

CADWALDER

Need an Expedited Closing? Let's Talk About It.

July 25, 2025



By **Danyeale Chung**
Partner | Fund Finance



By **Jason Hessel**
Associate | Fund Finance

The growing need for quick capital in today's fluid investing market has led to a recent trend of requests for expedited closings with aggressive timelines and inflexible targeted closing dates. While banks certainly strive to accommodate sponsor requests, depending on the details of the deal, some timelines are more achievable than others. This article aims to highlight several reasons why some closings may require more time and provide general strategies that funds and banks can adopt to help any expedited closing request go more smoothly. So what are we seeing in terms of causation for delays and possible solutions?

1) Structure Complexity – Growing liquidity needs from sponsors during a continuous slowdown in fundraising have resulted in the complex structuring of credit facilities to increase capacity and accommodate sponsor requests. NAV lines, hybrids, term tranches, rated note feeders, and equity commitments, once rare mechanics for the typical subscription facility, have recently become widely accepted solutions to address sponsor needs. Despite all the excitement for adding bespoke mechanics, this leads to additional negotiations over the draft documents, as well as heightened bank scrutiny related to due diligence requirements and credit approvals. Avoiding structural complexity is not the solution as this is often needed to achieve the desired borrowing base or facility in general. However, to help minimize the time it takes to close a NAV or hybrid deal, ironing out the collateral as early as possible is necessary, e.g. knowing where the collateral accounts are held, whether there are additional accounts for distributions, how the distributions flow, etc. While a term tranche may be new to a sponsor, it may not be new to the lender's counsel and sponsor's counsel. Oftentimes counsels can agree on a precedent to use that will help minimize the number of turns on a document. Understanding that a rated note feeder will be in the structure is extremely important to know early on as the constituent documents may not address the bankruptcy concerns of lenders.

2) Term Sheet Ambiguity – Over the last five years there has been a significant increase in the number of lenders in the fund finance space, leading to greater competition amongst lenders to win deals. Lenders are more likely to move forward with ambiguous terms in a term sheet with the expectation of negotiating those terms once the deal moves into the drafting stage. The term sheet is often intended to be a slimmed-down version of the terms that will be included in the loan documents, leaving knowledge qualifiers and carveouts to be addressed in the loan documents. When it comes time to paper the facility, these ambiguities in the term sheet often lead to additional negotiations over interpretation. While it is not necessary to negotiate every term in the term sheet, both lender and sponsor need to be of the same understanding moving into the definitive documentation whether the term sheet exclusion events, covenants and events of default are examples or an exhaustive list. Clear communication here is key.

3) Growing Lender Regulatory Scrutiny – Banks have evolving internal policies influenced by reputational concerns, updates in law and regulatory interpretations, that impact, *inter alia*, sanctions, anti-money laundering and anti-corruption laws and multi-jurisdictional concerns. Changes in law are not always the cause for updates in their policies which evoke some frustrations with existing sponsors that are sensitive to changes in previously agreed-upon language. Prolonged negotiations often arise as both sides work within the limits of their own policies to come to a compromise. Forecasting that regulatory provisions will need to be updated to align with updated policies regarding the same will be helpful in setting expectations. With a tight timeline, beginning the negotiation of these provisions in the term sheet may make the difference between closing on time or not. Regulatory updates can be addressed in the term sheet stage by including a schedule of the provisions that will be included in the definitive documentation. Knowing earlier on in the process what is a must-have for either side is extremely helpful in trying to achieve a compromise on a very sensitive subject.

4) Syndication – Banks looking to reduce hold sizes and sponsors looking to access additional capital have led to a busy syndication environment. While often mutually beneficial for lenders and sponsors, additional lenders means having more time to review and comment on the documents, and once in agreed form (between the sponsor and the agent), the waiting game over credit approvals, know-your-customer ("KYC") diligence, and general input on the

