Netherlands, the distinction between best-efforts negotiations with the account bank and a firm obligation to establish the bank account security can be negotiated on a commercial basis, offering sponsors and lenders scope to tailor arrangements to their transaction.

The following highlights Benelux-wide considerations, as well as key distinctions across the region.

Creation of Security

- Benelux: A pledge over bank accounts is created by a written agreement between the pledgor and the pledgee.
- Netherlands: To validly create a pledge, the pledge generally must be disclosed to the account bank and the account bank generally must provide cooperation to the creation of the pledge. Whether the pledgor must procure the bank's cooperation or simply use best efforts is determined on a commercial basis.
- Belgium: The pledge is enforceable between the parties and vis-à-vis most third parties (including a bankruptcy trustee) upon execution. Notice to the account bank is needed to perfect the pledge against the account bank and creditors with conflicting claims.
- Luxembourg: Perfection and priority require notice to the account bank and its acknowledgement.

Cooperation of the Account Bank

- Benelux: Cooperation of the account bank is generally required or strongly recommended to achieve an enforceable and first-ranking pledge and to address set-off and bank rights under standard terms and conditions.
- Netherlands: Cooperation is generally required to create the pledge and can be documented through a simple consent letter or a tripartite agreement (DACA-style). Domestic banks are often reluctant to cooperate, while global banks are typically more flexible.
- Belgium: No cooperation is legally required to create or perfect the pledge, but account banks typically benefit from a first-ranking pledge and set-off rights pursuant to applicable general banking terms and conditions, which will take precedence unless waived.
- Luxembourg: Cooperation is required. Domestic banks routinely issue acknowledgements and waive set-off and first-ranking rights. Templates are often included in the pledge agreement. U.S. banks

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established in Luxembourg use a tripartite agreement (DACA-style).

Cash Dominion

- Benelux: Cash dominion remains with the pledgor until certain trigger events occur (typically an Event of Default or, for collection accounts, a Cash Dominion Trigger Event). Upon enforcement, the account bank must stop following the pledgor's payment instructions and instead act on the instructions of the pledgee. In practice, lenders often require the account bank to execute a one-time sweep of all funds to a designated account of the pledgee.
- Luxembourg: In addition to standard arrangements, other options, such as blocked accounts where the pledgee has sole signing rights, are also possible.

Enforcement

- Benelux: Enforcement generally involves notifying the account bank of the exercise of rights under the pledge agreement and instructing the bank to transfer all funds to the pledgee's designated account.
- There are no significant substantive differences in enforcement mechanics across the three jurisdictions.

By understanding these features - and the practical attitudes of local and international banks - lenders and sponsors can confidently structure collateral packages in the Benelux that combine robust legal protection with market familiarity.

Practical Considerations

- Netherlands and Belgium: U.S.-headquartered global banks operating in the region are generally accustomed to DACA-style agreements and more cooperative in practice.
- Netherlands: Domestic banks are often reluctant to sign control agreements, although some Dutch banks seem to be aware of this issue and working on new policies to become more competitive with the global banks.
- Belgium: Domestic banks are reluctant to sign control agreements. Whether or not a domestic account bank waives its right of pledge and set-off rights, largely depends on the relationship between the pledgor and the relevant account bank.
- Luxembourg: Domestic banks are familiar with the process and usually cooperative, often pre-agreeing notice and acknowledgement forms. Acknowledgements are commonly signed within a few business days after serving the notice.

By understanding these features - and the practical attitudes of local and international banks - lenders and sponsors can confidently structure collateral packages in the Benelux that combine robust legal protection with market familiarity. This overview aims to equip secured finance professionals with a practical reference point to navigate this landscape efficiently and unlock the opportunities offered by the Benelux region. NautaDutilh, with offices in the Netherlands, Belgium, and Luxembourg and representative offices in London and New York, is available to answer any further questions through our team of specialized cross-border secured finance lawyers.

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FEATURE STORY

Good News:

No More Ban on Assignment of AR in the Netherlands

BY SASKIA HEUMAKERS AND JULIA FELLER

There is good news from a due diligence perspective in the Netherlands. From 1 July 2025, the Act on the Abolition of Pledge Prohibitions (de Wet opheffing verpandingsverboden) has entered into force. This legislative change eliminates restrictions on the assignment and pledge of accounts receivable (AR).

Before, a debtor and creditor of a monetary receivable governed by Dutch law could agree that such receivable could not be assigned or pledged. This restriction could have an effect in rem, i.e. an assignment in violation of the restriction would be invalid and without effect. Therefore, any lending into the Netherlands based on receivables required the lender to diligence the commercial agreements between its borrowers and their customers to ensure that the relevant receivables could legally be assigned or pledged.

Level Playing Field in Europe

The purpose of the Act is to improve the ability of businesses, especially small and medium-sized enterprises (SMEs), to obtain more credit by allowing them to use all their accounts receivables as collateral. Additionally, it aims to level the playing field with other European countries such as Austria and Germany, as well as the United Kingdom where prohibitions to assign or pledge do not apply. It is expected that financiers can rely on a broader range of collateral, resulting in more available credit facilities for SMEs. The Act is specifically expected to have a desirable economic effect on SMEs active in the construction and retail sectors because contracts in those sectors often include pledge and assignment restrictions.

Key Changes

Under the new Act, any contractual clause between a debtor and creditor that (partially) restricts the assignment of or the creation of a pledge over accounts receivables or discourages a creditor to assign or pledge such a claim, is deemed null and void. It concerns restrictions or limitations intended to have effect in rem and those that would only apply contractually between the parties. The Act applies to both new and existing contracts. This means that any assignment or pledge restriction entered into after 1 July 2025 is null and void. Any such restriction entered into before 1 July 2025 will be null and void after a three-month transition period, i.e. on 1 October 2025. This means that accounts receivables that arise pursuant to a contract that existed prior to 1 July 2025 and are subject to a ban of assignment or pledge will become capable of being assigned or pledged from 1 October 2025. In relation to accounts receivables pursuant to contracts concluded after 1 July 2025, the nullity applies immediately from 1 July 2025.

Scope of the Act

The scope of the Act on the Abolition of Pledge Prohibitions is expressly limited to bans of assignment and pledge:

- that exist between the creditor and debtor of such accounts receivables (e.g., negative pledge undertakings agreed between a creditor and its lender remain valid);
- in respect of monetary receivables that arise in the course of a profession or business. This does not mean that the debtor needs to be a professional party, this only applies to the creditor; and
- that are governed by Dutch law.

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Exclusions – Bank Accounts, G-Accounts

The Act does not apply to bans of assignment and pledge in respect of certain registered monetary claims specified by law, including receivables that arise out of a current or savings bank account, relate to the settlement of payment and securities transactions (e.g. with clearing institutions) or are paid into G-accounts, to maintain the practice of making payments into a designated account to avoid chain liability. The practice of paying amounts into a G-account is often used in the following sectors: construction, employment agencies and clothing manufacturing. For those sectors, it will remain relevant for lenders to review the arrangements between its borrowers and their customers to determine if payments into G-accounts are part of the agreement.

