

# Press release

News from the International Capital Market Association (ICMA)

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For immediate release

## **ICMA publishes 2012 legal opinions on master repo agreement for over 60 jurisdictions**

(Zurich, Switzerland) The International Capital Market Association (ICMA), the leading trade association for the international capital market, has today published the 2012 legal opinions on the Global Master Repurchase Agreement (GMRA), the standard agreement used for international repo transactions, together with the Guidance Notes and specific annexes to the GMRA 2011. The 2012 opinions support the use of the GMRA in more than 60 jurisdictions.

The GMRA legal opinions are obtained from independent law firms in different countries and made available to ICMA members to support their use of the GMRA. The opinions provide, amongst other things, analysis of the netting provisions of the GMRA in the case of the insolvency of a counterparty to the agreement. The netting provisions of the GMRA seek to reduce claims and obligations under the agreement to a single net sum, providing significant protection to both parties.

Martin Scheck, ICMA's Chief Executive said: "The GMRA and associated legal opinions provide a tried and tested legal framework which has allowed the secure development of the repo product in Europe. The legal opinions are a very tangible benefit for ICMA members, as access to this body of legal work represents a significant cost saving for members who are active in the repo markets."

ICMA has obtained and updated legal opinions on the GMRA 1995, 2000 and 2011 versions, as well as the 1995 version, as amended by the Amendment Agreement to the 1995 version, and the 1995 & 2000 versions, as amended by the 2011 ICMA GMRA Protocol (the "GMRA"). They cover both the enforceability of the netting provisions of the GMRA as well as the validity of the GMRA as a whole.

The Guidance Notes to the GMRA 2011 are designed to assist users of the GMRA 2011 in completing the agreement and arranging transactions under the agreement. The GMRA 2011 annexes published today for Buy/Sell backs and Bills, document buy/sell back transactions and transactions in Treasury bills, local authority bills, bills of exchange and certificates of deposit respectively.

The GMRA 2011 and the legal opinions can be downloaded free of charge by ICMA members from the ICMA website. A list of the countries covered by the legal opinions can be found at:

<http://www.icmagroup.org/Regulatory-Policy-and-Market-Practice/short-term-markets/Repo-Markets/GMRA-Legal-opinions>

## Notes for editors

### 1. International Capital Market Association (ICMA)

ICMA represents financial institutions active in the international capital market worldwide, with members in 50 countries. ICMA's market conventions and standards have been the pillars of the international debt market for over 40 years, providing the framework of rules governing market practice which facilitate the orderly functioning of the market. ICMA actively promotes the efficiency and cost effectiveness of the capital markets by bringing together market participants including regulatory authorities and governments. See: [www.icmagroup.org](http://www.icmagroup.org)

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