



Private Credit

Dechert
LLP

Dechert has advised private credit clients for over 30 years, helping them to innovate and thrive as the industry has grown into a complex and diverse US\$1.7 trillion market.

We create value on the full spectrum of strategies and sub-strategies, including asset-based, distressed debt, permanent capital, direct lending, subordinated debt, specialty financing, special situations and venture debt. With more than 80% of *Private Debt Investor's* top 100 private credit firms as clients, we offer market-leading fund formation, financing, regulatory, M&A and tax expertise across the U.S., Europe, the Middle East and Asia.

Dechert's global private credit work, with hundreds of private credit funds and transactions each year, enables us to provide exceptional market insight and innovative structuring. We draw on the strengths of Dechert lawyers across disciplines to help private credit clients see around corners and succeed in today's increasingly competitive environment.

We engage with key industry stakeholders across jurisdictions, including working with trade bodies and industry groups to navigate regulatory challenges and shape the industry's future, providing clients with early insight into how the market is developing and evolving.

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“A leading firm
in *Private Debt
Investor's* Hall
of Fame”

Dechert Private Credit By the Numbers



How We Help You Achieve Your Objectives

Drawing on the expertise of Dechert lawyers across disciplines and geographies to help private credit clients innovate and succeed.

Private Credit Fund Formation and Regulatory

Fund Formation

We work with our clients to determine the most appropriate fund structures. Dechert clients benefit from our global knowledge of private credit and where it's headed, including the current state of fund terms, market trends and structural innovations gained by launching numerous funds per year. Private credit fund structuring often requires careful navigation with a close eye on tax, regulatory and compliance, marketing and sustainability concerns, particularly when customizing for a global investor base. We represent credit funds of all types, encompassing liquid credit, hybrid and less liquid private-equity-style credit strategies, including direct lending, mezzanine, distressed, special situation, private credit secondaries and CLO captive equity funds, as well as investment funds tailored for investment into structured products.

Permanent Capital

Dechert's experience with permanent capital dates back to the 1980 legislation that created business development companies (BDCs) and exempted them from some of the 1940 Act's more onerous restrictions. Our multidisciplinary team is actively engaged in all aspects of the representation of alternative investment platforms and investment management companies, including public and private BDCs, ELTIFs, closed-end funds, interval funds, and other permanent capital vehicles and can guide clients through legal and business trends and developments as well as the regulatory hurdles and market terms.

Private Credit Financing

Structured Finance

The most prolific CLO players turn to Dechert as counsel in connection with the formation, operation and compliance of CLO platforms as well as risk retention capital formation strategies and private credit solutions. We are a trusted adviser to some of the largest asset managers with respect to their most complex structured credit/CLO strategies as well as supporting underwriters and equity investors. We lead the market in the representation of issuers, placement agents, collateral managers and equity investors in CLO transactions, including middle-market balance sheet CLOs, private loan securitizations and broadly syndicated arbitrage CLOs in the U.S. and Europe. Drawing on the combined experience of our fund formation and structured products teams, our lawyers are uniquely placed to



advise managers and borrowers on a variety of fund financing structures, including Collateralized Fund Obligations (CFOs) and rated feeders. Dechert also represents asset managers and their lenders in leverage strategies for private credit funds, including asset-backed lending facilities, bankruptcy-remote financings, CLO warehouse facilities, bond issuances, repurchase facilities and other bespoke financings. We pride ourselves on being a solutions provider for our clients, particularly in transactions that are market firsts or require creativity.

Fund Leverage

As we regularly advise the largest private credit market participants on the most sophisticated transaction structures and leverage strategies in the market, we are able to guide clients through the most appropriate financing solutions. We advise asset managers and their lenders in loans to private credit funds to finance investments in middle market and broadly syndicated corporate loans. Our team has expertise in a wide range of established and newer solutions, including asset-based facilities, structured financings, unsecured issuances, repos, and bespoke and esoteric products.

Fund Finance

We can help with a wide array of fund-related financing including subscription facilities, NAV facilities, hybrid facilities and asset-backed loans. We deliver on all aspects of fund finance for financial institutions, alternative lenders, asset managers and investment funds, including providing input on debt and leverage issues at the time of fund formation and in connection with downstream structuring and transactions. We deliver effective deal structuring and execution, drawing on a deep understanding of fund structures and the financing options available to fund entities.

Direct Lending

We support lenders across all layers of the capital structure, including unitranche, senior credit facilities, first lien/second lien financings, mezzanine financing, Holdco PIK financing, equity and preferred equity. We advise on the full range of financing transactions from performing credit through to special situations lending and rescue financing and on the implementation of direct lending strategies including bilateral, club and syndicated lending for private equity-backed buyouts, management buyouts, and other corporate and M&A transactions. Overall, we can provide insight into the latest terms and current state of the market to support your business objectives.

Asset-based Finance

As private credit managers increasingly look to the collateral-based cash flows to either facilitate their financing requirements or as an investment to support a diverse portfolio mix, Dechert has the expertise to assist in the purchase and financing of a broad array of assets, including auto loans, unsecured consumer loans, mortgages, credit card receivables, solar-related receivables and esoteric assets. We leverage our cross-disciplinary strength and commercial, innovative approach to provide efficient execution of our clients' transactions.

Special Situations and Restructuring

Combining specialists in financial restructuring, global finance, capital markets, PE and regulatory matters we support clients through comprehensive, market-savvy advice on complex stressed, distressed and restructuring situations involving private credit. Our integrated approach helps clients navigate challenging economic, business, legal and regulatory issues at every stage of the private credit life cycle and across the capital stack. We work with clients to develop and implement liquidity solutions. Further, we advise some of the leading distressed funds and investment firms on in- and out-of-court financial and operational restructurings and workouts.