Exclusions – Loan Agreements

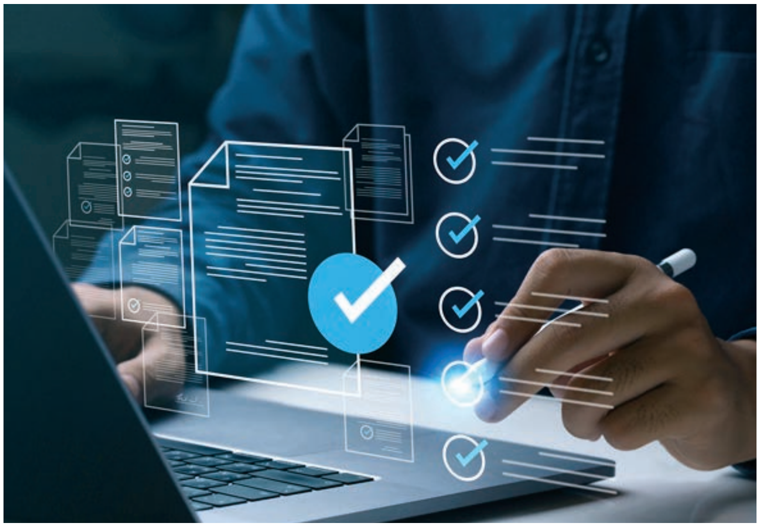
In addition, and with an aim to ensure alignment with international practices, the Act does not apply to bans of assignment and pledge in respect of receivables that arise out of a loan agreement with more than one lender (such as syndicated loans). This exemption specifically intends to ensure alignment with the standard international documentation of both the Loan Syndications and Trading Association (LSTA), which is commonly used in the United States and the Loan Market Association (LMA), which is widely used for syndicated loans in Europe and the United Kingdom.

Both the LSTA and LMA standard documentation include provisions that allow a debtor to stipulate that the assignment or pledge of claims arising from the loan agreement is only possible with their consent. This ensures that the debtor retains control over the transfer of claims. The exemption also applies in the situation where, at the time of concluding the loan, only one party acts as lender, with the intention to involve other banks in the financing at a later stage. In this case, the provisions of the loan agreement must show the intention to involve other lenders in the financing after the time of concluding the original loan.

Negative pledge and pari passu provisions often included in loan agreements are not affected by the Act because such a provision is between a lender and its borrower and not between the debtor and creditor of the accounts receivables to which the provisions pertain.

Additional Requirement for Disclosing Assignment or Pledge

In addition to abolishing pledge and assignment restrictions, the Act introduces a formal requirement for a disclosed assignment or pledge in relation to those accounts receivables that are within the scope of the Act. From 1 July 2025, the creation of a disclosed assignment or pledge of such accounts receivables requires a written notice, which includes by electronic means. Before, disclosing an assignment or pledge of accounts receivables was possible by any means, including a verbal disclosure. Now, a written notice is required, which is in line with the standing practice of serving written notices or disclosing an assignment or pledge on invoices.



Before, disclosing an assignment or pledge of accounts receivables was possible by any means, including a verbal disclosure. Now, a written notice is required, which is in line with the standing practice of serving written notices or disclosing an assignment or pledge on invoices.

Practical Implications

Lastly, upon effectiveness of the Act on the Abolition of Pledge Prohibitions, any accounts receivables that, prior to 1 July 2025 or 1 October 2025 respectively, were not capable of being assigned or pledged, are not automatically captured by any existing Dutch assignment or pledge agreement. It is therefore advisable to promptly execute a supplemental assignment or pledge agreement promptly now and on 1 October 2025 to ensure all possible accounts receivables are captured by existing continuing assignments and pledges of accounts receivables.

Saskia Heumakers is a partner in the Finance group and the Restructuring, Insolvency and Distressed Situations group of NautaDutilh. She is also the co-head of the London office. Saskia focuses on cross-border restructuring transactions in addition to asset-based lending and general corporate lending matters.

Julia Feller is a member of the Banking & Finance department of NautaDutilh. She advises banks, financial institutions and corporate clients in domestic and international financing transactions.

Julia obtained a master's degree in commercial and corporate law from the University of Amsterdam in 2023. She joined NautaDutilh in the same year and was based in the firm's New York office from September 2023 through August 2024 where she worked on cross-border finance matters with a Dutch law aspect.

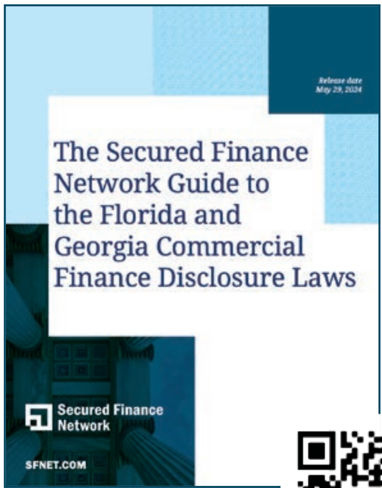
Julia is admitted to the Amsterdam Bar.

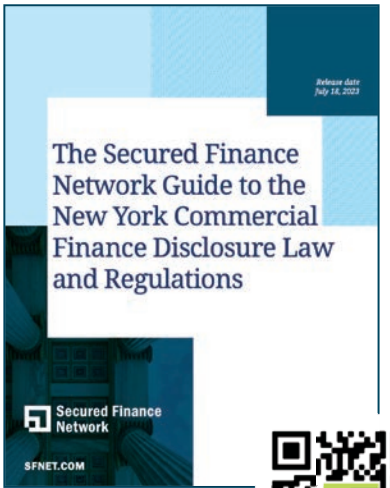
Secured Finance Network

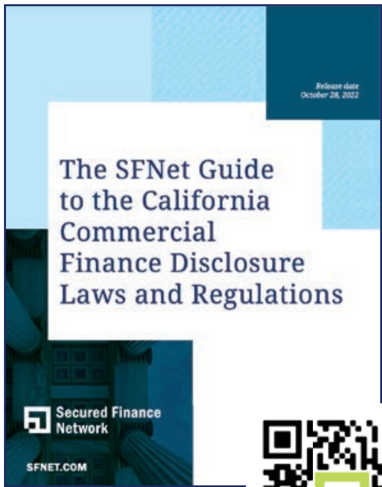
State Disclosure Laws: What You Need to Know

SFNet is pleased to offer what we believe are the most comprehensive guides to complying with the Disclosure Regulations for Commercial Finance Transactions for both New York, California and Florida/Georgia.

With these guides, we hope to provide greater clarity on how to comply with the new legislation and regulations.







