

LOAN MARKET ASSOCIATION (LMA)

The Loan Market Association (LMA) is Europe's trade association for the syndicated loan markets. Its core activities are:

- (1) Provision of recommended documentation for both primary and secondary syndicated loan markets;**
- (2) Establishing market practice;**
- (3) A wide range of education and training events throughout Europe and the Middle East;**
- (4) Collective lobbying; and**
- (5) Networking opportunities.**

The LMA's office is located in London but the Association is active throughout the Euroloan region. Events are held in major Western European financial centres, Central and Eastern Europe, Skandinavia and the Middle East.

The LMA was established in 1996. It has a corporate membership of over 400 members comprising banks, institutional investors, law firms, rating agencies and system providers, all actively engaged in the international syndicated loan markets.

ADVANTAGES

- More efficient execution of primary and secondary loan business
- Increased liquidity in both primary and secondary loan markets
- Ability to manage loan portfolios more efficiently and effectively
- Reduced costs by virtue of a collective approach to issues
- Timely exchange of views and circulation of topical information
- Dedicated website for accessing recommended form documents
- Education and training courses for members
- Opportunity to participate in addressing issues and solving problems

COMMITTEE STRUCTURE

- **Agency** - members are loan agency practitioners. The committee aims to address issues that may impact on agency departments and to recommend best practice.
- **Distressed Debt** - the committee is made up of market practitioners and lawyers and reviews existing LMA documentation to ensure its ongoing applicability as well as considering recommended best practice.
- **Documentation** - the committee is made up of market practitioners and lawyers actively involved in developing new primary market documents and revising existing ones for changes in law, regulation and market practices.
- **Loan Operations** - the aim of the committee is to identify the market's key requirements relating to automating aspects of the settlement/loan operation processes.
- **Par Trading Practices** - members are secondary par loan market participants and the committee focuses on addressing the issues faced by that market, such as documentation and best practice.
- **Tax** - the committee identifies and tackles problems faced by syndicated loan practitioners throughout the Eurozone and reviews LMA documentation for tax issues.

In addition, the Board and committees establish Working Parties to address specific issues and projects.

FAQ's

1. What are the criteria for membership?

There are two types of membership: Full and Associate. Full members must be financial institutions and are likely to be loan arrangers, traders and other active participants in the loan market. Associate members are likely to be rating agencies, law firms, accountancy firms, smaller financial institutions and other professionals with an interest in the market. Membership is not open to individuals. For details regarding

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subscription costs and benefits of membership, please look at 'Subscriptions' or call us on +44 (0) 20 7006 6007.

2. My firm is interested in becoming a member but it's now the middle of the year. Are subscription fees pro-rata ?

No. Membership lasts from 1 January to 31 December of each year and the full year's subscription fee must be paid whenever your institution joins. If you are still interested in becoming a member but you would rather wait until the start of the following year, we will be happy to take a note of your details and send out some documentation closer to the end of the year.

3. Is the LMA documentation available for purchase by non-members?

The LMA Primary Market documents are available for sale to academic/training organisations. For more information on this contact lma@lma.eu.com. Otherwise LMA documents are available to members only.

4. What is the LMA's connection with Clifford Chance?

Clifford Chance is a member of the LMA and acts as the LMA's legal counsel. The LMA has its office located in the Clifford Chance building, but is an independent UK registered company.

RECOMMENDED DOCUMENTS

There are fourteen sub-headings under the Documentation area of the web site - available to members only. The following is a list of all the documents published by the Loan Market Association.

Documents are available for downloading to Members only within the Members Area

These Materials (which term includes, where the context permits, text, content, spreadsheets incorporating macros and electronic interfaces, and their underlying assumptions, conversions, formulae, algorithms, calculations and other mathematical and financial techniques) are made available to members of the Loan Market Association to facilitate the documentation of transactions in the loan markets. None of the Loan Market Association, Allen & Overy or Clifford Chance accept any responsibility for any use to which these Materials may be put or for any loss, damage or liability whatsoever arising from such use. None of the Loan Market Association, Allen & Overy or Clifford Chance has reviewed the laws of any jurisdiction which may apply to either party to an agreement using these Materials and its subject matter. Members should therefore consider all the relevant legal, accounting and regulatory issues before using these Materials or entering into a transaction under them and, if appropriate, consult their professional advisers.