transaction mechanics. Newer lenders are coming into the space, which means educating these lenders on fund structures, cascading pledges, market positions, etc. We often see lots of questions or comments around legacy language that was agreed to in the precedent(s). While a deal form may be new to an incoming lender, the sponsor is usually not looking to renegotiate much. It takes time to work through these negotiated points to get the incoming lender comfortable. For large syndicated deals, the KYC process for each lender is time-consuming. While it is typical for the agent bank to provide lenders with cutoff dates for KYC requests and comments on the transaction documents, these deadlines are often overlooked as last-minute approval requests tend to come up. Sponsors can help the KYC process along by providing requested documents as soon as possible after being requested, providing as much detail around beneficial ownership and providing completed forms. When a lender is requesting information that the sponsor does not feel comfortable with providing, it is helpful for the parties to discuss directly to figure out how to address the underlying concern the KYC request is trying to address and coming up with a solution to satisfy the request. Setting a hard deadline on comments to the loan documents can be extremely helpful with keeping a transaction in line with a targeted closing date. The agent and its counsel can be extremely helpful by answering any questions the lenders have and addressing comments or concerns before the sponsors are even aware, cutting down on turns of the draft.

5) Investor Diligence/Borrowing Base – Often underestimated during the origination process when considering timing is the bank's review and diligence of each investor. Each subscription agreement and side letter, if any, must be reviewed in order to diligence the bank's collateral and establish borrowing base eligibility. The bank requires time to perform KYC analysis on each investor. Side letters can be lengthy and fraught with provisions that adversely impact the bank's collateral and/or run afoul of the bank's internal policy. If the investor is needed as a borrowing base investor to achieve the desired borrowing base capacity for a sponsor, negotiations may be necessary with the investor and its counsel to protect the bank's position with respect to its collateral. If a side letter provision is problematic and it is able to be picked up by other investors through the most-favored-nation election process, even an excluded investor can cause delays. If a sponsor is looking to close the subscription facility immediately after an investor closing, this puts a lot of pressure on all sides – sponsor's counsel must provide the documents in complete form (e.g. with all signatures accounted for and relevant attachments included), lenders must perform KYC quickly and lenders' counsel must review and provide an investor due diligence summary to the lenders as quickly as possible.

6) Bank Approvals – As the business line works through evolving structures, bespoke accommodations and creative solutions, bank approvals have grown into their own challenge and always need to be considered when working with a strict closing timeline. Credit teams need to approve the business terms, which sometimes requires a little education on the impact of non-standard credit agreement terms, oftentimes leading to more rounds of questions. One of the hardest hurdles for credit teams is a non-bankable LPA. LPAs are often delivered to banks either after the agreement has already been executed or after it has been put in front of investors, which sponsors are then hesitant to revise. Providing an LPA draft to the lender and being open for comments reduces the need to mitigate problematic provisions in the facility documentation (if possible), provide accommodations or take the time to go out to investors and seek the necessary consent to amend the LPA. An LPA with the standard subscription-based facility provisions helps the bank obtain their approvals under a predictable timeline. If doing a NAV or hybrid deal, having the correct mechanics to expressly permit such facility is necessary as banks do not like to rely on broad authorities provided in the LPA.

Unfortunately, several of the potential issues preventing an expedited closing cannot be resolved with simple solutions. Some of the complexities mentioned above just take time to work through, but when all parties work collaboratively and work in sync to a targeted timeline, the result is much more achievable.

Fund Fanatics Features Brian Vickery

July 25, 2025



Join Scott Aleali, Head of Private Equity Finance at Citizens Bank, and Jeff Maier, Senior Managing Director - Private Equity Finance at Citizens Bank, with special guest Brian Vickery, Partner at PACT Capital Partners, for the latest Fund Fanatics episode.

They discuss:

- GP stakes case for PE middle market vs mega manager
- What it takes to go from great to greatest: defining GP level value creation
- Addressing the elephant beyond fund finance: trading equity for strategic capital
- Brian gives tips on momentum, trust and connection with key audiences

Watch [here](#).

Meet the Instructors of FFA U 2.0 in NY!

July 25, 2025



The Fund Finance Association is thrilled to announce the confirmed instructors for the upcoming FFA U 2.0 in New York, including Cadwalader's own **Brian Foster**.

These seasoned experts bring deep insight, real-world perspective, and a passion for developing Fund Finance leaders. Attendees will learn from the best and leave with practical knowledge they can apply right away.

Don't miss Brian Foster teaching a morning session on NAV Loan Structures, Issues and Underwriting.

September 9, 2025

9:00 AM - 7:00 PM

New York Marriott Marquis, 1535 Broadway, New York, NY 10036

Register [here](#) and click [here](#) for a detailed agenda and speaker profiles.

