National Federation of Municipal Analysts

Recommended Best Practices in Disclosure for Direct Purchase Bonds, Bank Loans, and Other Bank-Borrower Agreements

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Since its inception in 1983, the National Federation of Municipal Analysts (NFMA) has been at the forefront of efforts to improve the disclosure of credit and market risks facing analysts and investors in the taxable and tax-exempt municipal bond markets. The NFMA is an organization of over 1,300 members, primarily research analysts, who evaluate credit and other risks of municipal securities. These individuals represent mutual funds, insurance companies, broker/dealers, commercial banks, and rating agencies, among other stakeholders. The NFMA's disclosure efforts have addressed broad areas of concern, ranging from industrywide topics to detailed work on specific credit sectors. Some of this work has been communicated to members of Congress and federal regulatory agencies, and it has been recognized by other industry associations and by various regulatory bodies. An amicus brief filed by the NFMA with the US Supreme Court in *re Davis v Kentucky* was cited by the Court in support of their decision in that case. For further information on continuing efforts to improve municipal disclosure, please refer to the "Disclosure Guidelines" and "Position Statements" in the "Publications" section of the NFMA's website (www.nfma.org).

The NFMA communicates sector-specific recommendations primarily through white papers and Recommended Best Practices (RBPs) in Disclosure papers. White papers are the NFMA's preferred method of comment when the disclosure recommendations have not previously been articulated in a detailed or organized manner. As a rule, white papers are written by a team of NFMA members who represent different types of companies.

RBPs, on the other hand, are used when a particular analytical topic has previously been subjected to thorough discussion. In developing RBPs, diverse groups of NFMA analysts work with representatives of industry groups and other market professionals to develop best practice guidelines on certain market sectors or topics.

This *Recommended Best Practices for Direct Purchase Bonds, Bank Loans, and Other Bank-Borrower Agreements* is intended to address what the NFMA sees as a deficiency in current practices in the disclosure of these agreements, which are directly counter to market and regulatory efforts to further transparency in the municipal marketplace. This RBP should be used in conjunction with the guidance of any other regulations, rules, and amendments that affect the particular borrower agreement concerned.

It is important to note that the NFMA's disclosure efforts are a continuing process. These guidelines are not static documents: they will be revisited and changed as market conditions warrant. There are many references at the end of the RBP that either illustrate views from regulators or other groups, or have some other bearing on the material in the main paper. The

NFMA encourages interested parties to submit comments at any time to lgood@nfma.org so that they can be considered in the development of future versions of all RBPs in Disclosure.

EXECUTIVE SUMMARY

The burgeoning bank loan market in the United States provides municipal obligors with another vehicle to access capital but it has also reversed a broad market trend of improved municipal disclosure. In 2014, bank loans provided about 20% of the loans in the municipal market, but they lack the same disclosure requirements as municipal securities.

The National Federation of Municipal Analysts (NFMA) is particularly concerned that all municipal bond investors have current, complete, and reliable financial disclosures; sufficient time to review that information; and access to borrowers, so that market participants can make informed investment decisions. Consequently, this Recommended Best Practices (RBP) in Disclosure paper recommends improving the offering and disclosure practices in regard to direct purchase bonds, bank loans, and other bank-borrower agreements, and seeks to communicate to those parties the expectations of municipal investors and credit analysts.

The NFMA hopes that the recommendations in this RBP will serve as a benchmark for improved issuance and disclosure practices and procedures by municipal borrowers and underwriters; it also seeks to increase dialogue with industry groups, regulators, and other interested parties. The NFMA believes that improved disclosure of direct purchase bonds, bank loans and similar instruments by obligors with publicly issued debt will help to ensure that they have access to the broadest possible investor base, and as a result, the most attractive borrowing costs for their bonds.

THE RATIONALE FOR BETTER BANK LOAN DISCLOSURE

Since the Great Recession ended, many municipal obligors have opted to take advantage of bank lending products in lieu of public capital market financings. Bank lending products can take many forms and have varied names, including direct purchase bonds, direct loans, and bank loans, among others. A *direct purchase* occurs when a bank purchases a bond directly from the obligor, and a *direct loan* occurs when a bank or other financial entity enters into a loan agreement or other type of financing agreement with the obligor. An *obligor* is the entity responsible for repaying the loan; an obligor may be an issuer or another governmental or not-for-profit entity that is responsible for repaying the loan. For simplicity's sake, although recognizing that there can be differences in each financing, we use *bank loans* as a generic term applying to all bank lending products throughout this RBP, except where unique names are used to highlight meaningful differences.