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FEATURE STORY

Bankruptcy Preference Risks to Secured Lenders Using Blocked Accounts: Why You Shouldn't Sleep Comfortably at Night

BY NICOLETTE COHEN

Outgoing lenders involved in payoff letters must navigate the hidden risks of preference liability, where payments may be clawed back by bankruptcy trustees. Nicolette Cohen of Buchalter explores how such risks can transform secured claims into unsecured ones and outlines key mitigation strategies to safeguard lender interests.

When negotiating and drafting payoff letters, outgoing lenders should be wary of the risks of potential preference liability to a bankruptcy trustee with certain clawback rights for payments previously made. This event may result in an outgoing lender holding an unsecured claim against the borrower despite having previously been secured.

Definition of a Payoff Letter and Typical Use in Loan Transactions

A payoff letter typically sets forth the total amount owed, along with the certain obligations of the outgoing lender following payment in full. These actions often include executing lien terminations and releases and filing UCC-3 termination statements. Payoff letters also usually contain survival provisions and releases by the borrower.

Survival provisions ensure that certain loan obligations survive the payoff and remain enforceable. Common examples include indemnification obligations and provisions relating to the revival and reinstatement of obligations and liens. These are particularly important in scenarios where a payment made by an account debtor is later challenged as void, voidable, or otherwise subject to recovery under applicable bankruptcy laws. Such survival provisions often state that any previously released or terminated liens shall be reinstated and enforceable.

The Role of Outgoing and Replacement Lenders

In many refinancing transactions, a borrower will request a payoff letter from its existing lender (the “Outgoing Lender”) when obtaining a new lender (the “Replacement Lender”). The key terms of a payoff letter from the Replacement Lender’s perspective are: (i) an obligation, upon receipt of the full payoff amount, to release all liens granted in favor of the Outgoing Lender; (ii) disclosure of any borrower obligations to the Outgoing Lender that will survive the payoff (e.g., contingent obligations and indemnities); (iii) identification of any liens in favor of the Outgoing Lender that will remain in effect after the payoff; and (iv) any requirements for the borrower to provide cash collateral to the Outgoing Lender post-payoff.

The Outgoing Lender’s concerns in this arena are potential avoidable transfer risks (including preference liability) in addition to the actual payoff amount and outstanding letter of credit obligations that are not assumed or reissued by the Replacement Lender.

Preferential Transfers

The relationship discussed herein, involves an account debtor, which owes funds to the borrower, the borrower, and the borrower’s lender. In particular, we will analyze the risk of payments by an account debtor within 90 days prior to such account debtor’s bankruptcy filing. The risk analyzed below is the risk that a payment by an account debtor is deemed to be an avoidable transfer in favor of the bankruptcy trustee and/or the bankruptcy estate.

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Bankruptcy trustees may, under certain circumstances, avoid payments by the debtor, in this case the account debtor, to its creditor within 90 days prior to the bankruptcy. Under 11 U.S.C. §547(b), the trustee can generally avoid payments made for the benefit of a creditor based on an antecedent debt made while the debtor was insolvent within 90 days before filing bankruptcy that enables the creditor to receive more than they would get in a pro rata Chapter 7 distribution.

Preference Claim Scenarios

In the context of payoff letters, the Outgoing Lender should be acutely aware of circumstances that may give rise to avoidable transfer liability. One key scenario involves the following two conditions:

(1) the borrower maintains a collection account with a depository institution, and the Outgoing Lender exercises sole control over that account—either at the outset of the transaction or as a result of a springing event under the terms of a DACA (defined below) where payments are swept to an account maintained by the Outgoing Lender to repay outstanding loan obligations, and

(2) one or more of the borrower’s account debtors shows signs of financial distress that may lead to such account debtors filing bankruptcy prior to the payoff date.

If both conditions are present, the Outgoing Lender may be exposed to avoidable transfer risks, as a result of the Outgoing Lender’s dominion over the payments made by the account debtors, and payments received during the 90-day period being subject to clawback by a bankruptcy trustee based on a preference claim.

Initial Transferee v. Subsequent Transferee

Under 11 U.S.C. §550(a) of the Bankruptcy Code, a bankruptcy trustee may recover a preferential payment made from either an initial transferee or, in some cases, an immediate or mediate transferee of an initial transferee. The most interesting aspect of the initial transferee v. subsequent transferee analysis is that a payment instrument designating the borrower as the payee deposited in borrower’s account where Outgoing Lender is a depository institution could fall on either side of the fence depending on the circumstances. The same is also true for an Outgoing Lender that utilizes a DACA (defined below).

Initial Transferee Tests

With respect to an account debtor's payment, the test adopted by the majority of Circuits to determine whether the borrower or the Outgoing Lender is the initial transferee is the dominion and control test. In re JVJ Pharmacy Inc., 630 B.R. 388, 408 (S.D.N.Y. 2021). Conversely, a minority of circuits have adopted different or modified tests. For example, the Ninth Circuit has explicitly adopted the less restrictive dominion test. In re Incomnet, Inc., 463 F.3d 1064, 1071 (9th Cir. 2006).

To determine whether an entity has obtained dominion and control such that they will be deemed an initial transferee, courts require that the entity has legal dominion and control, as opposed to merely physical dominion and control. In re JVJ Pharmacy Inc., 630 B.R. 388, 408 (S.D.N.Y. 2021). In contrast, the Ninth Circuit defines the dominion test as "'dominion over the money or other asset, the right to put the money to one's own purposes.'" In re Incomnet, Inc., 463 F.3d 1064, 1070 (9th Cir. 2006). The dominion test "…focuses on whether the recipient of funds has legal title to them and the ability to use them as he sees fit. See Bonded Fin. Servs., 838 F.2d at 893–94. The control test takes a more gestalt view of the entire transaction to determine who, in reality, controlled the funds in question. In re Chase & Sanborn Corp., 848 F.2d at 1199." Id at 1071 (9th Cir. 2006).

For example, the Seventh Circuit found that an "…entity that receives funds for use in paying down a loan, or passing money to investors in a pool, is an 'initial transferee' even though the recipient is obliged by contract to apply the funds according to a formula. See, e.g., In re Columbia Data Products, Inc., 892 F.2d 26, 28 (4th Cir.1989); In re Chase & Sanborn Corp., 904 F.2d 588, 599–600 (11th Cir.1990); In re Incomnet, Inc., 463 F.3d 1064, 1071–76 (9th Cir.2006)." Paloian v. LaSalle Bank, N.A., 619 F.3d 688, 692 (7th Cir. 2010).

There are additional nuances that a court will consider when determining whether the Outgoing Lender is considered an initial transferee, such as (i) the Outgoing Lender's right to convert the balance of the deposits in the borrower's account to repay its outstanding loan and whether such right was exercised by the Outgoing Lender, (See In re Runnymede Cap. Mgmt., Inc., 616 B.R. 67, 73 (Bankr. W.D. Va. 2020)), (ii) the description of the Outgoing Lender's rights to such account set forth in the loan documents, (See Meoli v. The Huntington Nat'l Bank, 848 F.3d 716, 728 (6th Cir. 2017)), and (iii) the borrower's ability to access the funds in its account that is subject to the Outgoing Lender's security interest in such account. (See Id at 720).

