

Loan Participations and Whole-Loan Purchases

January 2016

Interest in the purchase of participations in commercial loans and also the purchase of whole commercial loans has increased over the last several years. Smaller institutions see these purchases as a way of growing their commercial loan portfolio, while larger institutions see the sale of participations and whole loans as a way of diversifying their portfolio. Institutions both large and small may look to participations as a way of dealing with lending limit issues. Whatever the motivation, an institution buying or selling must actively analyze the risks and benefits of the transaction and aggressively negotiate the terms of the transactions in an effort to protect its interests.

With this in mind, Aldrich and Bonnefin is pleased invite you and your commercial lending staff, as well as your auditing and documentation staff, to our Seminar on loan participations and whole-loan purchases. This Seminar will not only provide a comprehensive review of the issues to be considered when selling or buying a loan participation or whole loan, but will also provide an excellent networking opportunity for lenders seeking to sell or purchase loans.



HIGHLIGHTS

Due Diligence Issues

- Regulatory expectations
- Lending limit issues
- New guidance on whole-loan purchases

Drafting a Loan Participation Agreement from the Lead Lender's Viewpoint

- Securities issues
- Seller's representations
- Retaining control over the loan

Reviewing a Loan Participation Agreement from the Participant's Viewpoint

- Accounting requirements for a true-sale participation
- Contribution and collection issues
- Involvement in decision-making

Whole-loan Purchases

- Accounting, securities and privacy issues
- Documenting the transaction

Speaker

Eric G. Baron, Esq., a principal of Aldrich & Bonnefin, PLC, has been serving Bankers' Compliance Group members for over 24 years. Mr. Baron specializes in commercial and real estate lending, commercial loan workouts, letter of credit transactions, loan participations, loan syndications, as well as environmental law, bankruptcy issues and employment law matters. Prior to becoming an attorney, Mr. Baron worked as a commercial loan officer with a regional bank in Washington D.C.



Our **Loan Participations Seminar** will be held from **8:30 a.m. - 3:00 p.m.** in the following locations. **You will need to note the specific location you are attending as hotels can vary from month to month.**

LOCATIONS:	DATE:	HOTEL INFO:	PARKING:
SANTA BARBARA	Wednesday, January 6 Registration closes at noon on 12/31	Four Seasons Resort, The Biltmore 1260 Channel Dr., (805) 969-2261	Free self-parking is available.
WOODLAND HILLS	Thursday, January 7 Registration closes at noon on 12/31	Warner Center Marriott 21850 Oxnard St., (818) 887-4800	We validate for self-parking only.
LOS ANGELES	Friday, January 8 Registration closes at noon on 1/4	LAX Airport Marriott 5855 West Century Blvd., (310) 641-5700	We validate for self-parking only.
SACRAMENTO	Monday, January 11 Registration closes at noon on 1/5	Sheraton Grand Sacramento Hotel 1230 J St., (916) 447-1700	Validated self-parking is available in garage on 13th Street, between I and J Streets. Valet-parking not validated.
SAN JOSE	Wednesday, January 13 Registration closes at noon on 1/7	San Jose Marriott 301 South Market Street, (408) 280-1300	We validate for hotel valet-parking only.
SAN FRANCISCO	Thursday, January 14 Registration closes at noon on 1/8	Palace Hotel 2 New Montgomery, (415) 512-1111	We validate for hotel valet-parking only.
ONTARIO	Wednesday, January 20 Registration closes at noon on 1/14	Ontario Doubletree 222 North Vineyard Ave., (909) 937-0900	Free self-parking is available.
GARDEN GROVE	Friday, January 22 Registration closes at noon on 1/19	Anaheim Marriott Suites 12015 Harbor Blvd., (714) 750-1000	Free self-parking is available.
SAN DIEGO	Tuesday, January 26 Registration closes at noon on 1/20	Marriott Mission Valley 8757 Rio San Diego Dr., (619) 692-3800	We validate for self-parking only.
MONROVIA	Friday, January 29 Registration closes at noon on 1/25	Courtyard Marriott 700 W. Huntington Drive, (626) 357-5211	Free self-parking is available.

REGISTRATION: To register for this Seminar, please contact your institution's Main Contact, or if you are authorized, log in at <http://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." We recommend that you register as soon as possible as registrations are accepted on a first-come, first-serve basis. If you haven't registered online with us before, contact Paige Tyler at 800-742-3600 or info@bankerscompliancegroup.com for assistance or to obtain a username and password.

REGISTRATION FEES FOR NON-MEMBERS: Non-member registration fee is \$750 for the first person attending from an institution and \$450 for each additional person from the same institution. To attend this Seminar, pre-registration and confirmation is mandatory. **Non-members may pay by credit card or check.** To pay by credit card, follow the credit card instructions during the online registration process. Major credit cards are accepted. To pay by check, make checks payable and mail to **Aldrich & Bonnefin, PLC, P.O. Box 19686, Irvine, CA 92623-1029** and indicate the event you are registering for. Non-member registration fees (less \$50) will be refunded only if cancellation notice is received **5** business days prior to the Seminar date.

MATERIALS: For this Seminar, Standard Procedures Manual #14, "Loan Participations" will be updated. Only those attendees designated by their institution will receive a Manual. All registered attendees will receive a Discussion Outline. Members Only may purchase additional hard copies of SPM #14 during May for \$15.00 per copy plus shipping charges and applicable sales tax.

FOOD: A continental breakfast will be provided. You will be on your own for lunch.

ATTIRE: Business casual. Because the temperature in ballrooms can fluctuate, please dress accordingly.

DISABILITIES: If you require special accommodation in order to fully participate in the Seminar, please call Paige Tyler at 800-742-3600 to discuss your specific needs.

ACCREDITATION

MCLE: Aldrich & Bonnefin, PLC certifies that this activity conforms to the standards for approved education activities prescribed by the rules and regulations of the State Bar of California governing MCLE. This activity has been approved in the amount of **4.75** hours.

CRCM: Certified Regulatory Compliance Managers must submit a request for approval directly to the Institute of Certified Bankers in order to receive continuing education credit (www.icbmembers.org and click on "Submit Continuing Education Credits). This activity **may** be eligible for **6** continuing education credits.

CPE: Aldrich & Bonnefin, PLC follows Continuing Education (CE) regulations as outlined in the California Accountancy Act. CE may be obtained for Certified Public Accountants and Public Accountants. This activity is eligible for **4.75** hours of CPE Continuing Education credit.