

LOAN MARKET ASSOCIATION

BYELAWS RELATING TO MEMBERSHIP OF THE ASSOCIATION

These Byelaws were made by the Board of Directors on 24 November 2022 in accordance with Article 57 of the Articles of Association of the Association as the current Byelaws of the Association to the exclusion of all previous byelaws.

1. INTERPRETATION

1.1 In these Byelaws, except where the context requires otherwise, the following words shall have the following meanings:

1.1.1 "**Academic Member**" means a body, corporation, unincorporated association or partnership admitted as an academic member of the Association;

1.1.2 "**Applicant**" means a candidate for admission to the membership of the Association;

1.1.3 "**Articles of Association**" means the articles of association of the Association as amended or replaced from time to time and reference to an "**Article**" shall be construed accordingly;

1.1.4 "**ASJ Member**" means a body, corporation, unincorporated association or partnership admitted as an African single jurisdiction member of the Association;

1.1.5 "**Associate Member**" means a body, corporation, unincorporated association or partnership admitted as an associate member of the Association with associate membership in accordance with Byelaw 5.2.1 and Byelaw 5.2.2;

1.1.6 "**Association**" means Loan Market Association, a company limited by guarantee and not having a share capital and registered in England and Wales with registration number 3284544 having its registered office at 5th Floor, 6 St Andrew Street, London, EC4A 3AE;

1.1.7 "**Authorised User**" means any person employed by a Member or Member Group Company;

1.1.8 "**Bank**" means a Financial Institution which holds a banking licence in its principal jurisdiction or is otherwise determined to be a Bank by a majority decision of the Board;

1.1.9 "**Bankruptcy Event**" means actions or events where a candidate for membership of the Association or a Member (as relevant): (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or

home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official; (5) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (4) above and: (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within thirty (30) days of the institution or presentation thereof; (6) has exercised in respect of it one or more of the stabilisation powers pursuant to Part 1 of the Banking Act 2009 and/or has instituted against it a bank insolvency proceeding pursuant to Part 3 of the Banking Act 2009; (7) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (8) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (4) above; (9) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days thereafter; (10) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in items (1) to (9) (inclusive); or (11) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

- 1.1.10 "**Board of Directors**" or "**Board**" means the Board of Directors of the Association;
- 1.1.11 "**Byelaws**" means these Byelaws relating to the membership of the Association as amended or replaced from time to time and "**Byelaw**" means any one of them;
- 1.1.12 "**Candidate**" means a body, corporation, unincorporated association or partnership applying for membership to the Association, whose activities shall be classified by reference to those activities of the group (if any) to which it belongs;
- 1.1.13 "**Claim**" means any demand, liability, obligation, complaint, claim, counterclaim, right of set-off, right to net, indemnity, right of contribution, cause of action (including, without limitation, in negligence or based on fraud), administrative, criminal or regulatory claim or infraction, petition, right or interest of any kind or nature whatsoever, whether in law or equity, direct or indirect, joint or several, foreseen or unforeseen, contingent or actual, accrued

or unaccrued, liquidated or unliquidated, present or future, known or unknown, disclosed or undisclosed, suspected or unsuspected, however and whenever arising and in whatever capacity and jurisdiction.

- 1.1.14 "**Courtesy Member**" means a body, corporation, unincorporated association or partnership admitted as a courtesy member of the Association in accordance with Byelaw 5.2.1 and 5.2.2;
- 1.1.15 "**Executive**" means the individual(s) from time to time employed by the Association as chief executive, managing director, senior director or director (or any equivalent role) and, who for the avoidance of doubt, shall not be members of the Board of Directors;
- 1.1.16 "**Financial Institution**" means a bank, financial institution, trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets in respect of undertakings other than its own parent undertaking, its subsidiary undertaking/subsidiary undertakings or another subsidiary undertaking/other subsidiary undertakings of its parent undertaking;
- 1.1.17 "**Former Member**" means a Member whose membership from the Association has been withdrawn or suspended in accordance with the provisions of Byelaw 7;
- 1.1.18 "**Former Member Group Company**" means an undertaking which is from time to time a subsidiary undertaking of the Former Member, an undertaking that is part of the same Swiss verein structure as the Former Member or any other undertaking that the Board of Directors considers appropriate or necessary to include within this definition in respect of a particular Former Member;
- 1.1.19 "**Full Member**" means a body, corporation, unincorporated association or partnership admitted as a full member of the Association in accordance with Byelaw 5.2.1 and Byelaw 5.2.2;
- 1.1.20 "**Intellectual Property Rights**" means (to the extent relevant) patents, rights to inventions, copyright and related rights, trademarks, trade names and domain names, rights to goodwill or to sue for passing off, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
- 1.1.21 "**in writing**" or "**written**" means written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible form including, for the avoidance of doubt, electronic mail and website communication;