Bank loans or other bank financings are not uncommon in the municipal marketplace, but the growth and regularity of obligors opting to finance their needs with bank loans, as well as the diverse group of banks and financial institutions offering such products, is a new trend.

Often the terms in a bank loan mirror those found in standby bond purchase agreements (SBPAs) or letter of credit facilities (LOCs). Because the terms of the loan can pose risks similar to those posed by the obligor's credit profile, including the acceleration of principal ahead of stated maturity, disclosures for these financings should be as robust as the disclosures for public bond issues ***for obligors with publicly issued debt outstanding***. Furthermore, the growth of the bank loan market has enticed an increasingly diverse group of lenders to offer the product. With this expansion of lender sizes and types, the terms and conditions have become less standardized. New provisions and customized terms may introduce considerable risk to the obligor's credit profile and may also impact existing investors.

Although the quality and consistency of municipal market disclosure is not as uniform or detailed as many investors might like, numerous white papers from the NFMA encourage improved disclosure. These traditional disclosure papers and recommended best practices are based primarily on the disclosure standards set forth in Securities and Exchange Commission (SEC) Rule 15c2-12, which requires dealers to ensure that the state or local government issuing the bonds enter into an agreement to provide certain information to the Municipal Securities Rulemaking Board (MSRB) about the securities on an ongoing basis. The majority of obligors file the required disclosures on the MSRB's Electronic Municipal Market Access (EMMA®) platform to enable existing bondholders and those interested in assessing the creditworthiness of an obligor to review the shared information.

Bank loans do not fall under SEC Rule 15c2-12 requirements and therefore have no corresponding disclosure guidelines. Even though many bank loans share the same security pledge as outstanding bonds and, in some cases, reduce resources available to repay existing debt, the existence of these agreements—and thus the risks introduced to bonds covered under Rule 15c2-12—often go undisclosed. Regardless of disclosure regulations, in the view of the NFMA, a bank's rights as an investor should ideally be the same as the rights of other investors in publicly issued parity debt and disclosure standards should be similar to allow the investor to assess the risks introduced by the transaction and their potential impact on parity investor holdings.

In 2013, in conjunction with eight other contributing organizations, the NFMA participated in the development of a white paper to discuss disclosure issues related to bank loans. On May 1, 2013, *Considerations Regarding Voluntary Secondary Market Disclosure about Bank Loans* was released (a list of all contributing parties and a link to the paper are included in the References section at the end of this RBP). This white paper provides a history of bank participation in municipal market, the possible impact of direct loans on an obligor's credit quality, and suggested disclosure standards. The NFMA aims to continue the market dialogue on the disclosure of bank loans. Specifically, the NFMA believes that uniform, thorough, and timely disclosure of all bank loans to all market participants is necessary to a fair and transparent process.

The MSRB has commented on the growth of bank loans in MSRB Notice 2011-52, Notice 2012-18, and Notice 2015-03 (links to all three Notices are in the References at the end of this paper). In Notice 2012-18, the MSRB encourages issuers (e.g., obligors) to voluntarily post information about their bank loan financings to the EMMA website in a timely manner and describes a recommended procedure for posting this type of information to that website. MSRB Notice 2012-18 envisions that those who opt to following this notice would submit:

1. an appropriate document relating to the bank loan financing, such as the loan or financing agreement, or alternatively
2. a summary of some or all of the features relating to the bank loan financing, including (but not limited to) all of the items in the following table:

Lender	**Borrower**
Payment dates	Maturity date
Amortization schedule	Purpose of loan/financing
Optional, mandatory, and extraordinary prepayment provisions	Security for repayment
Tax status of interest	Third-party guarantees
Events of default/remedies	Source of repayment
Current credit rating of borrower (if applicable)	Dated date/closing date
Governing law	Par amount
CUSIP number (if applicable)	Interest rates (or index if variable)
Method of computation (if applicable)	Redistribution rights (if applicable)

Other municipal industry participants and organizations have also expressed their opinions on the need for more consistent and transparent disclosure of bank loans. In September 2013, the Government Finance Officers Association (GFOA) released a GFOA Best Practice paper titled *Understanding Bank Loans (2013)(DEBT)* (a link is provided in the References section). That paper comments on issues that should be considered by obligors contemplating a bank loan, and has a section on Disclosure Considerations. In this section, although the GFOA makes it clear that these are simply suggestions for voluntary disclosure, it does encourage bank loan participants to consider disclosing information "important to bond holders." The list of items to consider disclosing is similar to the suggested items in MSRB Notice 2012-18.

