

PUBLICATIONS

Transfer Restrictions May Create Additional Counterparty Risk for Distressed Debt Investors

April 2014

Experienced European loan traders know that borrowers and sponsors may be concerned about perceived “aggressive” investment funds buying into their debt, either directly or via sub participations. As a result, when European borrowers receive a request for an investment fund to enter their lender group via a secondary market transfer, they are increasingly using their consent rights to deny the request and maintain control of the make-up of the group. In this article, SRZ partner David J. Karp and associate Anthony Lombardi discuss how European traders must actively manage borrower consent and settlement risk.

Related People



**David
Karp**

Partner
New York

Practices

BUSINESS REORGANIZATION

DISTRESSED DEBT AND CLAIMS TRADING

Attachments

[!\[\]\(3211b5d1d968fc1665909b34f9f16010_img.jpg\) Download Article](#)