



## **Churchill Financial Completes \$1.25 Billion Term Debt Securitization & Establishes New \$300 Million Senior Credit Facility**

New York, NY – July 12, 2007 – Churchill Financial Holdings LLC (“Churchill” or “The Company”), a middle market commercial finance and asset management company, announced today that it has completed a \$1.25 billion term debt securitization and established a new \$300 million senior credit facility.

The offering of Churchill Financial Cayman Ltd is the Company’s first balance sheet securitization since its inception in February 2006. The notes offered through this CLO transaction are backed by a diversified portfolio of senior and subordinated commercial loans originated by its Churchill Financial and Churchill Capital business units. The transaction was executed through a private offering via Rule 144A. Churchill placed various classes of notes rated AAA through BBB totaling \$1.062 billion and will retain the BB rated notes and an equity interest, which together represent 15% of the collateral pool, or \$187.5 million.

“This transaction validates the growth of Churchill Financial as a leading provider of senior and subordinated debt financing to middle market companies,” said Ken Kencel, President and CEO, Churchill Financial. “The CLO structure provides very attractive long-term financing as we grow our lending activity in support of our financial sponsor clients. The quality of the execution demonstrates the capital markets’ receptivity to our business model, the strength of our high-quality loan origination platform, and the experience of our underwriting and portfolio management team. We consider the investors in our term securitization facility to be very important partners as we continue to successfully grow our business.”

Churchill, which is headquartered in New York, will serve as collateral manager of the CLO, which has a five-year reinvestment period and is expandable by an incremental \$500 million to provide for additional investment activity. The Class A through E notes are rated by both Moody’s and S&P. The blended pricing for the Churchill Financial Cayman notes issued to investors was LIBOR plus 0.55%.

Natixis Securities North America Inc. acted as Lead Book Running Manager and Structuring Agent, with Wachovia Securities serving as Co-Manager on the transaction.

Concurrent with the CLO transaction, Churchill also established a new \$300 million senior credit facility to support its ongoing underwriting and financing activities. Wachovia Securities acted as Agent on the new senior credit facility.

## **About Churchill Financial Holdings**

Churchill Financial Holdings LLC, headquartered in New York, is a leading commercial finance and asset management company. Churchill has three complementary businesses: Churchill Financial, which focuses on providing senior lending to middle market companies; Churchill Capital, which provides subordinated debt financing to middle market companies; and Churchill Pacific, which manages portfolios of CDOs and other fixed income funds. Churchill Financial and Churchill Capital focus on lending to companies backed by leading private equity firms and other investors. Churchill was founded by Bear Stearns Merchant Banking and Senior Management in February 2006. It has approximately \$2 billion of committed capital to support its financing activities and over \$4.5 billion in assets under management. Churchill has offices in New York, Minneapolis, Los Angeles, Chicago and Boston. For more information please visit our Web site at [www.churchillfinco.com](http://www.churchillfinco.com).

### **Contact**

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