In July of 2014, California became the first state to pass a law addressing bank loans. Assembly Bill No. 2274, signed by the Governor of California on July 23, 2014, requires that all bank loan agreements comply with existing banking regulations and be filed with the California Debt and Investment Advisory Commission (CDIAC), a division of the California State Treasurer's Office. Prior to this law, bank loans did not need to be filed with CDIAC, so many went undisclosed. The California law also requires those entering into bank loans to report the transactions to CDIAC within 21 days of closing. This is a step in the right direction, and it is helpful for those holding debt from California municipal entities. However, even though the disclosure of bank loans is now covered by state regulation, the timing is still not sufficient for all bondholders. Because post-execution disclosure could prejudice existing bondholders and erode the value of their holdings while at the same time depriving them of the ability to liquidate the holding in anticipation of changes in their rights relative to other lenders, disclosure concurrent with or prior to the execution of documents is ideal for investors in the obligor's publicly issued bonds, but at a minimum, disclosure of bank loans should occur within 10 business days of closing, consistent with the timing under SEC Rule 15c2-12 for material events. The NFMA stands with all market participants working to improve disclosure in this growing area of public finance. This RBP discusses the specific elements of a bank loan that the NFMA believes should be disclosed to all market participants in a full and timely manner to support a well-functioning municipal capital market.

OVERVIEW

In any credit analysis, liquidity is a key component. Bank loans—like a host of other financial products, including LOCs, liquidity facilities, and swaps—often include obligor payment provisions that change upon the occurrence of certain events. These "triggers" can result in the acceleration of debt payments or in the requirement for the payment or posting of collateral for termination payments, either of which can potentially impair obligor liquidity. Contract provisions and the obligor's current financial performance relative to those provisions dictate the extent to which potential payment events resulting from these triggers impact an obligor's liquidity and credit profile. The present inconsistent disclosure practices related to bank loans impairs the ability to assess obligor liquidity uniformly from one obligor to another. In many cases, when disclosures are made, they occur in conjunction with the filing of annual financial information, preventing a timely assessment of the impact of the bank loan on an obligor's credit and liquidity position.

Although the credit risks introduced in LOCs and SBPAs can be similar to those found in bank loans, they differ in the role that the bank assumes. In providing an LOC or serving as the standby bond purchase provider, the bank acts primarily as a credit enhancer in the capital structure. In a bank loan or direct purchase agreement, the bank's primary role is that of an investor. Regardless of the bank's position, the NFMA's view is that both situations introduce risk. The NFMA believes that ideally a bank's rights as an investor should be the same as those of other investors in parity debt. Where a bank loan allows rights to a lender that include more permissive remedies than those held by traditional bond investors, the difference in rights could force a difference in creditworthiness between the two financings that claim to be on parity. Investors could deem that the creditworthiness of such obligors is meaningfully different simply because of a single covenant or remedy, such as one that allows a bank a quicker exit than existing bondholders—functionally subordinating them. Whether the covenants and remedies are agreed to in a bond indenture, a bank loan agreement, an SBPA, or an LOC, analysts must consider them all in assessing credit quality.

The membership of the NFMA is diverse and includes analysts from buy-side firms, sell-side firms, insurance companies, law firms, bond insurers, and rating agencies. Within each analyst's purview, regardless of company type, is the requirement to assess the creditworthiness of the obligor in a transaction. In general, more information is better when making this assessment. In analyzing credit risks introduced by bank loans, one major challenge is access to the documents necessary to perform this work. The remainder of this RBP paper will cover specific points that each analyst should consider when an obligor has entered into and disclosed information related to a bank loan.

