

# Membership Application & Renewals 2017

Documentation / Education and events /  
Guidelines and best practice / Regulation and lobbying



## The LMA Mission

The Loan Market Association (LMA) has as its key objective improving liquidity, efficiency and transparency in the primary and secondary syndicated loan markets in Europe, the Middle East and Africa (EMEA). Through its work on documentation, education, regulation and market practice, the LMA seeks to promote the syndicated loan as one of the key debt products available to borrowers across the region.

As the authoritative voice of the syndicated loan market in EMEA, the LMA works with lenders, law firms, borrowers and regulators to educate the market about the benefits of the syndicated loan product, and to remove barriers to entry for new participants.

Since the establishment of the LMA in 1996, the Association's membership has grown steadily and now, as the LMA celebrates its 20th anniversary, it stands at a record 640 organisations from 61 countries. Membership comprises commercial and investment banks, institutional investors, law firms, service providers and rating agencies.

## Member Benefits

Use of an extensive library of recommended form documentation for both the primary and secondary syndicated loan markets, and specific documentation for use in real estate finance, commodity finance, the developing markets, in particular Africa, and private placements.

LMA documentation is produced after extensive consultation with leading loan practitioners and law firms so as to represent an agreed common view of documentation structures. Standardisation of the 'boilerplate' areas of the documents allows lenders and borrowers to focus on the more important commercial aspects of individual transactions. The widespread use of LMA documents throughout the EMEA region has facilitated the increase in efficiency of primary and secondary loan business, reduced documentation risk, aided members in the effective management of their loan portfolios, and helped to attract new investors to the market.

The LMA's prime documentation activities include:

1) continually reviewing existing documents to ensure they are aligned with current legal and regulatory requirements, as well as market practice; 2) publication of guidance notes on pertinent issues; and 3) the introduction of new documents where these are deemed to be appropriate.

Participation in the LMA's Education and Events Programme, including conferences, seminars, documentation training, webinars and more intensive courses, such as the industry respected LMA Certificate Course and Syndicated Loans Course for Lawyers.

Education is a core focus for the LMA as it strives to foster a greater understanding of documentation, legal issues and regulation across jurisdictions and product groupings. Through its membership, committees and documentation initiatives, the LMA has relationships with the key players in the market, guaranteeing its speakers are leading experts in their field.

Apart from monthly evening seminars and regular documentation training days in the UK, the LMA manages a busy international schedule of events and actively visits financial centres across the EMEA region to offer ongoing education for its members. The LMA also runs a highly successful Webinar Programme, which gives members around the world easy access to training on a range of LMA documents and other relevant topics.

With the majority of events and all webinars and e-learning being free of charge to members, the LMA's Education and Events Programme represents a very significant benefit to members.

**Access to members' only area of the LMA website and dedicated microsites for real estate finance, developing markets and loan operations, provides a wealth of valuable information to market practitioners.**

Content available to members includes the following: LMA recommended form documentation and market guidelines; the latest legal and regulatory news and regulatory submissions by the LMA; LMA newsletters, books and guides; market statistics and reports provided by a range of data providers; presentations from UK and overseas conferences; and access to training on demand.



# 640

organisations are currently members of the LMA

# 61

countries within the LMA's membership

# LMA Initiatives

## Documentation

Loan documentation remains one of the LMA's core functions and, in 2016, the LMA expanded its suite of documentation with the publication of: (1) revised leveraged documentation to include (amongst other things) an optional incremental facility; (2) a new security agreement and contractually subordinated intercreditor agreement designed for use on REF transactions; (3) a new German law and German language facility agreement and term sheet for use in REF multi-property transactions; (4) a new insurance broker letter for use in REF transactions; and (5) a new facility agreement governed by Zimbabwean law.

In addition, as part of its ongoing review of existing documents, the LMA has updated its German, French, and South African law investment grade templates; included an option providing for free transferability by lenders by pre-approved entities within its leveraged documentation; and issued a revised form of Bail-in clause to reflect Article 55 BRRD. It has also published general updates to its suite of facility agreements to reflect legal and market issues such as changes in the accounting treatment of leases (IFRS 16), the new UK Persons with Significant Control ("PSC") regime and the new ICE LIBOR submission methodology. Finally, the LMA has also issued commentary on the increasing number of factors that impact on the loan markets, for example, notes on the documentary implications of Brexit and updates to its ICE LIBOR and EURIBOR re-fixing policies note.

Looking ahead to 2017, the LMA is planning to begin work on production of an ECA buyer credit facility agreement, as well as an intercreditor agreement for use alongside combined unitranche and bank lending transactions and a confidentiality agreement governed by South African law. Work will continue in respect of a fronted underwriting agreement and mezzanine facility drafting guide for leveraged finance transactions (the latter to be replicated for the REF market in due course). The LMA also intends to publish amendments to its developing markets and private placement documents. Finally, looking to Africa, the LMA will complete the update of its suite of local law African documents in line with recent changes to law and market practice.

