

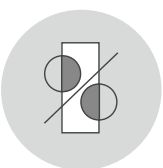
TOP 5 SUB-AGENT DUTIES IN A LOAN TRANSACTION

Under the terms of a loan agreement, administrative agents have numerous tasks to perform. Hiring a sub-agent to take on certain operational duties allows the agent to focus on other aspects of the credit. SRS Acquiom's Loan Agency professionals composed a list of five key duties a sub-agent can provide to make a loan transaction more efficient and streamlined.



01 | MAINTAIN THE LOAN REGISTER

Administrative agents are required to maintain a register detailing the global loan amount, lender names, lender commitments, interest rates, payment dates, amortization payments, and much more. Having a robust loan system to enter and keep track of all this data is crucial.



02 | SET INTEREST RATES

Loan agreements often call for an interest rate to be reset at the beginning of each interest period. The administrative agent is tasked with setting the new rate and notifying all loan parties accordingly. Having access to the applicable reference rates and a loan system that can accrue interest based on changing rates creates both accuracy and efficiencies.



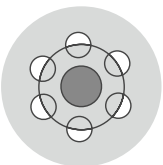
03 | REMIT PAYMENTS

Administrative agents collect interest, principal, and fees due under the loan from the borrower and distribute funds to lenders in accordance with the loan documents. Having a system and processes in place to send multiple wires creates efficiencies, limits errors, and mitigates risk.



04 | GENERATE NOTICES

Notices are used by the administrative agent to notify lenders about payments, interest rate changes, loan accruals, commitment amounts, and borrowings on a loan. The agent also uses notices to inform the borrower on upcoming interest, principal, and fee payments due under a loan. Having a loan system that can generate, distribute, and track all of these notices is essential.



05 | PROCESS ASSIGNMENTS

Lenders are often able to trade their loan position to other lenders under the terms of the loan agreement. The administrative agent must ensure the assignment agreement is accurate, that all required signatures have been obtained, and coordinate a settlement date before signing the agreement. Once signed, the agent will need to update the loan register to reflect the change in lender positions. Having set processes in place to review and close assignments and a loan system to keep track of assignment activity is vital to maintaining an accurate loan register and ensuring lender payments are made correctly based on their loan positions.

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