BANK LOAN ANALYSIS

Obligors have a variety of ways to obtain capital, and bank loans can be an effective means to do so. Bank loans, like any other type of debt, must be incorporated into the analysis of an obligor's liquidity position and credit quality. Existing bondholders are most commonly concerned with the following potential risks that bank loans can introduce:

- Creation of additional debt
- Contingent liquidity risk
- Refinancing risk
- Reduced security for existing bondholders

Creation of additional debt. The use of a bank loan for a new money financing results in an increase in the aggregate outstanding amount of an obligor's debt. The additional debt introduced by the bank loan can weaken the metrics used to examine an obligor's debt position. For example, the increase in debt can affect the level of net direct debt as well as metrics such as debt service as a percent of expenditures. These are important indicators of credit quality for general obligation bonds. For revenue bonds, metrics such as available revenues to debt service could change; this needs to be considered in light of rate covenants or additional bonds tests. Even when in compliance with covenants and/or an additional bonds test, any increase in debt can be an important credit and pricing consideration for investors.

An obligor's debt profile is a pillar of credit analysis. Central to the debt profile is how highly leveraged an obligor is. Therefore, knowledge of the full magnitude of an obligor's debt burden is important for bondholders to determine whether they want to continue to hold their bonds.

Contingent liquidity risk. The terms of bank loans, particularly with respect to events and remedies of default, can differ from the terms in place for existing bondholders. This is because lenders of bank loans typically negotiate separate agreements with obligors that outline the terms under which they are willing to lend. Because much of the recent growth in bank lending started out as conversions of existing variable rate demand obligations (VRDOs), lenders often used the terms of their existing VRDO agreements as the "standard" for their bank loan products.

Regardless of their origins, the terms that exist in bank loans need to be examined to determine whether they are more favorable than those that apply to outstanding bonds. Such examination will enable analysts to assess if the bank is able to assert remedies prior to those holders of publicly issued debt. Obligors may face heightened liquidity risk from financial instruments with payment provisions that change upon the occurrence of certain events and that favor the bank loan provider over the obligor's capital market investors. The result can be payment requirements up to and including immediate acceleration of debt repayment in full.

The terms of the bank loan agreements (especially covenants, events of default, and remedies) need to be analyzed to determine their effect on an obligor's liquidity position if there are contingent claims. In addition to their magnitude, these contingent claims need to be understood for their timing aspects as well. The ability of an obligor to access funding to pay off contingent claims in a timely manner needs to be evaluated. This is especially true in light of potential cross-default provisions between bank loans and publicly issued debt. Other agreements, such as interest rate swap agreements, may also have cross-default provisions that could be triggered by actions under a bank loan, further complicating an obligor's liquidity.

An obligor's liquidity profile is another pillar of credit analysis. Any contingent claims on an obligor's liquidity need to be understood by bondholders in order to make an informed assessment. Since it has been common for bank loan agreements to include potential calls on liquidity, these provisions also need to be evaluated.

Refinancing risk. Refinancing risk is another element of liquidity analysis. It also gives insight into the risk appetite of the management team and into their overall view of acceptable risk in their debt portfolio. For these reasons, whether or not a bank loan contributes to refinancing risk needs to be evaluated.

One of the hallmarks of the overall stability of municipal obligors has been the use of long-term, fully amortizing, level-pay debt. The general avoidance of debt structures that require "balloon" payments of principal, necessitating the rolling over of debt or the use of other sources, has contributed to credit stability. However, most of the providers of bank loans are unable or unwilling to provide such long-term amortizing debt, and so bank loans generally have shorter terms.

For obligors who need financing with maturities longer than the term at which providers are willing to lend, structures have been created that permit repayment (either through a mandatory tender or a mandatory redemption) if the lender is not willing to extend their holding period. In addition, bank loans can be structured as short-term debt with balloon maturities. In either event, the obligor may be exposed to refinancing risk. Although most obligors may currently exhibit market access suggesting that refinancing risk is manageable, bondholders need to be aware of the magnitude and timing of when obligors need to refinance their debt.

Reduced security for existing bondholders. Bondholder security is an important component of credit analysis, and is used both to determine an obligor's ability to pay and to assess the likelihood of full recovery if an obligor becomes distressed. Bondholders need to evaluate the obligor's entrance into any agreements that can affect their security to determine whether it changes their view of credit quality.

By incurring additional debt, obligors could be encumbering assets or revenues that were previously available to pay existing bonds and instead pledging them to the lender as security for a bank loan. This additional debt can result in changes to metrics such as debt service coverage ratios and asset coverage ratios. The increase in debt can be an important credit and pricing consideration for investors even when in compliance with covenants and/or an additional bonds test. Also, similar to additional debt restrictions, bank loan agreements could give the lender a lien on assets or revenues (even if subordinate) that can affect the credit quality of other bond obligations, whether they are parity obligations or not.