## Regulation and Lobbying Activity

History tells us that regulatory changes often have unintended consequences, and the LMA has, and will continue to have, a vital role in mitigating any possible negative impact on the loan product, whether that be generally, or in relation to specific market sectors such as leveraged and real estate finance.

Whilst significant progress has been made by the LMA in reducing the impact of regulation on the loan product, undoubtedly, changes in the regulatory and fiscal landscape will continue to provide major challenges for the LMA during 2017 and beyond. Basel III and the related EU Capital Requirements Directive and Regulation are already making an impact on the lending environment, and it is equally the case that legislation being introduced across the globe, particularly in the US, has had direct or indirect consequences for the EMEA market, whilst in Europe Brexit and proposals around a Capital Markets Union will offer further challenges and opportunities. Furthermore, regulation targeting lenders such as non-banks, and specific parts of the market, including real estate and trade finance, will also need to be monitored carefully for any possible negative effects.

The LMA will also continue to track changes in accounting principles that will have a material impact on the product, and other issues, such as sanctions and tax regulations, will be equally demanding of LMA resources.



LMA Loan Documentation Certificate Course 2016

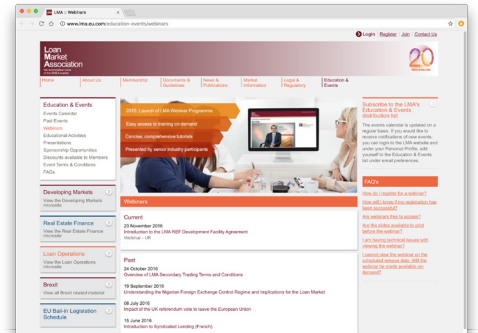
## Education and Training

The LMA's Events Programme continues to expand, with an increased number of international events, UK training days, conferences, courses and webinars planned for 2017.

In response to the LMA's wider focus in recent years, the programme now covers real estate finance and developing markets, notably Africa, with a range of events available to members in the year ahead. The LMA is also running events in more European centres than ever before, namely, in 2017, Amsterdam, Brussels, Dublin, Frankfurt, Madrid, Milan, Munich, Paris, Stockholm, Vienna and Zurich.

The LMA has also added to its range of courses, with the introduction of a Loan Documentation Certificate Course, which gives professionals a more in-depth understanding of the LMA primary standard documentation, as well as a REF Certificate Course aimed at junior loan market professionals working in the REF market. In addition, following the successful introduction two years ago of an annual Loan Operations Conference, the LMA has now launched an E-Learning Programme aimed primarily at operations professionals and newcomers to the syndicated loan market, providing an overview of the loan market and an introduction to loan documentation and key operational processes.

Lastly, the LMA will continue to roll-out its very successful webinar programme providing overviews of LMA documents and key legal issues.



LMA Webinar homepage

# 17,000+

have attended the LMA's Education & Events Programme in the last 3 years

# Subscriptions

Throughout 2017 the LMA will be celebrating its 20th anniversary. Since its inception, the range of services the Association provides to its members has grown exponentially, particularly in relation to the library of documents available and its educational offering.

Despite the LMA's increasing workload, subscription levels for 2017 will remain unchanged.

### Criteria for membership

There are two types of membership: Full and Associate. Full members must be financial institutions and are likely to be loan arrangers, traders and other active participants in the loan market. Associate members are likely to be law firms, rating agencies, accountancy firms, smaller financial institutions and other professionals with an interest in the market.

Associate Membership is divided into four categories:

Associate with UK office – Legal Firm;  
Associate with UK office – Other;  
Associate without UK office; and  
Associate – African Single Jurisdiction.

This last category is aimed at those organisations located in a single African jurisdiction which only want access to the LMA's suite of local law African documentation.

Membership is not open to individuals. All members must appoint a Nominated Representative who will act as the main contact with the LMA for receiving important notifications and is expected to forward such communications to the relevant parties within the member organisation.

### Subscription fees

Membership runs from 1 January to 31 December of each year, and the full year's subscription fee must be paid whenever an institution joins.



LMA Developing Markets Conference 2016



LMA Real Estate Finance Conference 2016



LMA Loan Operations Conference 2016



LMA Investment Grade Documentation Training 2016



LMA South African Syndicated Loans Conference 2016



LMA Syndicated Loans Conference 2016

# Membership Categories and Benefits

### Full

£12,500 pa + VAT (if applicable\*)

Full members have:

- Eligibility for Board membership
- Voting rights at the AGM
- The option to nominate an Alternate Representative
- Higher allocation of places at the annual Syndicated Loans Conference in London

as well as access to all LMA information, resources, events and webinars, and the opportunity to apply to join appropriate committees.

### Associate

**With UK office – Legal Firm**

£8,600 pa + VAT (if applicable\*)

**With UK office – Other**

£7,700 pa + VAT (if applicable\*)

**Without UK office**

£6,000 pa

The above three categories of Associate membership can access all LMA documentation and guidelines, education and training events, webinars, legal and regulatory updates and LMA submissions, various newsletters, and may apply to join appropriate committees.

