

Fund Finance Friday



A Sanity Checklist for Existing Financing and a Fund Finance Application of the Luxembourg Professional Guarantee Draft Bill

June 5, 2020 | Issue No. 80

We have two timely articles from Luxembourg law firm SJL Jimenez Lunz this week. [In the first article](#), SJL proposes a quick starting checklist that lenders can run through during COVID-19 lockdowns to determine whether the legal documentation for existing deals is up-to-date or needs to be addressed. [In the second](#), SJL discusses the Professional Guarantee Draft Bill, which has been introduced to the Luxembourg Parliament. This bill introduces a Luxembourg-law-governed guaranty that can be used in security packages for cross-border financing without the risk of requalification. This new form of guaranty will “combine terms of the suretyship (*cautionnement*) and independent guarantee (*garantie autonome*) and follow closely the general terms of the security agreements governed by the Collateral Law and their proven efficiency.”