- 1.1.22 "**LMA Website**" means the website at <http://www.lma.eu.com> or such alternative website address as may be communicated to Members by or on behalf of the Board;
- 1.1.23 "**Loan Activities**" means dealing in the primary and secondary loan markets including (without limitation) the acquisition of claims (matured or contingent) against other entities (as principal surety or otherwise), and/or the disposal or transfer thereof to third parties;
- 1.1.24 "**Members**" means the members from time to time of the Association admitted to membership in accordance with these Byelaws (whether Full Members, Associate Members, ASJ Members, Academic Members, Courtesy Members or Members falling within any further class of membership as from time to time determined by the Board) and "**Member**" means any one of them;
- 1.1.25 "**Member Group**" means a Member and its Member Group Companies;
- 1.1.26 "**Member Group Company**" means an undertaking which is from time to time a subsidiary undertaking of the Member, an undertaking that is part of the same Swiss verein structure as the Member or any other undertaking that the Board of Directors considers appropriate or necessary to include within this definition in respect of a particular Member. For the avoidance of doubt, this does not include an undertaking associated with a Member or a Member Group Company due to "best friends networks" or other types of association or arrangements between undertakings;
- 1.1.27 "**Membership Committee**" has the meaning given to it in Byelaw 3.7;
- 1.1.28 "**Membership Criteria**" means criteria for membership of the Association specified in Byelaw 3;
- 1.1.29 "**Memorandum**" means the memorandum of association of the Association appended to the Articles of Association;
- 1.1.30 "**Non-Bank Investor**" means a Financial Institution which does not hold a banking licence in its principal jurisdiction or is otherwise determined to be a Non-Bank Investor by a majority decision of the Board;
- 1.1.31 "**Secretary**" means the secretary of the Association as provided for in the Articles of Association or any other person appointed to perform the duties of the secretary of the Association in accordance with Article 83 of the Articles of Association; and
- 1.1.32 "**Third Party**" means any person that is not a Member or Member Group Company.
- 1.2 In these Byelaws, a reference to a "**subsidiary undertaking**" is to be construed in accordance with section 1162 (and Schedule 7) of the Companies Act 2006. A subsidiary undertaking shall include any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured are registered in the name of the secured party or its nominees pursuant to such security.

2. **MEMBERSHIP**

- 2.1 The requirements for admission to membership and the regulation of membership of the Association are set out fully in the Articles of Association and these Byelaws.
- 2.2 The Association has the following classes of membership:
 - 2.2.1 full membership;
 - 2.2.2 associate membership;
 - 2.2.3 African single jurisdiction membership;
 - 2.2.4 academic membership; and
 - 2.2.5 courtesy membership.
- 2.3 The Board of Directors may, in accordance with Article 6, determine further classes of membership of the Association.

3. **MEMBERSHIP CRITERIA**

- 3.1 Any Applicant shall:
 - 3.1.1 be a body corporate or a partnership and not a natural person;
 - 3.1.2 be of good character and repute;
 - 3.1.3 not conduct, or engage in, activities which are inconsistent with the aims and objectives of the Association or which, if the candidate were admitted to membership, would bring the Association or any of its Members into disrepute;
 - 3.1.4 not have been subject to a Bankruptcy Event during the five (5) years preceding the application to membership of the Association; and
 - 3.1.5 unless the Board of Directors otherwise agrees by way of majority determination, satisfy the Membership Criteria applicable to the class of membership for which the Applicant has applied.
- 3.2 Candidates qualifying for admission as Full Members shall be either Banks, Non-Bank investors or be of such other classifications as may be determined by a majority decision of the Board of Directors. No natural person sole shall be admitted as a Full Member.
- 3.3 Candidates qualifying for admission as Associate Members shall be either:-
 - 3.3.1 Financial Institutions engaged in Loan Activities; or
 - 3.3.2 entities engaged in providing professional, advisory or other services related or connected with Loan Activities and deal, or be likely to deal, with one or more Full Members or other Associate Members; or

3.3.3 entities engaged in treasury or corporate finance, who deal in Loan Activities as part of their business, and deal, or be likely to deal, with one or more Full Members or other Associate Members, and

no natural person sole shall be admitted as an Associate Member.

3.4 Candidates qualifying for admission as Academic Members shall be universities, other educational establishments of higher education offering legal or financial graduate or post graduate qualifications to students, or be of such other classifications as may be determined by a majority decision of the Board of Directors. No natural person sole shall be admitted as an Academic Member.

