Jeremy Duffy Quoted in Bloomberg on AI-Related Protections in Leveraged Finance

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Jeremy Duffy, Cahill partner and chair of the firm's European Leveraged Finance practice, was quoted in a *Bloomberg* article discussing how private equity sponsors and borrowers are navigating AI-related risks in leveraged finance transactions.

The article examines how private equity sponsors are introducing force majeure-style provisions into leveraged loan agreements to address potential disruptions caused by artificial intelligence. These emerging provisions could allow borrowers to extend default grace periods in response to AI-related impacts, raising questions about lender protections and the evolving allocation of risk in leveraged finance transactions.

"Lenders and investors are closely reviewing language proposed by sponsors that seeks to permit event of default flexibility in connection with AI," Jeremy noted. "It's a fast-moving piece of the leveraged finance documentation pie."

Read the *Bloomberg* article: "Acts of God Meet Acts of AI in Private Equity's New Debt Play"

Attorney

- Jeremy Duffy

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