

Considerations in Using Incremental Facilities to Finance Acquisitions

September 6, 2019 | Client Update

A key feature of many modern credit agreements is an “incremental” or “accordion” provision, which can allow a borrower to increase the aggregate amount of financing available under a credit facility. The most common use of these incremental facilities is to finance an acquisition, for which they can be very quick and cost effective. Our memo explores key features of incremental provisions from the perspective of a borrower and lender looking to finance a potential acquisition.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Meyer C. Dworkin

+1 212 450 4382
meyer.dworkin@davispolk.com

James A. Florack

+1 212 450 4165
james.florack@davispolk.com

Monica Holland

+1 212 450 4307
monica.holland@davispolk.com

Vanessa L. Jackson

+1 212 450 4599
vanessa.jackson@davispolk.com

Jinsoo H. Kim

+1 212 450 4217
jinsoo.kim@davispolk.com

Jason Kyrwood

+1 212 450 4653
jason.kyrwood@davispolk.com

Kenneth J. Steinberg

+1 212 450 4566
kenneth.steinberg@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[Read the full update](#)