Subsequent Transferee Test

Subsequent transferee issues typically arise when the recipient of an avoidable payment desires to assert the good faith affirmative defense under 11 U.S.C. §550(b), which is not available to initial transferees. This frequently occurs when a collection agent, escrow company, fiduciary, or depository institution receives funds in an account subject to certain control, possession or disbursement restrictions. The affirmative defense applies when the subsequent transferee receives the payment in good faith and without knowledge of the avoidability of the transfer.

Secured Lending Scenarios

Representative borrowers generally maintain collection accounts into which account debtors pay outstanding obligations. Whether or not the account is subject to a block by the lender or a springing event causes a block by the lender is based on the terms of the loan documents. Typically, the funds in a blocked account will, at the direction of the lender, be swept or debited from such account to pay down the credit facility.

Generally, a blocked account at inception or as a result of a springing event will more likely than not cause the Outgoing Lender to be deemed the initial transferee of any payment to that account. Conversely, if the borrower's account is not blocked and remains subject to the borrower's control, the borrower will most likely be considered an initial transferee.

Below is a set of scenarios where the initial transferee v. subsequent transferee can apply:

(1) Blocked DACA - Outgoing Lender is not a depository institution and a Blocked DACA (defined below) is in place at the depository institution;

(2) Unsprung DACA – Outgoing Lender is not a depository institution and a Springing DACA (defined below) is in place at the depository institution, but no springing event has occurred;

(3) Sprung DACA – Outgoing Lender is not a depository institution and a Springing DACA is in place, but a springing event has occurred;

(4) Blocked Account – Outgoing Lender is a depository institution and the loan documents require that borrower is blocked from accessing its funds in such account; or

(5) Unsprung Account – Outgoing Lender is a depository institution and the loan documents permit the borrower to access the funds in such account until a springing event has occurred.

As used herein:

"DACA" means a deposit account control agreement among the borrower, depository institution, and Outgoing Lender.

"Blocked DACA" means a DACA that blocks the borrower's access to such account and provides control to the Outgoing Lender.

"Springing DACA" means a DACA that allows the borrower to access funds in the account until a springing event occurs and pursuant to notice by the Outgoing Lender to the depository institution and borrower, the DACA springs into a Blocked DACA.

With respect to scenarios (1), (3) and (4) above, it is likely that in the majority of the Circuits the Outgoing Lender would be determined to be an initial transferee.

With respect to scenarios (2) and (5) above, it is likely that the Outgoing Lender would be determined to be a subsequent transferee.

Risks to Outgoing Lenders as a Result of Preference Claims - Loss of Collateral Priority and Reduced Recovery

The primary risk to the Outgoing Lender is the obligation to return the funds received as an avoidable preference and the loss of secured creditor status. If a successful preference claim is asserted and the payment is clawed back, the Outgoing Lender may find itself with a contractually reinstated obligation from the borrower, but without its original priority security interest.

Most problematic is the fact that the Outgoing Lender would likely not have any insight into whether payments to the borrower's blocked account were made within 90 days before an account debtor's bankruptcy.

Mitigation Tools

There are several contractual and practical tools that Outgoing Lenders and their counsel should consider incorporating into the payoff letter to mitigate preference-related exposure.

Outgoing Lenders can protect themselves vis-à-vis the borrower by requiring the following:

(a) survival and reinstatement provisions for the debt and fees incurred as part of any preference action;

(b) cash collateral hold back provisions for a designated time period to protect against avoidable transfer claims; and

(c) granting of reinstatement of liens as to the reinstated debt.

Outgoing Lenders can protect themselves vis-à-vis the Replacement Lender by requiring any of the following:

(a) indemnification from the Replacement Lender for any avoidable transfers; or

(b) subordinating Replacement Lender's lien to Outgoing Lender's reinstated lien securing the debt as a result of the avoided transfer.

Conclusion

Preference risk in payoff transactions is a nuanced and often underappreciated issue for Outgoing Lenders. While standard payoff procedures—receipt of funds, release of liens, and termination of control agreements—may appear routine, failure to properly address these items may leave the Outgoing Lender with significant exposure.

Most problematic is the fact that the Outgoing Lender would likely not have any insight into whether payments to the borrower's blocked account were made within 90 days before an account debtor's bankruptcy.

Sweet dreams.

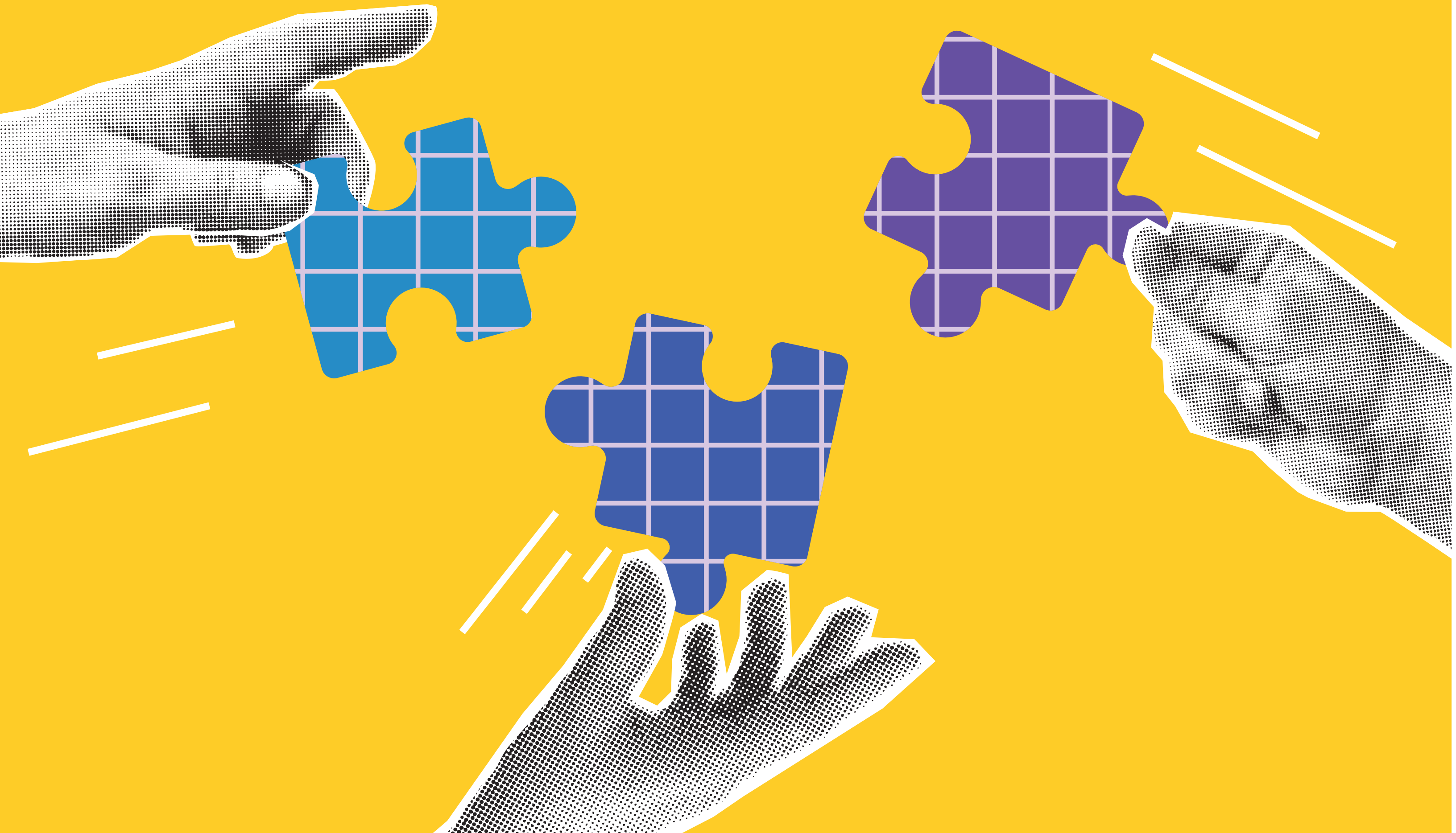
Nicolette Cohen is an attorney in Buchalter's Commercial Finance and Leveraged ESOP Finance Practice Groups in Los Angeles. Ms. Cohen is active in Buchalter's commercial lending practice. She represents financial institutions, sponsors, as well as private companies in connection with negotiating, structuring and documenting a range of financing transactions. The transactions include senior-secured, asset-based, syndicated, cash-flow, cross-border, and acquisition financing. Ms. Cohen also works on financing secured by real property.