In relation to recommended form documents, members are responsible for ensuring that the precise form and content of the documentation for a particular transaction is appropriate. Members should therefore satisfy themselves that the documents and any modifications to them are appropriate in the circumstances and the economic intentions of the parties.

The recommended form of syndicated facility agreements, the optional wording to be inserted into the Facility Agreements and the Syndication and Amendment Agreement, which are located within documents "Primary (Investment Grade)", have been produced with the involvement of The Association of Corporate Treasurers and the British Bankers' Association (neither of which accepts any responsibility for any use to which these documents may be put or for any loss, damage or liability whatsoever arising from such use). Neither The Association of Corporate Treasurers nor the British Bankers' Association has been involved in the development of any of the other standard forms.

The Loan Market Association consents to the use, reproduction and transmission of these Materials by members of the Loan Market Association only for the preparation and documentation of agreements relating to transactions or potential transactions in the loan markets. The Loan Market Association does not consent to the use, reproduction or transmission of these Materials for any other purpose, in any other manner or by any other person and expressly reserves all other rights.

In relation to the use of the Breakfunding Calculator (the "Calculator") whilst the Loan Market Association has taken reasonable skill and care to ensure that, when used correctly, the Calculator produces accurate guidance as to breakfunding costs, the Loan Market Association makes no representation or guarantee that information obtained from use of the Calculator will be complete, accurate or reliable. Results are provided without any warranty of any kind, express or implied. The proper working of the Calculator is reliant upon the correct input by users of information into all fields necessary to produce results. Failure by a user to input information fully and correctly is likely to lead to incorrect or misleading results produced by the Calculator, for which the Loan Market Association will not be responsible.

LMA DEVELOPMENT

June 2008 - **First conference and training programme in Moscow**

- **April 2008** - First documentation training programme in New York
- **October 2007** - Loan Operations Committee established
- **September 2007** - German Law investment grade facility agreement launched
- **April 2007** - First New York Conference
- **March 2007** - Islamic Finance Users Guide launched
- **November 2006** - 10th anniversary of LMA formation
- **November 2006** - Training extended to the Middle East market
- **October 2006** - Financial Covenants definitions published
- **March 2006** - Training on LMA distressed trading documents introduced
- **November 2005** - Training on LMA par trading documents introduced
- **October 2005** - Revised LMA distressed debt documents launched
- **May 2005** - First LMA Certificate Course
- **January 2005** - Training on LMA leveraged document introduced
- **September 2004** - LMA seminars extended to European locations
- **April 2004** - Agency Committee established
- **January 2004** - Leveraged loan primary document launched
- **October 2003** - Training on LMA investment grade documents introduced
- **July 2003** - Membership exceeds 200
- **May 2003** - Mark-to-Market service for members launched
- **July 2002** - French law/English language primary document launched
- **April 2002** - Institutional Investor Committee established
- **January 2002** - Web-based Breakfunding Calculator launched
- **June 2001** - Guidelines on loan transferability issued
- **February 2001** - Web-based Loan Pricing Calculator launched
- **November 2000** - Lobbying: UK Treasury announces intention to amend regulations on interest payments to corporates
- **March 2000** - Lobbying: UK Treasury allows interest relief on ratchet loans
- **November 1999** - Investment Grade Primary Syndicated Loan Document launched
- **June 1999** - First LMA Conference (Frankfurt)
- **March 1999** - Distressed Debt Trading Documents launched
- **June 1998** - Membership exceeds 100
- **September 1997** - Secondary Trading Documents (Par/Near Par) introduced
- **November 1996** - Loan Market Association formed with seven original members

LMA DOCUMENTATION

Primary (Investment Grade)

LMA Multicurrency Revolving Facility Agreement

LMA Single Currency Term and Revolving Facilities Agreement

LMA Single Currency Term Facility Agreement

LMA Letter of Credit Option

LMA Mandate Letter - Underwritten

LMA Mandate Letter - Best Efforts

LMA Front Running Letter of Undertaking

Users Guide to Investment Grade Primary documentation

LMA Syndication and Amendment Agreement

LMA Single Currency Revolving Facility Agreement

LMA Recommended Mandatory Costs

LMA Syndicate Member Commitment Letter for Primary Syndication - for initial commitment without approval of documentation

LMA Syndicate Member Commitment Letter For Primary Syndication - for final commitment with approval of documentation