3.5 Candidates qualifying for admission as ASJ Members shall be either:-

3.5.1 Financial Institutions engaged in Loan Activities; or

3.5.2 entities engaged in providing professional, advisory or other services related or connected with Loan Activities and deal, or be likely to deal, with one or more Full Members or other Associate Members; or

3.5.3 entities engaged in treasury or corporate finance, who deal in Loan Activities as part of their business, and deal, or be likely to deal, with one or more Full Members or other Associate Members, and

solely resident in a single African jurisdiction. No natural person sole shall be admitted as an ASJ Member.

3.6 Candidates may be admitted as Courtesy Members if so determined by a unanimous decision of the Board of Directors. No natural person sole shall be admitted as a Courtesy Member.

3.7 Candidates may be refused membership by the Board of Directors if it considers that the granting of such membership is, or might be, commercially, reputationally or otherwise prejudicial to the interests of the Association, its Members, or any of its aim or objectives.

3.8 The Board of Directors shall delegate the ability to admit Members to the Association to any two members of the Executive (the "**Membership Committee**"), on such terms and conditions as it shall in its discretion deem appropriate. In that event, these Byelaws shall be construed as if the term "Membership Committee" had been substituted for the "Board of Directors" in Byelaw 3.1.5 and the definitions of "Former Member Group Company" and "Member Group Company". For the avoidance of doubt, the Finance Committee, as set out in Article 77 of the Articles of Association shall not constitute a Membership Committee, and none of the provisions of the Articles of Association applying to the Finance Committee shall apply to the Membership Committee. The powers of, and procedures applying to proceedings of, any such Membership Committee shall be at the discretion of the Board of Directors.

4. **FEES**

- 4.1 Members are required to pay a subscription fee on admission and thereafter any annual subscription fees and any additional dues in accordance with the provisions of this Byelaw 4.
- 4.2 From time to time, the Board of Directors shall determine the amount of the subscription fees due on admission and annually and other dues (if any) in respect of each class of membership to be paid by the Members and the time within which any (or any amounts of) such subscription fees and/or dues are to be paid and shall notify each Member of such determination in writing.
- 4.3 If during the course of the year, the Association incurs any unexpected or extraordinary costs or expenses (including, but not limited to, legal and other consulting costs), the Association shall have the right to levy on the Members additional dues (but provided that such dues are within a maximum pre-set cap payable for that year, such amount having been notified to each Member prior to annual subscription fees becoming due) and the Board of Directors shall calculate the amount payable in respect of each class of membership, the amount to be paid by each Member and the time within which such dues are to be paid. The Board of Directors shall notify each Member of such determination and calculation in writing at such time or times as the Board of Directors may select. For the avoidance of doubt, if no pre-set cap has been notified to Members, no additional dues shall be levied for that year.
- 4.4 The Association reserves the right to offer additional, separate services to Members, for which a separate subscription fee or payment may be incurred ("**Additional Services**"). Any terms and conditions associated with such Additional Services (including in relation to payment terms) shall be specific to the service offered. For the avoidance of doubt, no Member shall be obliged to receive any Additional Services unless it chooses to do so.
- 4.5 Members shall pay the fees and/or dues within the time determined by the Board of Directors for making such payment.

5. **APPLICATION PROCEDURE**

- 5.1 Every person who wishes to become a Member shall deliver to the Association a duly completed membership application in the form from time to time prescribed by the Association and provided to the Applicant in hard or soft copy or published on the Association's website at <http://www.lma.eu.com> (or such alternative website address as may be communicated to Members).
- 5.2 Subject to Byelaw 5.6, Members shall be admitted by the Association pursuant to the following procedure:
 - 5.2.1 the Membership Committee shall, following the due receipt of a membership application, consider the application for membership and examine whether the Applicant is eligible for membership and whether the Applicant meets its applicable Membership Criteria; and

- 5.2.2 where the Membership Committee determines that the Applicant satisfies its relevant Membership Criteria, the Membership Committee may invite the Applicant to join the Association as the class of Member for which application has been made or, at its discretion, the Membership Committee may invite the Applicant to join the Association as a different class of Member.
- 5.3 In the event that the Membership Committee refuses membership, a member of the Executive or an Associate shall notify the Applicant either in writing or verbally, setting out the reasons why the Association refused to invite the Applicant to join the Association.
- 5.4 If the Membership Committee has refused to admit an Applicant to membership of the Association the appeal procedure set out in Byelaw 8 will apply.
- 5.5 The Membership Committee shall notify the Board of Directors of the identity, and class of membership offered, to each new Member admitted in accordance with Byelaw 5.2 so that such information may be tabled at the next occurring meeting of the Board of Directors.
- 5.6 The Board of Directors may admit a Member and, in that event, any reference to "Membership Committee" in Byelaws 5.2.1, 5.2.2, 5.3, 5.4, 8.1 and 8.3 shall be construed as a reference to the "Board of Directors".