FEATURE STORY

Private Credit and ABL Partnerships Meet Middle-Market Challenges

BY MICHELE OCEJO

In this roundtable, executives share distinct perspectives on how asset-based lending and private credit intersect — revealing strategies that help strong businesses access capital, adapt to challenges, and continue moving forward.



Interest rates remain high, tariffs are muddying planning cycles, and many mid-market companies still carry capital structures built for a very different cost of capital. We asked a roundtable of secured finance leaders for their perspectives on the middle market. Arif Bhalwani, CEO of Third Eye Capital, Brad Kastner, managing director at MidCap Financial, and Aaron Peck, co-head of Alternative Credit Solutions at Monroe Capital each view the landscape through a unique lens. Together, they reveal how asset-based lending and private credit can work together to keep good businesses moving forward.

Where the Market Stands

Mid-size businesses find themselves caught in several major challenges and economic shifts that are difficult to resolve through traditional financial solutions. Many operate under levels of debt that made sense before 2022, but greatly hinder their ability to grow and adapt in a higher rate environment.

Meanwhile, regulatory constraints and the risk-averse nature of banks mean that middle-market businesses struggle to find solutions from institutions that shy away from complexity. These businesses do have valuable assets as potential collateral. But patent portfolios, litigation receivables, fiber networks, or music catalogues are not easy for banks to work with.

In other words, the stage is set for private markets to fill the vacuum.

"We're in one of the most attractive environments for private credit that I've seen in over two decades," said Bhalwani. Elevated rates, he said, have "exposed the structural fragility of balance sheets" for many companies bought during the last LBO cycle. In Canada, a concentrated banking system and strict capital rules have left even fewer options for borrowers in transition.

Kastner points to a broadening of the market. "Until recently, the perception of private credit consisted of more traditional leveraged finance – cash flow loans supporting private equity buyouts. Over the past 12 years, large asset managers have invested in ABL platforms, many of which have scaled, creating today's private credit ABL landscape."

Peck's asset-backed finance team focuses on what he calls "more esoteric" collateral, from litigation finance portfolios to data center infrastructure. "These aren't rinse-and-repeat structures. They're very tailored." To deliver returns to investors and allow these middle-market businesses to meet their goals, financing these assets requires deep relationships and specialized knowledge.

Partnerships in Practice

Bhalwani sees private credit partnerships as natural complements to ABL, which "underwrites what is, not what could be." Private credit is the bridge between the ABL's liquidity function and the borrower's broader transformation needs. It can fund operational turnarounds, support ownership changes, or cover temporary cash burn.

In one post-COVID recapitalization, Bhalwani partnered with a bank that took the revolver while Third Eye provided a senior stretch term loan against oilfield equipment, plus a performance-based equity kicker. "Within 90 days we cut SG&A by 20 percent, brought in new customers, and optimized pricing. We doubled EBITDA in 14 months."

Kastner says private credit ABL now includes ABL stretch facilities that go beyond the asset coverage and lend into enterprise value. "We can provide a revolver plus a stretch term loan but can also collaborate with private credit term providers. We can provide a revolver as part of a split lien structure, or a priority revolver, where the private credit ABL shares the same lien package as the term lender but gets paid first in the waterfall."

For Kastner, the most effective partnerships address patterns and nuances around the Company's cash flow. "Some companies have certain attributes that make traditional cash flow lending a poor fit but still may require additional proceeds beyond the asset base. Companies who are restructuring a cash flow capital structure, have seasonal working capital structures, or are being acquired off an EBITDA with significant adjustments, can benefit from a more flexible ABL or ABL plus term loan.

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FEATURE STORY

Risk and Creativity

For Peck, private credit and ABL unlock the ability to "play in the seams" where banks aren't active - or to work as a complementary solution supporting a bank. Monroe Capital often works with banks when the borrower's needs exceed the bank's risk limits. In some of these instances, Peck said, Monroe structures the deal so the bank takes the safer senior position while Monroe provides the additional capital, using formats like A note/B note, first out/last out, or back leverage. In other times, Monroe holds the entire stretch senior tranche.

The goal is to give the borrower full funding without pushing the bank beyond its comfort zone, while keeping both lenders aligned on monitoring and problem-solving so the relationship stays collaborative rather than adversarial.

In any event, these partnerships rely on a clear view of risk and a willingness to embrace creativity. It is important for private credit providers to think like owners, not just lenders, Bhalwani said.

Bhalwani's risk checklist starts with "durability of the collateral base, real-time access to reporting, and strong intercreditor protections." He also wants cure rights and the ability to buy out the ABL if needed.

Kastner zeroes in on asset quality. "If the working capital assets are liquid and predictable, the lien package becomes less critical; however, we can be much more creative and flexible with a full lien package."

The goal is to give the borrower full funding without pushing the bank beyond its comfort zone, while keeping both lenders aligned on monitoring and problem-solving so the relationship stays collaborative rather than adversarial.