FFA U 2.0: EMEA - Registration Is Now Open!

July 25, 2025



FFA U 2.0: EMEA will be held in London on Monday, September 22! Registration is now open.

FFA U 2.0 is a high-impact, full-day training designed for mid-level professionals in banking and law. Attendees will dive into advanced topics shaping the industry today, guided by real-world insights, actionable strategies and seasoned experts.

A detailed curriculum will be available soon and a networking reception will follow the full-day training.

September 22, 2025

9:00 AM - 7:00 PM BST

Nomura | 1 Angel Lane, London EC4R 3AB

Early registration is encouraged as space is limited. Register [here](#).

FFA Seeking Mentors and Mentees for 2025-2026 FFA Mentorship Program

July 25, 2025



Mentorship Program

The Fund Finance Association is currently recruiting mentors and mentees from across the globe to take part in the 2025-2026 FFA Mentorship program. The submission deadline is Sunday, August 31.

The FFA's mentor program is designed to help develop current and future leaders in the Fund Finance space through a safe and supportive network of individuals who are committed to exploring, growing and developing with each other. The program's goal is to help participants identify and achieve career development and personal growth goals that support industry objectives.

Anyone interested in becoming a Mentor or Mentee should complete the application [here](#).

LPs Pick Debt Financing Over Secondary Sales as Liquidity Pressure Intensifies

July 25, 2025

CADWALADER

Bronwen Jones



FEATURED IN *MERGERMARKET*

Cadwalader partner **Bronwen Jones** was recently quoted in a recent *Mergermarket* article on the growing use of debt financing by limited partners (LPs) seeking liquidity amid ongoing pressure from low fund distributions and curtailed exit activity.

While secondary market sales of fund positions reached a record \$87 billion in 2024, some LPs are choosing to borrow against their portfolios instead of selling at a discount. LP financing—a specific form of NAV lending—can be faster to execute and allows LPs to retain full equity exposure.

“You’re going to get a mixed bag of answers from LPs about how they view this technology,” said Jones. She added that more investors could be open to LP financing solutions if M&A markets do not pick up.

Read the full article [here](#) (subscription required).

Cadwalader Welcomes Edward Holmes

July 25, 2025

Welcome

**Edward
Holmes**

Partner

London

CADWALADER



Cadwalader has added **Edward Holmes**, a leading leveraged finance lawyer, as a partner in the firm's London office.

"We're delighted to welcome Ed to our firm," said Cadwalader Managing Partner Pat Quinn. "Ed's broad-based cross-border financing experience, including his significant background in high-yield bonds, will be valuable to our clients and further strengthen our related corporate and restructuring practices in London."

Read more [here](#).

2025 Cadwalader Finance Forum

July 25, 2025



The 9th Annual Cadwalader Finance Forum will take place on Wednesday, October 29, in Charlotte!

This premier event brings together industry leaders and experts for a day of networking and insightful discussions on the latest market trends and opportunities across various sectors, including commercial real estate, fund finance, leveraged finance, middle market lending, private credit, securitization and structured finance.

Stay tuned for a detailed schedule featuring fantastic speakers, substantive panels and a keynote speaker you don't want to miss. We look forward to welcoming you in October!

Register [here](#).

For any inquiries about this event, please contact [Cori Niemann](#).

Please note that this event is closed to press.

Fund Finance Hiring

July 25, 2025

Fund Finance Hiring

Here is who's hiring in Fund Finance:

U.S. Bank is seeking two Analysts to join the Subscription Finance origination team. These roles will support the bank's growing sub line portfolio by underwriting and constructing complex borrowing bases, preparing pitch materials, partnering across internal banking teams, and helping to build and enhance processes and controls. Analysts will also work directly with leading U.S.-based private capital firms across private equity, private credit, secondaries, and more. Candidates should have at least one year of finance or banking experience (internship experience may qualify), strong Excel skills, and the ability to contribute meaningfully to high-value deals under tight timelines. FINRA licenses (SIE, Series 63, Series 79) will be required after hiring. Qualified candidates are encouraged to reach out directly to Managing Director, Michael Henry, [here](#).

