

The Education Committee of the
National Federation of Municipal Analysts

**ADVANCED SEMINAR
ON
LEGAL ISSUES**

NAVIGATING THE DOCUMENTS BEHIND THE DEALS

September 14 – 15, 2000
Grand Hyatt Atlanta – In Buckhead
Atlanta, Georgia

PROGRAM:

Thursday, September 14

- 8:00 – 8:45 a.m. *Registration and Continental Breakfast*
- 8:45 – 9:00 a.m. *Opening Remarks*
Gary Lasman, Liberty Funds Group, Seminar Chairman
- 9:00 – 10:15 a.m. *Investor Letters/Compliance Issues*
- What are you giving up by signing an investor letter?
 - Travelling letters:
 - Liquidity issues
 - Who drives the decision and are they negotiable?
 - Impact on compliance
- Moderator: A.G. Anglum, Harris Trust & Savings Bank*
- Panelists: Karen Szerszen, Allstate Insurance Company*
Janet Hoffman, Esq., Katten, Muchin & Zavis
Mike McDaniel, B.C. Ziegler & Co.
*Lawrence Tonomura, California Statewide Communities
Development Authority*
- 10:15 – 10:30 a.m. *Break*
- 10:30 a.m. – Noon *Analyzing the Structure of the Transaction*
- Form of borrower – corporation, LLC, partnership
 - Leases – ground lease, financing lease, operating lease
 - Guaranties
 - What risks do you have to live with? What risks can you structure around?

Moderator: *Dean Lewallen, Prudential Global Asset Management*

Panelists: *Richard Moche, Esq., Mintz Levin Cohn Ferris Glovsky and Popeo, P.C.*

Erik Kimball, Esq., Nabors, Giblin & Nickerson, P.A.

Noon – 1:30 p.m.

Luncheon with Speaker - J. Hobson Presley, Jr., Esq., Maynard, Cooper & Gale, P.C., President, NABL

1:30 – 3:00 p.m.

Tax Opinions and Tax Covenants

What matters are covered in the tax component of the bond counsel opinion and what should investors look for?

Why are we seeing exploding opinions and what are the ramifications to investors?

What are strong and weak tax covenants?

What are the responsibilities of the financing team when the IRS comes knocking at the door?

Panelists: *Edward B. Nahmias, Capital Research Company*
Richard Chirls, Esq., Orrick, Herrington & Sutcliffe, LLP

Linda Richards-Yellin, The Vanguard Group of Investment Companies

3:00 – 3:45 p.m.

Electronic Disclosure

- “Republication” of information
- Hyperlinks
- Electronic vs. print media
- Summary of NABL and NFMA position papers

Panelists: *Mary Metastasio, SAFECO Asset Management Co.*
Walter St. Onge, Esq., Palmer & Dodge LLP

3:45 – 4:00 p.m.

Break

4:00 – 5:30 p.m.

Rating Agencies Review of Underlying Legal Documents

- The impact of legal documents on investment grade ratings
- Is structure important for an investment grade rating?
 - Cash flow v. structure
 - Differentiating leasehold pledges v. an asset pledge
- Right to exclude v. the right to occupy

Moderator: *Beth Ware, Liberty Funds Group*

Panelists: *Katherine McManus, Fitch IBCA*
Naomi Richman, Moody's Investors Service
David Hitchcock, Standard & Poor's

6:00 – 7:00 p.m. **Cocktail Reception**

Friday, September 15

8:00 – 8:45 a.m. **Continental Breakfast**

8:45 – 10:15 a.m. **Municipal Securitization**

- Tobacco bonds
- Municipal housing financings
- What are the current trends in muni securitizations?
- Navigating the legal minefield - what key areas should analysts focus on?
- Where are underwriters pushing the envelope?

Moderator: *Daniel Heimowitz, Lehman Brothers*

Panelists: *John G. Bove, Nixon, Peabody LLP*

Katherine McManus, Fitch IBCA

Charles L. Jarik, Chapman and Cutler

10:15 – 11:45 a.m. **Foreclosure/Bankruptcy Issues**

- Getting a plan confirmed
- When will pre-packages work?
- Assumption and rejection of leases/contracts
- Remedies
- Redemption rights
- State-to-state differences on the foreclosure process – Which are lender-friendly states?
- Loopholes: Issuer's ability to prove restructuring provides greater value to bondholders

Panelists: *William P. Smith, Esq., McDermott, Will & Emery*

Mary-Kay Bourbulis, Strong Capital Management

Wendy Hagenau, Esq., Powell, Goldstein, Frazer & Murphy LLP

11:45 a.m. **Seminar adjourns**

The views expressed at the Advanced Seminar are those of the speakers alone and do not necessarily represent those of the National Federation of Municipal Analysts.