

Press Coverage | March 8, 2023

# Appeals Court Could Upend the Leveraged Loans Market

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An article by Deborah J. Enea and Carlo J. DeHart, "[Second Circuit May Answer Loans Securities Question in Kirschner Appeal](#)," was cited in a March 8, 2023 *Axios* article titled, "[Appeals Court Could Upend the Leveraged Loans Market](#)."

If the appeals court overturns the lower court ruling, then it could have what law firm Troutman Pepper calls a "profound effect" on Wall Street and the global economy.

- In short, syndicated loans could become more expensive for borrowers, since banks are unlikely to swallow the extra compliance costs.
- Such a ruling also could spark all sorts of new litigation by lenders in other companies, while funds set up to buy syndicated loans might pause in order to rework their legal structures.

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