



## **Global Master Agreements for Repo and Securities Lending Workshop Zurich, 19-21 September 2012**

### **Agenda**

#### **Day One**

**09:00**    **Registration**

**09:30**    **Repo: operational and basic legal characteristics**  
***Richard Comotto, ICMA Centre***

- Basic operational structure and definition
- The core uses of repo: funding long positions; covering short positions
- Market and documentary terminology
- Legal and economic characteristics of repo (and accounting consequences)
- Operational and legal risks in repo
- Credit risk in repo
- Liquidity risk in repo

**11.15**    **Break**

**11:30**    **Repo: structures and market segments**  
***Richard Comotto, ICMA Centre***

- Distinguishing repurchase agreements and buy/sell-backs
- Main types of repurchase agreement
  - fixed-rate
  - floating-rate
  - open
  - forward-start
  - synthetic
- GC and specials market segments
- Specials and securities lending

**13:00**    **Lunch**



**13:45 Repo: risk management**

***Richard Comotto, ICMA Centre***

- Valuation and revaluation
  - collateral valuation and exposure calculation methods
  - collateral valuation price sources
  - rates of interest, exchange rates
- Initial margin/haircut
- Margin maintenance under GMRA 2000
  - margining
  - margin thresholds or minimum transfer amounts
  - re-pricing and adjustment alternatives to margining
- Default procedures under GMRA 2000 and GMSLA 2010
  - calculation of Default Market Value, timings, other costs, set-off
  - price sources in default calculations
  - suspended securities

**15:00 Break**

**15:15 Repo: risk management (continued)**

***Richard Comotto, ICMA Centre***

**16:00 Repo: operational management**

***Richard Comotto, ICMA Centre***

- Rights of substitution
- Custody (delivery, HIC, tri-party)
- Fails, mini close-out, mini close-out versus buy-in rules

**17.30 Networking drinks reception**

You are invited to join us for drinks and the opportunity to talk to the other delegates.

**18.30 Close of day 1**



## Day Two

**09:15**    **Arrival coffee**

**09:30**    **Securities lending & borrowing: operational and basic legal characteristics**

*Richard Comotto, ICMA Centre*

- Basic transaction structures, calculations and definition
- Terminology
- The core uses of securities lending and borrowing
- Legal and economic characteristics of securities lending
- Lender's right of recall, borrower's right of return
- Fees
- Cash collateral management
- Securities lending versus repo

**10:30**    **Securities lending& borrowing: market segments**

*Richard Comotto, ICMA Centre*

- End-users (beneficial owners, hedge funds and proprietary traders)
- Intermediaries (ICSDs, custodians, fund managers, third-party agents, principal lenders, direct lenders, prime brokers)

**10:45**    **Break**

**11:00**    **Securities lending & borrowing: risk management**

*Richard Comotto, ICMA Centre*

- Loaned securities delivery requirements
- Collateral valuation methods and price sources for valuation
- Collateral adjustment procedures and delivery netting
- Collateral delivery requirements and equivalence
- Collateral schedule
- Margin
- Indemnification by agent lenders

**12:15**    **Securities lending & borrowing: operational management**

*Richard Comotto, ICMA Centre*

- Custody and settlement (bilateral and triparty arrangements)
- Rates on and payment of loaned securities and cash collateral
- Corporate actions
- Voting rights
- Substitution of collateral
- Fails

**13:00**    **Lunch**

**13:30**    **Legal and documentation issues in repo and securities lending**

*Christopher Georgiou and Jonathan Haines, Ashurst LLP*

- Document architecture of GMRA and GMSLA
- Introduction to legal and documentation issues

**15:00**    **Break**



**15:15    Legal and documentation issues in repo and securities lending**  
***Christopher Georgiou and Jonathan Haines, Ashurst LLP***

- Recharacterisation risk
- Close-out netting
- Structured repos
- Margin and collateral
- Treatment of coupons and dividends
- Restructuring of collateral
- Agency transactions
- Exercise of discretion

**17.30    Close of day 2**



## Day Three

- 09:15**    **Arrival coffee**
- 09:30**    **Triparty repo and securities lending**  
*Cédric Gillerot, Euroclear SA/NV*
- 11:00**    **Break**
- 11:15**    **Tax issues**  
*Martin Walker, Deloitte LLP*
- 12:45**    **Lunch**
- 13:30**    **GMSLA documentary issues and case studies**  
*Reiko Masada, Citigroup Global Markets Limited*
- Documentary issues
  - Role of negotiation
  - Case study
  - Mini close-out
- 15:15**    **Break**
- 15:30**    **The securities lending market**  
*Kevin McNulty, ISLA*
- Legal and regulatory developments in securities lending
  - Overview of securities lending activity
- 16:00**    **GMRA 2011: changes from GMRA 2000**  
*Lisa Cleary, ICMA*
- 17.00**    **Close of course**

Please note that ICMA reserves the right to make changes to this agenda