

## MEMORANDUM

To: *Pratt's Commercial  
Lending Question & Answer Book  
Subscribers*

From: A.S. Pratt & Sons

Subject: Highlights

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The enclosed new materials provide you with the latest information on commercial lending. This edition of *Pratt's Commercial Lending Question & Answer Book* covers:

- *Regulatory concerns.* In Part VII, we address the subprime mortgage meltdown. This section includes a discussion regarding the regulators' attempts to mitigate the fallout and lessons to be learned from past lending practices. This section also discusses future forecasts and what types of economic upheavals may lay ahead for lenders and banks.
- *Subprime lending.* In Part VII, we include a discussion on possible legislative efforts that are under discussion that may be enacted or pursued to try to correct the subprime mess.
- *Foreign loans.* More banks are competing globally and have customers with foreign subsidiaries and offices who have financing needs. In Part I, we discuss what lenders can do to reduce the risks of foreign loans.
- *Loan documentation.* In Part II, we discuss provisions to include in loan documents including conditions precedent and why they should be included and which ones to consider. We give examples of various conditions you might want to include.