Summary Table of Contents

Volume I

Summ	ary [Fable of Contents	vii
Table	of Ca	ontents	xiii
Introd	luction	on to the Second Printing	<u>fnnci</u>
Prefac	ce to	the Second Edition	Tnreiii
Prefac	ce to	the First Edition	XXXV
Ackno	wled	lgements x	xxvii
Secur	itizat	tion Abbreviations	
		Part I	
		Overview of Securitization	
		Chapter 1	
Overv	view	of Securitization	3
§1.1	А.	What Is Securitization?	5
§1.4	В.	The Legal Infrastructure for Securitization	24
		Chapter 2	
Histo	ry ai	nd Future of Securitization	41
§2.1	А.	Is Securitization Here to Stay?	43
§2.3	B.	Securitization by Pooling	49
§2.4	C.	The Pooling Process	55
§2.9	D.	Markets for Loans and Securitized Loans and the Future	e 70
		Chapter 3	
Effect	t of S	Securitization on the Economy and the	
	Fi	nancial System	87
§3.1	А.	Markets and Institutions	89
§3.6	B.	"Crowding Out"	117
§3.10	C.	Does Securitization Contribute to Debt and	
		Risk in the Economy?	126
§3.13	D.	Effect of Securitization on Monetary Controls	133
		Chapter 4	
Effect	t of S	Securitization on Financial Intermediaries	139
§4.1	А.	Effect on Banks' Financial Structure:	
		Old Problem Revisited	141
§4.6	В.	Effect on Competition in the Banking Business	144
84.9	С.	Effect on Risk in the Banking Business	150

§4.7C. Effect of Risk in the Banking Busiless150§4.10D. New Business for Banks152

SECURITIZATION VOLUME I

§4.14	E.	Legal Limitations on Bank Entry into the	
0		Securities Business	158
§4.15	F.	Organizational and Cultural Changes	161
§4.19	G.	Effect on Nonbank Intermediaries	166
		Chapter 5	
Effect	ofS	Securitization on Borrowers and Investors	169
§5.1		Effect of Securitization on Borrowers	171
§5.6		Effect of Securitization on Investors	182
§5.9		Concluding Comments to Part I	194
		Part II	
		Securitization by Pooling	
		Chapter 6	
Introd	luct	ion to SFVs	199
		Chapter 7	
		elling and Pooling Loans	215
§7.1		Lenders and Borrowers	217
§7.2		Bank Powers to Securitize Loans	220
-		Powers of Thrifts and Finance Companies	297
0		Standards in the Making of Loans	305
§7.14		The Transaction: Transfer of Loans	322
§7.17	F.	Regulation of the Process of Sale and Purchase	349
		Chapter 8	
The Fi		ncial Structure of SPVs	357
§8.1	A.	SPV Securities: Pass-throughs, Bonds, and	
		Pay-throughs	359
§8.8	B.	Classification of SPV Securities as Debt or Equity	372
§8.10		Tax Law	375
§8.19	D.	Effects of Other Laws on SPV Financial Structure	411
		Chapter 9	
Credit	t En	hancement	421
§9.1	A.	Types of Credit Enhancement	423
§9.8	B.	Appraisals	434
§9.15	C.	Rating Agencies	463
		Chapter 10	
Prote	ctin	g SPVs from Bankruptcy	479
§10.1		Effects of Bankruptcy	481
§10.6		Insolvency of the Transferor of the Loans	502
§10.11		Reducing Business Risks: Special Purpose Entities	526
§10.12	D.	Insolvency of the Borrower	527
§10.16	E.	J J	
		Bankruptcy Code	533

SUMMARY TABLE OF CONTENTS

537

Chapter 11

Regulation of SPVs Under the Investment Company Act of 1940

§11.1	Α	The Investment Company Act of 1940	539
§11.4	В.	Are SPVs Investment Companies Under the 1940 Act?	543
§11.7	С.	Exceptions from the Definition of an Investment Company	549
§11.19	D.	SEC Exemption Under Section 2(b): Government Agencies	576
§11.23	E.	Section 6(c) Exemptions to Private Sector Sponsors	584
§11.32	F.	Effect of SPY Exemptions by the SEC	604