Explanatory Memo Relating To Mandate Letters, Commitment Letters, Front Running Letters, Syndication Closing Timeline & Syndication Decision Charts

Syndication Closing Timeline

Syndication Decision Chart - Unsuccessful Syndication

Syndication Decision Chart - Successful Syndication

LMA Confidentiality and Front Running Letter for Primary Syndication

LMA Multicurrency Term and Revolving Facilities Agreement

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LMA Multicurrency term Facility Agreement

LMA US Dollar Swingline Option

LMA Euro Swingline Option

LMA Term Sheet

LMA Front Running Letter of Undertaking Users Guide

Primary (Leveraged)

Explanatory Memo on 2008 revisions to leveraged documents

Users Guide to Form of Facility Agreement for Leveraged Finance Transactions

Leveraged Term Sheet

Rider permitting disclosure to numbering service providers and administration/settlement service providers

LMA Confidentiality and Front Running Letter for Primary Syndication

LMA Front Running Letter of Undertaking

Form of letter re permission to disclose information to numbering service providers and administration/settlement service providers

Senior Multicurrency Term and Revolving Facilities Agreement

LMA Recommended Mandatory Costs

LMA Mandate Letter - Underwritten

LMA Mandate Letter - Best Efforts

LMA Syndicate Member Commitment Letter For Primary Syndication - for final commitment with approval of documentation

LMA Syndicate Member Commitment Letter for Primary Syndication - for initial commitment without approval of documentation

Syndication Closing Timeline

Syndication Decision Chart - Unsuccessful Syndication

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Syndication Decision Chart - Successful Syndication

Explanatory Memo Relating To Mandate Letters, Commitment Letters, Front Running Letters, Syndication Closing Timeline & Syndication Decision Charts

Financial Covenants Provisions

Financial Covenants Provisions Users Guide

LMA Front Running Letter of Undertaking Users Guide

Sec Debt Trading (Par)

Explanatory Memo on the 2008 revisions to the LMA Confidentiality Letters

LMA Master Funded Participation Agreement (Par)

LMA Master Risk Participation Agreement (Par)

LMA Transfer Agreement (Par)

LMA Confidentiality Letter (Seller)

LMA Confidentiality Letter (Purchaser)

LMA Master Confidentiality Undertaking

LMA Settlement Letter

Users Guide to Secondary Debt Trading (Par)

LMA Grantor Credit Risk Paper

LMA Standard Terms and Conditions for Par Trade Transactions

LMA Termination and Transfer Agreement (Novation) (Par)

LMA Transfer Certificate (Par)

Confidentiality Letter (Seller's Agent/Broker)

Confidentiality Letter (Purchaser's Agent/Broker)

LMA Funded Participation (Par)

Loan Market Association

LMA Risk Participation (Par)

LMA Master Confidentiality Undertaking for use with Administration/Settlement Services Providers

LMA Trade Confirmation (Par)

LMA Funded/Risk Participation (Par)

LMA Risk to Funded Participation

LMA Assignment (Par)

LMA Optional Clause (Call Option)

LMA Optional Clause (Put Option)

Users Guide to Settlement Letter for Par Trades

Schedule/Breakfunding Calculator for use with Settlement Letter for Par Trades

Code of Practice

Consultation Panel Guidelines

Glossary of Terms for Transfers of Interests in Loans

Sec Debt Trading (Distressed)

Termination and Transfer Agreement (Novation) (Distressed)

LMA Standard Terms and Conditions (bank debt/claims)

LMA Funded Participation (Distressed)

LMA Assignment (distressed bank debt)

Users Guide to LMA Distressed Debt documentation

LMA Assignment (distressed/claims)

LMA Transfer Agreement (distressed)

Memo explaining latest revisions to documentation

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LMA Trade Confirmation (distressed/bank debt)

LMA Standard Terms and Conditions (bank debt/claims)

Standard Representations and Warranties (bank debt/original lender of record)

Standard Representations and Warranties (bank debt/secondary lender)

LMA Standard Representations and Warranties (claims/original holder)

LMA Standard Representations and Warranties for Distressed Debt Trade Transactions (claims/secondary holder)

Mandatory Costs

LMA Mandatory Costs - A Recommendation (Update)