State Street is seeking a Vice President– Private Equity/Debt and Structured Products – Head of Private Equity Credit Risk in Boston. This role will manage credit risk for a portfolio of private equity products by overseeing a portfolio and associated team whose primary responsibility is to conduct credit reviews, perform risk ratings, continuously monitor the portfolio, and provide ad-hoc analyses. They will be required to lead strategic initiatives associated with a growing sector working closely with business partners within both lending and trading activities. They will also oversee a team of credit officers and have broad responsibility for sector reviews as well as leading the input into model development, regulatory requests and in portfolio stress testing. Learn more [here](#).

State Street is also seeking a Fund Finance EMEA, Vice President in Munich, Luxembourg or Frankfurt. This role will support the Global Credit Finance (GCF) division. The Vice President will contribute to the origination, structuring, underwriting, and ongoing management of credit facilities, helping to grow and maintain strategic client relationships. The ideal candidate will have a strong foundation in credit analysis and legal documentation, including experience with LMA-style loan agreements. The role requires collaboration across internal teams and external stakeholders, and a focus on participations in syndicated, bilateral, and agented credit facilities. Learn more [here](#).

Wells Fargo is seeking an Investment Banking Associate within the Fund Finance Group Syndications team based in London. This role will have the opportunity to join an entrepreneurial and global team during a period of innovation across the Fund Finance market. The associate will work as part of the FFG Syndications team, which, alongside the FFG Origination team, is responsible for arranging new syndicated credit facilities, in addition to developing FFG's broader distribution capabilities and managing lender engagement during key lifecycle events for existing broadly syndicated facilities. Learn more [here](#).

Juniper Square is seeking a high-achieving, New York-based sales leader to take the helm of its rapidly growing private equity sales effort as Director. This role will lead a team of world-class account executives, selling fund administration and software solutions to private equity GPs, ranging from emerging to institutional managers. Learn more [here](#).

Juniper Square is also seeking Account Executives in New York, Boston, Chicago, and Miami to join the private equity sales team. This team is primarily focused on selling fund administration solutions to PE investment managers. Juniper Square is already one of the fastest-growing administrators in real estate and venture capital, and private equity is the company's next area of focus. Learn more [here](#).

Goldman Sachs is seeking an Asset & Wealth Management, Private Bank, Capital Call Finance, Associate in New York. This position is responsible for applying strong analytical and technical skills to evaluate the credit and risk implications of complex lending transactions, advising clients and structuring tailored credit solutions that align with the Bank's risk parameters, performing in-depth due diligence on private equity sponsors and funds, maintaining accurate financial models and borrowing base certificates, and ensuring underwriting standards and documentation align with internal policies. Through close coordination with Credit Risk Management, Private Wealth Management teams, and banking regulators, this position will help manage a high-quality loan portfolio while ensuring compliance with all monitoring and reporting requirements. Learn more [here](#).

Barings is seeking an Senior Associate to join its Portfolio Finance team out of Boston. The role will support the underwriting, execution and oversight of investment-grade, senior secured loans to asset managers and the investment vehicles across a range of asset classes, including private equity, private credit, and real estate debt. The

Senior Associate will support the Portfolio Finance platform, working closely with Portfolio Managers, Directors, Structuring Leads and external partners. Learn more [here](#).

Apollo's AASP Risk team is seeking an Associate or Director (depending on experience) to report to the Head of Counterparty & Fund Finance and act as one of the primary risk managers for the Private Credit Finance business ("PCF") and Fund Finance transactions. This will include supporting the buildout of the PCF portfolio by partnering closely with the PCF team on all stages of the investment and ongoing portfolio monitoring process, building out second-line risk management reporting and monitoring, and forming credit recommendations on new and existing opportunities. This unique role requires a credit investor mindset as the team evaluates transactions. Learn more [here](#).

Cadwalader, Wickersham & Taft LLP is seeking associates with three to six years of relevant experience for its Fund Finance practice in New York, Charlotte or London. Qualified candidates will have experience in syndicated lending, commercial lending, leverage finance, fund formation, CLOs, asset-based lending, NAV financings or acquisition financings. Candidates must possess excellent academic credentials and solid legal experience. Selected candidates will get extensive interaction with preeminent bank, asset manager and lending clients. If interested, please reach out to Margaret Cart at Margaret.Cart@cwt.com.