

Credit Agreement Extractions with Definitions

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Overview

This document presents structured extractions from credit agreements using an enhanced prompt that captures definitions alongside economic terms. Definitions are highlighted in yellow throughout the document.

1 Simple Credit Agreement

1.1 Document Overview

- **Document Type:** credit agreement
- **Effective Date:** 2024-01-01

1.2 Parties and Commitments

1.2.1 Parties

Role	Name	Jurisdiction
borrower	Acme Corporation	N/A
lender	Widget Bank, N.A.	N/A

1.2.2 Credit Facilities

- **REVOLVING CREDIT FACILITY:** \$12,500,000 USD

1.3 Pricing Terms

1.3.1 Base Interest Rate

- **Rate Type:** floating
- **Benchmark:** SOFR
- **Spread:** 200 basis points

1.4 Administrative Terms

- **Governing Law:** New York

1.5 Summary of Definitions Captured

This extraction captured **0 definitions** to explain the economic terms.

2 Syndicated Credit Agreement - Weekly Reader Corp

2.1 Document Overview

- **Document Type:** credit agreement
- **Effective Date:** 1999-11-17

2.2 Parties and Commitments

2.2.1 Parties

Role	Name	Jurisdiction
borrower	Weekly Reader Corporation	Delaware
borrower	JLC Learning Corporation	Delaware
guarantor	WRC Media Inc.	Delaware
syndication agent	DLJ Capital Funding, Inc.	New York
administrative agent	Bank of America, N.A.	North Carolina
documentation agent	General Electric Capital Corporation	Illinois

2.2.2 Credit Facilities

- **TERM LOAN:** \$31,000,000 USD
 - Purpose: finance the consummation of the transaction and pay transaction fees and expenses
- **TERM LOAN:** \$100,000,000 USD
 - Purpose: finance the consummation of the transaction and pay transaction fees and expenses
- **REVOLVING CREDIT FACILITY:** \$30,000,000 USD
 - Purpose: post-closing working capital and general corporate purposes
- **LETTER OF CREDIT:** \$5,000,000 USD
 - Purpose: support working capital and general corporate purposes
- **SWING LINE LOAN:** \$5,000,000 USD
 - Purpose: post-closing working capital and general corporate purposes

2.3 Pricing Terms

2.3.1 Base Interest Rate

- **Rate Type:** floating
- **Benchmark:** LIBO Rate
- **Benchmark Definition:** *interest rate per annum for deposits in dollars for a period equal to the relevant interest period which appears on Telerate Page 3750*
- **Spread:** 400 basis points

2.3.2 Performance-Based Pricing

Metric: Leverage Ratio

Definition: Total Debt divided by EBITDA for the period consisting of such fiscal quarter and each of the three immediately preceding fiscal quarters

Test Frequency: quarterly

Condition	Spread Adjustment (bps)
> 5.50:1.0	325
5.00:1.0 to 5.50:1.0	300
4.50:1.0 to 5.00:1.0	275
4.00:1.0 to 4.50:1.0	250
3.50:1.0 to 4.00:1.0	225
<= 3.50:1.0	200

2.4 Financial Covenants

- **Leverage Ratio:** maximum 6.35

– **Definition:** Total Debt divided by EBITDA for the period consisting of such fiscal quarter and each of the three immediately preceding fiscal quarters

– Test Frequency: quarterly

- **Fixed Charge Coverage Ratio:** minimum 1.05

– **Definition:** EBITDA divided by the sum of interest expense, capital expenditures, scheduled principal repayments, income taxes, and restricted payments

– Test Frequency: quarterly

2.5 Mandatory Prepayments

2.5.1 Excess Cash Flow

- **Definition:** EBITDA for such fiscal year over the sum of interest expense, scheduled principal repayments, income taxes, capital expenditures, investments, restricted payments, and payments of interest
- **Percentage:** 50%
- **Application:** to term loans in order of maturity

2.5.2 Net Disposition Proceeds

- **Definition:** gross cash proceeds received from any disposition minus reasonable and customary fees, taxes, payments to retire indebtedness, and reserves for purchase price adjustments
- **Percentage:** 100%
- **Application:** to term loans in order of maturity

2.6 Fees

- **Commitment Fee:** 50 basis points per annum on unused commitments
 - **Unused Commitment Definition:** *Total Commitments minus outstanding Loans, as calculated daily*
- **Letter Of Credit Fee:** 25 basis points per annum on the stated amount of each letter of credit

2.7 Administrative Terms

- **Governing Law:** New York
- **Amendment Threshold:** Required Lenders
 - **Definition:** *Lenders holding more than 50% of the aggregate Commitments and Loans outstanding*

2.8 Summary of Definitions Captured

This extraction captured **9 definitions** to explain the economic terms.