Looking Ahead

Bhalwani expects deleveraging to continue, keeping opportunities open for lenders who can work through complexity. Kastner anticipates demand from borrowers with irregular working capital cycles.

Peck is watching the impacts of tariffs, AI-related capital demand, and commercial real estate refinancing needs. "In real estate credit, sooner or later, some banks will start pulling the rip cord," he says. "That, we believe, will create refinancing opportunities beyond the current risk tolerance of most banks." Additionally, Peck expects there to be continued capital demand related to the proliferation of artificial intelligence. "We are seeing significant demand for capital to finance projects related to the massive growth in AI. From financing data centers and the hardware associated with AI, to the massive demand for power, asset-backed finance opportunities abound."

Private market leaders see major opportunities to collaborate to solve middle-market challenges. The middle-market accounts for more than 30% of all private jobs. Volatility, trade instability, and higher-for-longer interest rates make it harder for these businesses to receive funding and liquidity from traditional sources. Private credit and ABL partnerships create a runway for this crucial sector to continue to adapt and grow.

Michele Ocejo is SFNet director of communications and editor-in-chief of The Secured Lender.

Scan the QR Code to Explore SFNet Membership Benefits for Private Credit

SUPPLY CHAIN INSIGHTS

TRENDS IN SECURED FINANCE

Supply Chain and Inventory Financing In Challenging Times

BY TAMMY KEMP

Facing economic uncertainty and ongoing tariff changes, lenders and importers must rely on tried-and-true lending practices and expert guidance to navigate risk. This article explores the critical role of specialist lenders and supply chain experts in today's challenging environment, offering practical strategies and real-world insights to help businesses safeguard profitability and strengthen client relationships. Discover why informed, collaborative approaches are essential now more than ever.

There is nothing like turbulence and challenging economic conditions to remind us there is a reason why good old-fashioned, tried and true lending practices are just that, tried and true..

The current tariff environment, like past challenging economic times, offers a reminder that there are specialist lenders, experts in specific product offerings, for good reasons, and that there is no substitute for staying close to your client's business, understanding collateral values and staying within established lending margins.

The panelists on the recent SFNet webinar, Supply Chain and Inventory Financing in Turbulent Times, which focused on these themes, provided insights into why there really aren't viable alternatives to this approach.

This article will delve more deeply into a couple of the topics discussed during the webinar. Most notably, the value of dealing with subject matter experts, whether it is by partnering with a purchase order-funding specialist or supply chain experts such as customs brokers. From the perspective of a lender, or finding assistance for your client, these experts can provide insights that might prove to be critical in making the right decisions.

During challenging times, as lenders, we may be tempted to provide bulge facilities to aid our clients, often stretching into collateral we may be less familiar with. Whether we do this to retain the client relationship, in the face of competition, or simply because they have been a long-term client and we are seeking to be flexible and helpful, we have all been there, diving headlong into an additional funding position with good intentions, but less-than-perfect knowledge.

Purchase order financing specialists provide value to factors and asset-based lenders by enhancing client relationships, mitigating risk for both the lender and its client.

The current environment demands expert knowledge to mitigate risk and enhance returns.

Purchase order financing professionals, and their trusted vendor partners, provide expert insight into key areas of risk, particularly as importers are seeking alternative suppliers and are focused on obtaining products at the lowest possible cost.

Jennifer Draffkorn, SVP, portfolio manager at Rosenthal Capital Group, highlighted the risks that importers are facing as they seek to source alternative suppliers:

TAMMY KEMP
The Garrington Group

"In the current importing environment, vendor loyalty is struggling. Most customers are resourcing internationally or reshoring stateside (in a limited capacity) so I am seeing many new vendor relationships. A purchase order lender can help support these new vendor relationships when no open terms are given to the customer by offering payment mechanisms, which are typically a letter of credit issued prior to or during a production run, bank-to-bank collection payment once goods are on the water, or a wire payment direct from the lender to the supplier also requiring on the water documentation. It takes time to build a vendor-customer relationship and having a source of supply chain financing in place gives the customer negotiating strength when communicating with a new supplier.

"I am seeing many new suppliers requesting significant prepayment deposits and most lenders will not send cash payments internationally for pre-production deposits, so I am seeing an uptick in requests for letter of credit guarantees from suppliers. Many countries that customers are moving to for resourcing have stricter banking regulations, so open terms are not readily available. Countries benefiting from reshoring are facing challenges such as cost and availability of capital, skilled labor shortages, international competition, and lack of production facilities and/or production facilities that lack capacity compared with China production capabilities.

"I am seeing many customers resourcing to new suppliers located in countries other than China/Hong Kong and, by doing this, they are now fighting for production line space since they do not have any loyalty built up with this supplier, which has led to increased purchase pricing. I have also been seeing China suppliers attempting to retain their customers by taking production requests and bidding them out to factories in other countries for the production to be completed, which is causing pricing wars as a China supplier can bring a larger 'book of production orders' to a new supplier and 'win' the pricing war and production line running time vs. a single company trying to navigate moving their sourcing to a new factory in a new country."

Clients may have spent years cultivating supplier relationships, depending upon historical pricing and product quality when planning seasonal orders. Disruption goes beyond simply increased pricing. Importers, absent the support of experts like Draffkorn, are scrambling to locate alternative suppliers, facing competition of many other buyers seeking to do the same, and are at risk of poor quality or lost deposits from unscrupulous suppliers.

Factors, asset-based lenders and their clients simply don't know what they don't know in this changed environment. The risks in simply providing a short-term overadvance or bulge facility to accommodate a change in payment terms could put clients at risk beyond lower gross margins.

Draffkorn further highlights some of the challenges related to payment and tariff uncertainty risks:

"What I am seeing is a shift in Incoterms away from FOB China to either LDP or DDP U.S. point of delivery. With logistics costs increasing and additional tariff insecurity, it is more important now than ever to minimize both expenses and shipment delays. One way I am seeing this done by our customers is to switch Incoterms and shift the importing costs of freight, customs clearance, duties and additional tariffs away from the importer/customer to be the responsibility of the supplier, and a number of suppliers are agreeing to this switch, especially suppliers out of China."

LDP* or Landed Duty Paid – refers to all export and import costs to the U.S. port of arrival that are paid by the supplier.

DDP or Delivered Duty Paid – refers to the same terms as LDP, but additionally the supplier is responsible for stateside delivery charges to your named point of delivery. In a DDP shipment, the sales price reflected on a Commercial Invoice will have these costs included, so the customer is likely paying more per unit than they would for an FOB China shipment. This is important because if the supplier puts the goods on the water under DDP terms, but does not execute on their back-end clearance and duty/tariff payment responsibilities, the responsibility for payment of these charges falls to the customer, if the customer still wants to receive these goods. So, effectively, the customer and/or lender could find themselves paying for these amounts twice.

