**Model Provisions for Use of Proceeds Transactions**

**Terms of Reference**

**Overall Objective**

The intention is to produce Model Provisions for Use of Proceeds (Green and Social) Loans for insertion into LMA loan documentation. These Model Provisions will be aligned with our Green and Social Loan Principles respectively, and accompanying guidance notes, and will follow the format of the Model Provisions for Sustainability-Linked Loans.

The Model Provisions will be supported by a Term Sheet and a Green/Social Coordinator Mandate Letter.

**Objectives for 2024**

1. Agree the scope and layout of the model provisions, with active contributors to provide examples of clauses they use/see negotiated in green and/or social transactions.
2. Review and provide comment on draft model provisions provided by LMA’s legal counsel and assist in preparation for final publication to the market.
3. Support in the preparation and publication of the accompanying term sheet.

NB: a separate group will be created to formulate the Green/Social Coordinator Mandate Letter.

**Membership**

Membership is open to all Members of the ESG Committee,

Active contributors should be limited to 12 institutions, ensuring a balanced representation of market participants, including financial institutions and law firms.

**ESG Committee Sign Off**

The final draft of the Model Provisions will be circulated to the wider ESG Committee for a sense check and ultimate sign off.

**WG members**

|  |  |  |
| --- | --- | --- |
| Allen & Overy Shearman Sterling | ENSafrica | NatWest Group |
| Baker & McKenzie | Handelsbanken | Norton Rose Fulbright |
| Barclays Bank | HSBC Bank | Rabobank |
| BNP Paribas | HSF | Rand Merchant Bank |
| Bank of America | ING | Slaughter and May |
| Credit Agricole Corporate & Investment Bank | J.P. Morgan | SMBC Bank International |
| CMS Cameron McKenna Nabarro Olswang | Linklaters | Standard Chartered Bank |
| Covington & Burling | National Australia Bank |  |
| DnB Bank | Natixis |  |