

# BDC ROUNDTABLE

Steven B. Boehm, Sutherland  
David Starr, Williams & Jensen, PLLC

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## Rulemaking and Legislative Update

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# Overview

- The Government Response to the Credit Crisis – In General
- Particular Concerns to BDCs – and their portfolio companies
- Regulatory Efforts
- Legislative Recourse

## Government Response – In General

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- New programs designed to make credit available
- TARP – strings attached
- Regulatory Reform – new consumer watchdog

# Direct Impact on BDCs

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- Historical BDC accounting method
- Impact of FAS 157
- Interplay between accounting treatment and contract covenants
- Reasons for concern

# Meetings with SEC

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- Reaction to FAS 157
- Initial meeting
- Subsequent interactions post-SEC meetings with accounting firms
- Proposed rulemakings: treatment of preferred stock and lower asset coverage requirements
- SEC position

# Meetings with Congress

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- House and Senate meetings
- Hill calls and letter to SEC
- SEC staff briefing on hill
- Testimony before Congress

# Outlook

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- Legislative opportunity
- Positioning the Industry