Grey Market

LMA Confidentiality and Front Running Letter for Primary Syndication

LMA Front Running Letter of Undertaking

LMA Front Running Letter of Undertaking Users Guide

French Law Primary

LMA Multicurrency Term and Revolving Facilities Agreement

User Guide to Multicurrency Term and Revolving Facilities Agreement

LMA Multicurrency Term and Revolving Facilities Agreement (French Translation)

German Law Primary

Multicurrency Term and Revolving Facility Agreement

Users Guide

Islamic Finance Users Guide

Users Guide to Islamic Finance Documents

Glossary of Terms

Glossary of Terms for Transfers of Interests in Loans

Non-Public Information Papers

Private and Inside Information in the Loan Market

Joint Trade Associations paper on Non-Public Information

Dealing with confidential and price sensitive information

JMPF European Supplement

US JMPF Paper Oct 2003

Competition Law Papers

Key competition law areas of awareness

Coordination Committee Letters

Form of Letter to Parent governing appointment of Coordinator and Coordinating Committee

Form of Letter to Lenders governing the appointment of Coordinator and Coordinating Committee

LMA guidance notes on role of coordinator and coordinating committee

Mark-Ups

Mark up of German law Multicurrency Term and Revolving Facility Agreement

Mark up of French Law LMA Multicurrency Term and Revolving Facilities Agreement

Mark up of French Law LMA Multicurrency Term and Revolving Facilities Agreement (French Translation)

Mark-up of Mandatory Costs Recommendation

Leveraged Facilities Agreement

Users Guide to the LMA form of Leveraged Facilities Agreement

Financial Covenants Provisions

Loan Market Association

Standard Terms and Conditions for Par Trade Transactions

Transfer Agreement (Par)

Assignment (Par)

Confidentiality Letter (Seller)

Confidentiality Letter (Purchaser)

Master Confidentiality Undertaking

Funded Participation (Par)

Risk Participation (Par)

Funded/Risk Participation (Par)

Risk to Funded Participation (Par)

Master Funded Participation Agreement (Par)

Master Risk Participation Agreement (Par)

Funded Participation (Distressed)

Users Guide to Secondary Debt Trading Documentation (Par)

Users Guide to Distressed Debt Documentation

Leveraged Term Sheet

Rider permitting disclosure to numbering service providers and
administration/settlement service providers

German version of Multicurrency Term and Revolving Facility Agreement

LMA Standard terms and Conditions for Par Trade Transactions

LMA Termination and Transfer Agreement (Novation) Par

LMA Transfer Certificate (Par)

Confidentiality Letter (Seller's Agent/Broker)

Loan Market Association

Confidentiality Letter (Purchaser's Agent/Broker)

LMA Funded Participation (Par)

LMA Risk Participation (Par)

LMA Master Confidentiality Undertaking for use with Administration/Settlement Services Providers

LMA Funded/Risk Participation (Par)

LMA Risk to Funded Participation

LMA Master Funded Participation Agreement (Par)

LMA Master Risk Participation Agreement (Par)

LMA Assignment (Par)

LMA Transfer Agreement (Par)

LMA Confidentiality Letter (Seller)

LMA Confidentiality Letter (Purchaser)

LMA Master Confidentiality Undertaking

LMA Settlement Letter

Termination and Transfer Agreement (Novation) (Distressed)

LMA Standard Terms and Conditions (bank debt/claims)

LMA Assignment (distressed bank debt)

LMA Assignment (distressed/claims)

LMA Transfer Agreement (distressed)

LMA Funded Participation (distressed)

Users Guide to LMA Distressed Debt documentation

LMA Confidentiality and Front Running Letter for Primary Syndication

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LMA Syndication and Amendment Agreement

LMA Letter of Credit Option

LMA Mandate Letter - Underwritten

LMA Mandate Letter - Best Efforts

LMA Letter of Undertaking

Users Guide to recommended form of Primary Documents

LMA Single Currency Revolving Facility Agreement

LMA Single Currency Term Facility Agreement

Form of letter re permission to disclose information to numbering service providers and administration/settlement service providers

Form of Letter to Parent governing appointment of Coordinator and Coordinating Committee

Form of Letter to Lenders governing the appointment of Coordinator and Coordinating Committee

LMA Front Running Letter of Undertaking Users Guide

LMA Front Running Letter Of Undertaking User Guide

Intercreditor Agreement

LMA Intercreditor Agreement

LMA Intercreditor User Guide