Risks the customer should be aware of: (1) the supplier must be setup as an Importer of Record in the U.S., (2) the supplier should have a capable office or agent representative in the states to handle the U.S. customs entry along with paying for the ocean or air freight charges, and handle coverage for risk of loss of the goods in-transit (insurance). If the suppler in a DDP terms sale does not have a capable office or agent stateside to handle these tasks, buyers may find themselves facing tariff bills, unexpected shipment delays, possible hold of goods/detention and various other problems.

To effectively use DDP terms, payment to the supplier should never be completed until the goods have cleared customs stateside, verification of supplier payment of all logistics and U.S. customs charges is completed, and the goods have been delivered to the named point of delivery.

As a purchase order financing expert, Draffcorn has cultivated close partnerships with key suppliers including customs brokers. These relationships add to the expertise that she and her team bring to client relationships.

Sal Stile, president and chairman of Alba Wheels Up International LLC, provides a wealth of knowledge to stakeholders in the supply chain financing process, specifically promoting knowledge as the key to reducing ancillary costs in clearing goods in a timely manner and understanding the changing cost environment.

Stile highlights a couple of key items that he believes are critical for lenders and importers to be aware of.

"There is a heightened focus on paperwork and really understanding what is happening with shipments. Importers need to know the status of the product. Is it on the dock? Is it on the ship? Has the ship sailed? We have developed enhanced tracking

During volatile periods, there appears to be no real substitute for vigilance as a risk mitigation strategy. Lenders need to stay abreast of the changing tariff environment, emphasize the value of a close and transparent relationship with your client and embrace flexibility, practicality and patience when it comes to evaluating the changing environment.

software that takes in data directly from third-party sources. It is focused on traceability, where the vessel is as well as the status of the goods via GPS tracking. This way, clients, lenders and vendors can plan and avoid delays and additional costs. We also provide forecasting tools for clients to help them forecast what new tariffs will costs them. As changes are being implemented, they are entered into our software in real time and updates are provided to stakeholders across the network."

As lenders and factors, we trust that knowledge mitigates risk; the more we know about our client, their business, the collateral, the better we can identify and limit the areas of risk. Bringing in a purchase order financing expert in challenging times is prudent risk management for you and your client.

This sort of teamwork approach benefits all parties and can also be applied when thinking about how to value the inventory when it lands and enters your borrowing base.

The increased costs associated with the tariffs, the ability to access production time and concerns about how long this may last have impacted importer behavior. Some importers have chosen to bring in goods earlier and hold higher inventory volumes as a means of smoothing out what has been and may continue to be a bumpy ride. As lenders, this may mean that borrowing bases are stretched, and uncertainty concerning the longer-term value of this inventory.

The volatility as trade deals are finalized may ultimately result in lower tariffs, providing an advantage to importers who are able to continue to bring in product on a "just in time or timely basis."

Further, since 2020, we have seen increased consumer price sensitivity. Importers are realizing that there is a point at which consumers will simply forgo the purchase in light of the rising prices. There is a limit on how much of the increased costs importers can pass along. Gross margins will be impacted, which is ultimately a challenge for asset-based lenders.

Utilizing expert appraisers to evaluate the impact of changing trends on specific inventory and remaining vigilant, but ultimately flexible, in applying lending margins is key. This approach, along with, where possible, creating room in borrowing bases to withstand impacts is a strong risk mitigation plan.

We asked Jason Rae, director of business development, Tiger Capital Group, to provide some insight into how they are adapting their appraisal methodology and what advice they are providing to lenders.

"The scope of the appraisal has not changed, but in many instances, the cadence with which lenders are looking to monitor their collateral, particularly in instances where the borrower has significant tariff exposure, has increased. Tiger offers a subscription appraisal that many lenders have adopted in this environment as it affords them with consistent, ongoing, real-time, collateral monitoring.

"It remains to be seen how effective operators will be in mitigating the impact of these tariffs on their business and, ultimately, profitability. Many theorize that there is a path forward through a combination of passing them along to consumers and compelling vendors to share the burden. Certainly, market position and the scale of operation will be important factors in determining how successful those initiatives ultimately are. That said, it's likely that many operators will experience a contraction of both revenue and gross margin."

During volatile periods, there appears to be no real substitute for vigilance as a risk mitigation strategy. Lenders need to stay abreast of the changing tariff environment, emphasize the value of a close and transparent relationship with your client and embrace flexibility, practicality and patience when it comes to evaluating the changing environment.

How long this volatility lasts from a tariff perspective remains unclear. We do know that the impacts will continue to be felt for some time. It is hard to imagine that vendor and importer relationships will return to "normal." Lenders and clients will feel a lasting impact on gross margins, profitability, and, ultimately, business resiliency.

Relying on good lending practices, leaning on partnerships and providing meaningful guidance and support to clients is what we do in challenging times.

Tammy Kemp is chief credit officer and executive vice president, The Garrington Group. Tammy Kemp joined Garrington in 2016. As Chief Credit Officer, Tammy is responsible for the global credit and risk strategy within the overall group. She and her team are responsible for all aspects of portfolio management. Tammy is a member of all of the firm's Investment Committees.

With 30 years of experience in trade finance, asset-based lending, specialty finance and distressed lending in mid-market commercial lending throughout North America. Working exclusively for entrepreneurial alternative lenders, Tammy has strategically grown portfolios by focusing on curated client centric service balanced with robust risk management delivered by empowered and effective teams. Tammy has led client restructurings, underwritten and managed large debtor-in-possession financings both in Canada and the U.S.

Tammy has held various board positions within industry organizations including SFNet (Education Committee), IWIRC (Director) and SFNet Canada (Vice President).

*This is no longer an active Incoterm, but it is still in use with the understanding it means supplier is responsible to pay all costs to get the goods to the US port.

■ SFNET MEMBER PROFILE

Strategic and Flexible:
How Western Alliance's Asset-Based Lending Group Stands Out

BY EILEEN WUBBE

Western Alliance provides a comprehensive range of commercial banking solutions and consumer products, emphasizing personalized service and fostering strong relationships with clients and their businesses.

VICTOR LE
Western Alliance Bank

A Personalized Approach

Western Alliance Bank has frequently earned significant accolades, recently including being ranked as a top U.S. bank in 2024 by American Banker and Bank Director, and securing #1 rankings on Extel's All-America Executive Team Midcap 2024 for Best CEO, Best CFO, and Best Company Board of Directors.

Western Alliance Bank's Asset-Based Lending (ABL) Group is led by Victor Le, a seasoned professional with nearly 25 years of experience in lending, with previous positions held at Union Bank of California and Silicon Valley Bank. In his position, Le oversees new business underwriting and relationship management for the bank's ABL Group, which has offices in key markets serving clients nationwide.

The ABL Group specializes in lending* on accounts receivable, inventory, real estate, and more, with loan amounts ranging from $5 million to $200 million. These commitments are designed to meet financial needs such as working capital, acquisitions, management buyouts, recapitalizations, and more.