Private Credit M&A

M&A and Strategic Transactions

With private credit market consolidation and strategic collaborations expected to rise, we help develop and deliver financeable deals with a focus on speed-to-market execution, optimized deal structures and practical terms that address the specific risks associated with the regulatory environment in which our private credit clients operate. We have advised countless asset managers, insurance companies and other financial services institutions on M&A, and joint ventures, reorganizations and other strategic transactions and regularly represent clients seeking to expand their product offerings, AUM or both, through innovative domestic and cross-border transactions, calling on specialists from our world-renowned asset management, M&A, PE and finance capabilities. We also are at the forefront of the growing secondaries market, having advised on the world's largest private credit secondaries transaction.

Sustainability

We help private credit managers across the U.S., Europe, Asia and other jurisdictions from institutional investors to portfolio companies navigate the growing and rapidly developing ESG and sustainability-related regulatory landscape, designing ESG and sustainability-related policies and procedures and sustainability-lined private credit financings.

Global Tax

Tax laws and regulations are more than just considerations; they often drive business strategy, structure, and deal consummation in the private credit space. With global tax lawyers who are fully integrated into our private credit solutions, clients count on Dechert to anticipate and resolve tax issues related to structuring funds, joint ventures, securitizations, novel financing structures and financial products, and M&A transactions.

Leading Private Credit Fund Managers Rely on Dechert

- Alcentra
- AllianceBernstein
- Angelo Gordon
- Apollo Global Management
- Ares Management
- Bain Capital
- Barings
- BlackRock
- Blackstone
- Carlyle
- Cerberus Capital Management
- Cheyne Capital Management
- Crescent Capital Group
- CVC Credit Partners
- Golub Capital
- HPS Investment Partners
- KKR
- Oaktree
- Oak Hill Advisors
- Pemberton Capital Advisors
- Permira Credit
- Tikehau Capital

How You Can Benefit From **Our Platform**



Information Advantage

- Receive **market data and insights** on evolving fund structuring solutions and financing structures, strategies and market terms across private credit strategies, including asset-based, distressed debt, permanent capital, direct lending, subordinated debt, specialty financing, special situations and venture debt.
- Hear an **inside view into the private credit market** and where it's heading gained by working with key industry groups and committees including as a founding member of AIMA's ACC's legal and technical working group and as a founding member of the Credit Managers General Counsel Network, amongst others, and our industry-leading events including the Private Capital Summit and Funds Congress.



Innovative Solutions

- **Bring innovative products and technology** to market including hybrid fund structures, private loan securitizations, middle market CLOs, the largest sustainability-linked private credit financing and the world's largest private credit secondaries transaction and handling listed, non-listed continuously offered and private BDCs, and arranging for conversions from one form to another.
- Achieve a **competitive edge** by collaborating with an **entrepreneurial team** taking transformative steps to evolve the private credit industry since its inception, create new market standards and capitalize on opportunities that arise as the private credit industry continues to expand at such a rapid rate.



Integrated Team

- Access a **multi-disciplinary team** that combines fund formation, structured finance, corporate financing, regulatory, corporate/M&A and tax expertise across the private credit industry life cycle to **provide seamless and flexible service**.
- Access to a breadth of expertise rooted in **practical experience working alongside clients** at the forefront of the private credit industry.



Scale

- Work with a **market leader in private credit for 30+ years**. Our team of 350+ private credit lawyers has built up a breadth of knowledge across all private credit strategies and across the capital stack which we use to help identify opportunities and solutions for our clients.

International Recognition

PRIVATE DEBT INVESTOR

Shortlisted in the 2023 PDI Awards for Global Law Firm of the Year for both Transactions and Fund Formation – the *only* law firm to be shortlisted in both categories

Ranked in the Hall of Fame after winning six “Law Firm of the Year” titles, 2022

WITH INTELLIGENCE HFM EUROPEAN SERVICES AWARDS, 2023

Named ‘Best Law Firm – Alternative Credit’

CREDITFLUX CLO RANKINGS, 2023

Voted #1 U.S. CLO Manager Counsel

Ranked #2 Global CLO Manager Counsel

GLOBAL RESTRUCTURING REVIEW, 2022

Ranked as one of the world’s top legal advisers for cross-border restructuring in the “GRR 30” listing

GLOBALCAPITAL U.S. SECURITIZATION AWARDS, 2016-2023

“CLO Law Firm of the Year”

PREQIN’S GLOBAL PRIVATE DEBT REPORT, 2016 – TO DATE

Leading law firm in private debt fund formation

LAW 360, 2022

Named a “Structured Finance Practice Group of the Year”

THE LEGAL 500, 2023-2024

Ranked among the top law firms for Investment Funds in German, Hong Kong, Ireland, UK, Luxembourg, Singapore, United Arab Emirates and the United States

Ranked among the top law firms for Banking & Finance in Latin America and Luxembourg; Acquisition Finance, Debt Capital Markets and Fund Finance in the UK and Commercial Lending, Capital Markets: Debt and High Yield in the United States

Ranked for Structured Finance: Securitization in the United States

CHAMBERS AND PARTNERS, 2023 - 2024

Ranked in the spotlight table for the new Private Equity: Credit Funds category in the UK

Ranked among the top law firms for Investment Funds in Asia-Pacific, China, Ireland, Luxembourg, Middle East, the United Kingdom and the United States

Ranked among the top law firms for Banking & Finance: Lenders: Mid-Market in the United Kingdom

Ranked among the top law firms for Banking & Finance and Capital Markets: Securitization with areas of strength across ABS, CLO, SFR, CMBS, and CRE CLO transactions in the United States

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