DISCLOSURE FOR BANK LOANS

Given the potential risks associated with a bank loan, the question becomes what information would be most useful for obligors to disclose. Disclosure practices vary among municipal obligors, often reflecting their level of managerial sophistication and the complexity of their issuances. For those that decide to use bank loans as a source of capital, the NFMA proposes a level of disclosure commensurate with both the lack of standardization and the potential level of risk present in these transactions. Because bank loan agreements are typically negotiated for each transaction, assumptions cannot be made about their contents. Disclosure for bank loans should involve the following information:

- What to disclose
- When to disclose
- How to disclose

What to disclose. It benefits obligors to release information that can be useful to the widest audience of investors. At a minimum, this means releasing all relevant documents for a particular transaction. To determine relevance, we start with the guiding document of most bank loan transactions—the purchase agreement between the lender and the obligor (if a bond) or the loan/financing agreement (if a loan). Pertinent documents would also include those referenced in the guiding document, which are necessary to understand and evaluate the terms and conditions of the bank loan.

Transaction documents are sometimes redacted to avoid disclosing any business terms of a transaction that are confidential or that contain competitive information. Information that is redacted should not limit an investor's ability to evaluate the risks outlined in the section on Bank Loan Analysis above. To further promote transparency, obligors could go beyond the minimum of releasing documentation by preparing a summary of the features relating to the bank loan. A summary, if prepared, should address items relating to the risks outlined above. By releasing such a summary, an obligor not only provides investors with important information about the bank loan issuance but also demonstrates an understanding of the key features of the financing, which reflects favorably on management. Items to be included in the summary could be those outlined in this RBP.

Because bank loans do not exist in isolation from other contingent liabilities, the obligor could also consider including a management discussion that:

- Quantifies the amount of contingent liabilities outstanding
- Articulates the circumstances under which these liabilities might expose it to extraordinary calls on liquidity
- Identifies assets or strategies in place to respond to extraordinary calls on liquidity

The more robust the disclosure concerning the bank loan is, the greater the likelihood that investors will be able to evaluate whether credit quality has been impacted.

When to disclose. Timeliness of disclosure enhances its value; this holds true for bank loans. Simply including information about a transaction in the next annual financial statement or in the next bond offering document is not sufficient from a timeliness perspective. The period of time that could pass between the execution of the bank loan and the release of the obligor's next financial statement or offering document creates an unacceptable gap in investors' knowledge of an issuer's credit position. Investors' decisions to continue to hold or to sell existing paper could be changed immediately upon execution of a bank loan. Therefore, disclosure should be made as soon as possible following the closing of the bank loan and ideally prior to its execution. However, at a minimum, the timing of the disclosure of bank loans should be consistent with the SEC's Rule 15c2-12 requirement for material events. This would mean disclosure of the bank loan within 10 business days of its execution.

To the extent a bank loan has terms that require ongoing monitoring, the obligor should provide periodic disclosure updates concerning pertinent information (for example, whether any covenants that could lead to acceleration have been or are close to being breached).

How to disclose. To promote transparency, it is a best practice to disclose bank loans in a manner that allows all investors equal access to the information. This is best achieved by posting the information on the EMMA website so that investors will be able to locate it easily. A material events notice could be filed indicating that the transaction has occurred and that the documents/summary/discussion have been posted. Disclosure to the rating agencies alone is not sufficient because the lack of public disclosure could leave investors exposed to rating and price volatility.

POTENTIAL EFFECTS OF LACK OF DISCLOSURE OF BANK LOANS

Bank loans, structured with terms that do not pose risks to an obligor's financial position and disclosed, will have less likelihood of negatively affecting credit quality. Indeed, they might improve credit quality if they enable obligors to achieve a lower cost for funds or to reduce or eliminate credit exposures in their debt portfolio. However, the loan terms and conditions must be evaluated before investors can conclude whether there is any impact.

Negative effects could come about in either of two ways: lack of disclosure or the discovery, in a disclosed transaction, of material risks. If an obligor does not disclose bank loans in a timely manner, certain investors may be unwilling to tolerate the uncertainty involved in holding such debt and may either sell current holdings or be unwilling to purchase newly issued bonds from that obligor in the future. Any narrowing of the investor base because of disclosure issues could result in higher borrowing costs for the obligor.