The group has a strong focus in the Food, Agriculture and Beverage (FAB), Aerospace and Defense (A&D), and Technology and Innovation sectors, leveraging its industry expertise to create customized lending options. This includes unique financial structures for assets such as crops in the ground, in-transit inventory on barges, and other commodities characterized by distinctive inventory traits.

Notably, the group has recently achieved several substantial loan commitments, demonstrating its expertise and reach within key sectors. These commitments support a leading global company specializing in agricultural products, alongside significant

Secured Finance Network

Knowledge Is Power

THE INDUSTRY CHANGES FAST. THE TSL EXPRESS SECURED FINANCE DEAL TABLE HELPS YOU KEEP PACE

Date	Lender/Participant	Type	Amount	Borrower	Industry	Structure
7/22/2024	**Wingspire Capital**, Agent	Non-bank	$110.0M	Phillips Pet Food & Supplies, which carries one of the nation's largest selections of pet food and treat brands including labels such as Nestle Purina, Diamond, Fromm, Tuffy's, Mars, Wellness, Canidae and Natural Balance, Easton, PA	Other	Senior Secured Revolving Credit Facility
7/22/2024	**Stonebriar Commercial Finance**, Lender	Non-bank	$25.0M	Major regional lumber company	Other	Secured Term Loan
7/22/2024	**Great Rock Capital**, Lender	Non-bank	$25.0M	Phillips Pet Food & Supplies	Other	Liquidity Through a Senior Secured Credit Facility
7/18/2024	**First Citizens Bank**, Lender	Bank	$24.0M	To finance the acquisition of a post-acute medical rehabilitation hospital in Tulsa, OK	Healthcare	Financing
7/18/2024	**CoVenture**, Lender	Non-bank	$50.0M	TruckSmarter, a digital platform designed to assist owner-operators and trucking companies in optimizing their operations	Trucking	Debt Facility
7/17/2024	**Flatbay Capital**, Lender	Non-bank	$1.0M	Midstream manufacturing and service company	Manufacturing	CRE Loan
7/17/2024	**SLR Healthcare ABL**, Lender	Non-bank	$7.5M	A chronic care physician services and technology company	Technology	Asset-Based Revolving Credit Facility

The Secured Finance Deal Table offers:

- Comprehensive, interactive information that is fully sortable and downloadable
- Detailed ABL, factoring and other senior secured transaction data on over 3400 deals, updated daily
- Specifics including deal terms, structure, borrowers, industry, interest rates, contact information, and more

Join the ranks of industry leaders who trust the TSL Express Secured Finance Deal Table to navigate the complexities of secured finance.

backing for a global produce wholesaler. Most recently, the group has become the banking partner for a domestic leader providing aviation parts and logistics services, further demonstrating its capacity to deliver tailored financial solutions across the FAB and A&D industries.

"Our ability to provide customized solutions stems from our deep understanding of various asset classes," said Victor Le. "Our strategic yet flexible approach to the lending formula sets us apart as we strive to provide clients with the right working capital liquidity."

A key differentiator for Western Alliance Bank's approach to secured finance, Le said, is its flat organizational structure. Clients always work with a dedicated relationship manager that knows them and their business, allowing for streamlined underwriting and market responses. Additionally, clients have access to senior management.

"The team at Western Alliance has the acumen and authority to make prudent lending decisions quickly in an ever-changing environment – with the power to cut through the red tape. Respecting people's time is crucial," said Le. "Maintaining a flat and agile structure enables us to respond to both clients and prospects more efficiently." This underscores the bank's primary focus on relationship-based client service through personalized attention.

Western Alliance's ABL Group serves clients across various sectors and industry verticals, including wholesale and distribution, software, technology, hardware, manufacturing and others. As of late, the Bank has taken clear notice of the significant growth in the FAB industries, as well as A&D, two groups under the commercial and industrial arm of the Bank. In response, Western Alliance has strategically brought on experienced leaders dedicated to serving and understanding the unique needs of these expanding sectors. This focus exemplifies how Western Alliance's service structure and depth of expertise can offer the right solutions for clients at any given time, in any economic cycle.

Today's Landscape and Tomorrow's Path

Western Alliance's ABL Group had a strong performance in 2024, closing numerous deals across various industries, including aerospace, food, bioscience, and more. Highlights include three completed deals exceeding $75 million, one of which was a $212 million ABL revolver.

"The team worked diligently to secure the necessary capital for clients in 2024," commented Le. "While reflecting on our achievements is gratifying, we are focused on 2025 and beyond." The group's goal remains consistent: to continue supporting clients and their businesses with customized solutions and white-glove service. Rapid growth, seasonality, and other unique challenges drive clients to seek capital through ABL, and they turn to Western Alliance because the Bank has earned their trust through open communication, successful solution implementation, and commitment to invest in relationships.

In recent years, the Bank has observed significant growth in the lending space, with new entrants such as private equity, hedge funds, investment banks, and asset managers. "The influx of new entrants has positively impacted the industry," said Le. "Clients now have a variety of options and can seek partners that understand and meet their needs, regardless of industry or size." However, a crucial factor, often overlooked, is the range of services, long track record, and desire to create deep relationships through all economic cycles that a bank lender can provide.

Western Alliance Bank stands out by offering expert, industry-specific knowledge, personalized service, responsive decision-making and innovative solutions. Clients benefit from a strong commitment to relationships, entrepreneurial spirit and direct access to senior leadership ensuring robust support tailored to their business needs. "Building deep relationships and creating the right solutions will always be at the forefront of our strategy," said Le. "We take the time to understand each business, drawing on our broad range of services to ensure clients have access to financing that truly fits their needs." Le continued, "Western Alliance is characterized by knowledgeable teams and diverse products that allow us to provide the liquidity and capital our clients need under a better structure."

The Bottom Line

Ultimately, Western Alliance's Asset-Based Lending Group is dedicated to client-oriented solutions and deep relationship building. The Bank is committed to understanding clients' businesses and ensuring they are equipped with the capital and support needed to navigate any economic environment. Providing the service and attention of a local bank while leveraging national capabilities will always be an integral characteristic of the Bank.

"It has always been about earning the trust of our clients through good work," said Le. "The market is dynamic, and we must adapt to ensure clients get what they need. With our experienced team, we are always ready to ensure your business has what it needs to face the challenges of today and opportunities of tomorrow."

Western Alliance Bancorporation is a prominent bank holding company headquartered in Phoenix, Arizona. Since its founding in 1994, it has grown into one of the largest banks in the United States, boasting over $85 billion in assets.

* *All offers of credit are subject to credit approval, satisfactory legal documentation, and regulatory compliance. Borrowers are responsible for customary fees associated with asset-based lines of credit which may include but are not limited to facility fees, field audit fees, appraisal fees, and legal expenses.*

Eileen Wubbe is senior editor of The Secured Lender magazine.


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