Volume II

Volume II			
Summary Table of Contents			
Table of Contents			
Securitization Abbreviation	xxxix		
Chapter 12			
Issuance and Distribution of SPV Securities	3		
§12.1 A. SPV Securities	5		
0			
§12.3 B. Registration Requirement Under the 1933 Act	20		
§12.10 C. Exemptions from Registration under the 1933 Act	67		
§12.20 D. Shelf Registration Under the 1933 Act	90		
§12.24 E. State Securities (Blue Sky) Laws	108		
§12.25 F. Violations of the 1933 Act Relating to Securitization	110		
§12.26 G. Trust Indenture Act of 1939 (TIA'')	113		
Chapter 13			
Regulation of the Secondary Markets in SPV Securities119			
§13.1 A The Securities Exchange Act of 1934 (The "1934 Act")	121		
§13.7 B. Investment Advisers Act of 1940	151		
Chapter 14			
Operating the SPVs	157		
§14.1 A SPV Operations	159		
§14.2 B. The Custodian	160		
§14.7 C. The Servicer	170		
§14.11 D. The Sponsor	179		
Part III			
Loan Participations			

Chapter 15 Introduction to Loan Participation 201

	Chapter 16	
The L	P Agreement: Disclosure	215
§16.1	A Contract and Tort Duties in LP Relationships	217
§16.3	B. Disclosure Requirements Under Bank Regulation	222
\ §16.9	C. Waivers of the Right to Information	229
§16.12	D. The Borrower's Right to Confidentiality	231
		ix

SECURITIZATION VOLUME I

		Chapter 17	
Applic	abi	lity of the Securities Acts to LPs	233
§17.1	A.	The 1933 and 1934 Acts	235
§17.6	B.	The Investment Company Act of 1940 (The "1940 Act")	261
§17.7	С.	The Investment Advisers Act of 1940 (The "Advisers	
0		Act")	270
§17.8	D.	The Trust Indenture Act of 1939 ("TTA")	271
		Chapter 18	
Relatio		hips Among the Lead Bank and the Participants	275
§18.1	Α	Terms of the LP Agreement: Requirements	
		and Constraints	277
§18.3	В.	Duties of Lead Banks to the Participants	281
§18.8	С.	Duties of the Participants	303
§18.12	D.	Remedies	307
		Chapter 19	
0		the Participants in the Participation	311
•		Law Applicable to the Status of LPS	313
0		The Basic Categories of LPs	322
§19.5	C.	Purchase and Sale	334
§19.12.1	D.	The Ongoing Relationship Between LP Holders and	
		the Lead	358
§19.16	E.	LPs as Loans to the Lead Bank	368
		Chapter 20	
		Bankruptcy on LPs	389
§20.1	Α	The Lead's Insolvency When Government	
		Agencies Are the Receivers	391
0		Setoffs	412
§20.15	C.	Bankruptcy of the Borrower	440
D' 1 /	c	Chapter 21	
Rights		the Borrower Against the Lead Bank and	40.0
		P Holders	483
§21.1		Right of the Borrower to Confidentiality	485
§21.4	B.	Rights of the Borrower Against the Lead Bank	
		and LP Holders	499
§21.6		Setoffs	503
§21.9	D.	Tax Implications	511
D 6'		Chapter 22	
Drafti	-	the LP and Loan Agreements: Issues for the Drafting	
		torney	513
§22.1		The LP Agreement	515
§22.7	В.	The Participated Loan Agreement	519
.		Chapter 23	
Intern	atio	onal Aspects of Securitization	523

X

SUMMARY TABLE OF CONTENTS

Tables and Index

Table of Cases	547
Table of United States Code Sections	575
Table of Code of Federal Regulations Sections	587
Table of Uniform Commercial Code Sections	597
Table of State Statutes	601
Index	603