From a rating agency perspective, a lack of disclosure could impact credit ratings. As mentioned previously, the evaluation of management is an important component in assessing credit risk. A management team that does not disclose pertinent information to the marketplace (or the rating agency) could be viewed as a weakness in the assessment of the obligor's credit quality. In addition, failing to disclose requested information can lead to the suspension or withdrawal of credit ratings.

If material risks are discovered in a disclosed transaction, investors and rating agencies are likely to have concerns. It is important that the risks to credit quality are known by all parties and can be acted upon. For the obligor, this could involve renegotiating loan terms or securing alternate sources of liquidity. For the investor, this could involve deciding whether or not to continue holding the debt given the circumstances. If exposures to risk are disclosed, they can be analyzed and addressed; this is preferable to uncertainty and inaction that results when the exposures are unknown because of lack of disclosure. Indeed, early disclosure also can avoid volatility in credit ratings if obligors are willing to provide information while bank loans are being negotiated. This interim disclosure does not replace the need for obligors to disclose finalized documents, but it can mitigate the impact on investors from sudden rating changes.

SUMMARY

Municipal obligors continue to seek out the lowest-cost capital to finance their infrastructure and operating needs. One of the more recent developments in municipal finance is the burgeoning bank loan segment of the municipal market. In 2014 new bank loans were estimated to constitute over 20% of market activity. This significant growth necessitates that the market be provided with more consistent and uniform disclosure, because obligors increasingly use a variety of financing types in their capital financing. Because disclosure requirements vary among different debt types, the inconsistency creates gaps in the dissemination of information.

When publicly issued debt is outstanding, consistent and uniform disclosure, regardless of the financing vehicle, is crucial to sustaining a well-functioning municipal market. Until bank loans are included in disclosure regulation (in which case this RBP would become obsolete), the NFMA's recommended best practice to municipal obligors is to provide the investors with access to bank loan information as outlined above. Important risks to address in any bank loan disclosure include, but are not limited to, increases in debt, contingent liquidity risk, refinancing risk and reduced security for existing bondholders. If bank loans and the pertinent credit risks continue to be opaque to investors, they will have to consider that lack of information in future purchasing decision, which may contract the universe of buyers and impact the obligor's cost of capital.

For over 30 years, the NFMA has had a primary focus on improving disclosure in the municipal marketplace. Great strides have been made as a result. Over the last three decades, there may have been no greater challenge to uniform market disclosure than that presented by the lack of flexibility in current disclosure regulations, allowing new debt instruments to be used without corresponding disclosure rules, as has happened with bank loans. By following these best practices, we believe the marketplace can address this challenge.

References

White paper:
Considerations Regarding Voluntary Secondary Market Disclosure about Bank Loans
http://www.nfma.org/assets/documents/position.stmt/wp.direct.bank.loan.5.13.pdf

Organizations participating in the Bank Loan Disclosure Task Force that prepared the white paper are:

- American Bankers Association (ABA)
- Bond Dealers of America (BDA)
- Government Finance Officers Association (GFOA)
- Investment Company Institute (ICI)
- National Association of Bond Lawyers (NABL)
- National Association of Health and Educational Facilities Finance Authorities (NAHEFFA)
- National Association of Independent Public Finance Advisors (NAIPFA)
- National Federation of Municipal Analysts (NFMA)
- Securities Industry and Financial Markets Association (SIMFA)

Pertinent MSRB notices:

MSRB Notice 2011-52 (September 12, 2011)
Potential Applicability of MSRB Rules to Certain "Direct Purchases" and "Bank Loans"
http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2011/2011-52.aspx

MSRB Notice 2012-18 (April 3, 2012)
Notice Concerning Voluntary Disclosure of Bank Loans to EMMA®
http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2012/2012-18.aspx?n=1

MSRB Notice 2015-03 (January 29, 2015)
Bank Loan Disclosure Market Advisory
http://www.msrb.org/~/media/Files/Regulatory-Notices/Announcements/2015-03.ashx?n=1

Pertinent GFOA best practice paper:

GFOA Best Practice
Understanding Bank Loans (2013) (DEBT)
http://www.gfoa.org/sites/default/files/GFOABPBankLoans.pdf