

Leveraged Finance Primer

The purpose of this course is to provide participants with a comprehensive understanding of the leveraged finance markets including, an overview of the various debt financing instruments such as high yield bonds, leveraged loans, secured debt vs unsecured debt, 1st lien and 2nd lien structures, Asset Based Loans, Unitranche loans, convertible debt and the role of CDS in hedging and directional investment strategies. Will cover the types of underwriting structures as well as the deal process, timing and pricing. The structure of the syndicated loan market, TLA and TLB market, the role of the arranger and various agents; types of LSTA trading documentation; syndicated loan fee calculations. Overview of LBOs; how value is created via an LBO, sample LBO structure, IRR and MOIC calculations. Calculating Yields (Yield-to-Maturity, Yield-to-Worst, Yield-to-Call); Tender offers and repricing.

Capital Structure, Corporate Structure and the Legal Classification of Debt

The purpose of this course is to provide participants with a detailed analytical discussion that focuses on how to read credit documents and analyze the capital structure of High Yield Bond and Leveraged Loan issuers. The course will cover how to break down and understand a company's corporate legal structure by learning how to identify Restricted and Unrestricted Subsidiaries as well as debt Guarantor and Non-Guarantor Subsidiaries. You will learn how to read Capital Structure Table and what the key components of a non-investment grade cap table are. In addition, the course will explain what the key sections of credit agreements and indentures are and what information in them is critical to analyze and what is not.

Covenant Analysis in Loan Credit Agreements and High Yield Bond Indentures

The purpose of this course is to provide participants with a detailed understanding of the key covenants contained in Leveraged Loan Credit Agreements and High Yield Bond Indentures. Participants will learn how to dissect the language in the covenants to identify important credit risks such as how much additional debt the issuer can incur, the amount of lien and secured debt capacity the issuer has, the amount of cash or assets an issuer can be dividend, invest or otherwise extract from the issuer's restricted subsidiaries. Identify loopholes in covenants such as excessive EBITDA addbacks, the Credit Facilities basket and permitted refinancing. How to construct a Covenant Comp Table.

Asset Transfers to Unrestricted Subsidiaries: Exploiting Loopholes in Debt Documents and J. Crew Case Study

The purpose of this course is to examine the provisions in loan agreements that allow issuers to transfer highly valuable assets such as intellectual property, real estate and high growth businesses to unrestricted subsidiaries, thus depriving creditors of the value of these assets for repayment of their debt. Participants will learn to identify what the key provisions in loan documents are utilized for these purposes and how they are used in conjunction with other covenants contained credit agreements to accomplish an asset transfer. Will use J. Crew as a case study as to how these transactions are structured.