

Subcommittee on Loan Documentation

Bobbi Accord, Chair, Scott Lessne and Cheryl Stacey, Vice Chairs

The Loan Documentation Subcommittee will present a program at the Spring meeting that will focus on documentation issues in financing in-transit inventory. The topic continues to be of increasing importance to lenders due to the willingness of off-shore manufacturers to sell to U.S. companies on an open account basis rather than through letters of credit and the desire of borrowers to include such inventory in the collateral pool against which advances may be made by lenders. The program will cover, among other documentation, eligible in-transit inventory provisions for loan agreements and custom brokers' agreements and will discuss the handling of documents of title by various parties in the inventory chain.