**Associate – African Single Jurisdiction**

£2,000 pa

This category of Associate membership can access all local law African documentation, all African based training events, and selected LMA notes, guidelines and webinars.

\*Please note, UK VAT will apply to institutions where the Nominated Representative is located in the UK.

# 20yrs

at the forefront of the market

# Loan Market Association

A company limited by guarantee (no 3284544)

## Membership Application/Renewal: 1 January 2017 – 31 December 2017

**Membership category** (please tick one)

- Full** £12,500 + VAT (if applicable)
- Associate with UK office – Legal Firm** £8,600 + VAT (if applicable)
- Associate with UK office – Other** £7,700 + VAT (if applicable)
- Associate without UK office** £6,000

Institutions are only eligible for this rate of Associate membership if they do not have an office in the UK.

- Associate – African Single Jurisdiction** £2,000

This category of membership is open to institutions located in a single African jurisdiction only.

### Institution details

Name \_\_\_\_\_

Main address \_\_\_\_\_

Main switchboard telephone \_\_\_\_\_

Website address \_\_\_\_\_

Business area (please tick one)

Bank  Institutional Investor  Law Firm  Other (please specify)

Nationality \_\_\_\_\_

### We hereby apply to become a member of the Association for 2017

By submitting this application to become a member of the Loan Market Association (the 'LMA'), we agree and consent for the purpose of our membership of the LMA (if accepted) to be subject to and to abide by the memorandum and articles of association and bye-laws of the LMA from time to time being in force. We also agree and consent for the purpose of the Companies Act 2006 to receiving membership information by way of electronic communication to the above noted email address, to receiving membership information published by the LMA via the LMA website at [www.lma.eu.com](http://www.lma.eu.com) (or such other website address as shall be communicated to us by the LMA) and to receiving electronic notification of any such publications, again to the above noted email address. We understand that we will need a browser run by Internet Explorer, Firefox, Chrome or Safari to view information on the LMA website.

### Signed

For and on behalf of the applicant

Applicants are advised that the Loan Market Association is a company limited by guarantee in England and Wales and that, pursuant to clause 7 of its memorandum of association, every member undertakes that in the event of the winding up of the Loan Market Association while they are a member, or within one year of cessation of their membership, they will be liable to contribute to the assets of the Loan Market Association an amount not exceeding £1.

**Payment details** (please tick one)

**We will pay by**  cheque  bank transfer

**Contact details of Nominated Representative**

Name \_\_\_\_\_

Address (if different from main address) \_\_\_\_\_

Telephone (Please include country and area code) \_\_\_\_\_

Fax (Please include country and area code) \_\_\_\_\_

Email address \_\_\_\_\_

**Alternate Representative** (NB Full members only)

Name \_\_\_\_\_

Address (if different from main address) \_\_\_\_\_

Telephone (Please include country and area code) \_\_\_\_\_

Fax (Please include country and area code) \_\_\_\_\_

Email address \_\_\_\_\_

Please return this application form, together with a cheque for the appropriate amount, to:

**Amelia Handley, Loan Market Association, 10 Upper Bank Street, London E14 5JJ**

If you prefer to pay by bank transfer, the LMA's bank details are as follows:  
HSBC Bank, Bishopsgate Branch, Sort Code 40-02-31, A/C No. 11226894  
IBAN: GB42MIDL4002311226894, BIC: MIDLGB2106G

**Cheques should be made payable to LOAN MARKET ASSOCIATION.  
All payments should be made in £Sterling and NET OF ALL CHARGES.**

If an acknowledgement is not received within 30 days, please contact the LMA on +44 (0)20 7006 6007.



## Achievements over the last 12 months

Production of new LMA Guides: Comparison of Private Placement Debt Products, and Dealing with Requests for Amendments

New edition of LMA Guides: Insolvency in the Loan Market, and Schuldschein Product Guide

Launch of new German law Term Sheet for use in REF transactions

Launch of German law and German language euro currency term facility agreement for use in REF multi-property transactions

Production of new Insurance Broker Letter and Security Agreement for use in REF transactions

Publication of Administrative Details Form to provide a standard format for communicating key administrative details

Revised Leveraged documentation to include an optional incremental facility

Amendments to German and French law Investment Grade documentation

Addition of Zimbabwean law option to the Sub-Saharan Africa Facility Agreement

Launch of a revised form of Bail-in Clause and associated Users Guide reflecting BRRD Article 55

Engaging with Regulators and Legislators in the UK and Europe on Brexit

Active lobbying in respect of building a Capital Markets Union and an EU framework for simple, transparent and standardised (STS) securitisations

Dialogues with the European Commission, Prudential Regulation Authority and Financial Conduct Authority regarding BRRD Article 55

Continued expansion of the LMA's Education & Events Programme with more webinars, international events, UK training days, courses and conferences being held each year

Webinar programme has now been watched by over 12,000 people

Launch of new E-Learning Programme for operations teams and newcomers to the market

Launch of new book: 20 Years in the Loan Market

Investment Grade

Leveraged

Commodity Finance

Real Estate Finance

Developing Markets