

Manente, Parker in LexisNexis Practical Guidance: 'Standstill Provisions in Subscription Facilities'

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PRACTICES Fund Finance

Partner [Kinne Manente](#) and Associate [Maria Parker](#) authored a Practical Guidance Practice Note in *LexisNexis* discussing standstill provisions in subscription secured credit facilities.

A standstill provision offers a fund the first opportunity to issue a capital call to repay the subscription secured credit facility after an event of default has occurred. This right is conditioned upon satisfaction of certain conditions and the existence of certain circumstances, but if exercised, results in lenders being temporarily precluded from exercising one of their most powerful remedies under a subscription secured credit facility – the right to directly issue a capital call to the fund's investors. After outlining the historical evolution and competing concerns related to standstill provisions, this article will examine a number of considerations for parties to consider during negotiations.

[Read the full Practice Note on LexisNexis.](#)