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FIRM NEWS

Michael Jacobson Discusses Impact of Companies Tapping Commercial Revolvers During COVID-19 Crisis

April 22, 2020

In an article published on *CFO.com*, Michael Jacobson, chair of the firm's Commercial Finance practice, addressed how companies are increasingly turning to revolving lines of credit, securing new lines of credit and adding to existing debt capacity to help them though the COVID-19 crisis and beyond.

In most of his deals with lenders, Michael stated, the revolver goes unused. So, when companies began drawing down their revolvers two to three weeks ago, some lenders had concerns about their own liquidity. "Most clients funded [the loans] with the idea that this is a systemic issue," he continued, not a specific industry concern, and that they needed to support these companies to avoid a wave of defaults in their portfolios.

Read "Revolver Drawdowns Keeping Corporates Liquid" in its entirety.

CONTACTS

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