6. OBLIGATIONS OF MEMBERS

- 6.1 At all times each Member shall:
- 6.1.1 remain eligible for membership in accordance with Byelaw 3.1 and, as applicable, Byelaw 3.2, 3.3, 3.4 or 3.6;
- 6.1.2 pay in a timely manner its fees and dues;
- 6.1.3 be bound by, and observe all of the provisions of, the Memorandum, Articles of Association and Byelaws currently in force;
- 6.1.4 (and shall procure that each of its Member Group Companies shall), conduct its business in a way that would not make the Association liable to civil, criminal or regulatory proceedings;
- 6.1.5 abide by the rules of membership set out in Byelaw 10; and
- 6.1.6 procure that each of its Member Group Companies shall abide by the rules of membership set out in Byelaws 10.2 and 10.3. For these purposes, each reference to "Member" in Byelaws 10.2 and 10.3 shall be construed as including a reference to "Member Group Company".

7. WITHDRAWAL OR SUSPENSION FROM MEMBERSHIP

- 7.1 A Member shall have the right to withdraw from the Association by giving a notice to any member of the Executive.

- 7.2 The Member may give notice for the purpose of this Byelaw 7 either in writing and/or orally to any member of the Executive, provided that the Member has paid all amounts due and payable to the Association.
- 7.3 A Member shall be deemed to give notice of its withdrawal from membership of the Association with immediate effect if:
- 7.3.1 the Member or any of its Member Group Companies is in breach of any of its obligations set out in Byelaw 6;
 - 7.3.2 the Board of Directors considers that allowing the Member to remain a Member would, or might be, commercially, reputationally or otherwise prejudicial to the interests of Association, its Members, or any of its aims or objectives;
 - 7.3.3 (i) any monies are due and payable by such Member to the Association; (ii) a final demand requesting payment has been served on the Member, either by post or courier to the Member's postal address or by email address to its nominated representative, in both instances as such addresses appear on the database of Members; and (iii) payment has not been made in full within twenty-eight (28) calendar days of such demand being served; or
 - 7.3.4 the Member becomes subject to a Bankruptcy Event.
- 7.4 The Board of Directors may, instead of a deemed withdrawal from membership under 7.3, give notice of a suspension of membership. In the case of a suspension, the Board of Directors may as relevant re-admit a Former Member to membership at any point it considers it appropriate to do so, and shall notify the Former Member of that fact.
- 7.5 Withdrawal or suspension of membership of that Member shall be effective upon the database of Members of the Association being updated on the instruction of any member of the Executive.
- 7.6 Re-admittance of any Former Member to membership under 7.4 or 8.3 shall be effective upon the database of Members of the Association being updated on the instruction of any member of the Executive
- 7.7 Any Member which is deemed to give notice in accordance with Byelaw 7.3 shall be notified of the withdrawal or suspension of its membership in writing and, should it wish to challenge the withdrawal or suspension of its membership, it may appeal in accordance with the appeals procedure set out in Byelaw 8.
- 7.8 No Member shall be entitled to any reimbursement of any subscription fees or other fees, dues or amounts if it withdraws or is suspended from the Association.
- 7.9 Each Member on becoming a Former Member:
- 7.9.1 undertakes that in the event of the winding up of the Association within one year of cessation of its membership, it shall be liable to contribute to the assets of the Association an amount not exceeding £1 as acknowledged and accepted in Byelaw 10.1.1;

- 7.9.2 shall, and shall procure that each of its Former Member Group Companies shall, continue to abide by the rules of the membership set out in Byelaws 10.2.1(a), 10.2.1(b), 10.2.2(b), 10.2.2(c), 10.2.2(c), 10.2.2(d), 10.2.2(e) and 10.2.2(g). For these purposes, each reference to "Member" in the Byelaws listed in this Byelaw 7.7.2 shall be construed as including a reference to "Former Member" and "Former Member Group Company"; and
- 7.9.3 at the Association's request shall (and shall procure that each of its Former Member Group Companies shall), destroy all copies of LMA Documents (whether electronic or hard copy) in its possession and certify by email that they have done the same and, following such erasure, no steps shall be taken to access or recover such material. The Former Member and each of its Former Member Group Companies may retain: (a) one or more copies of any LMA Document to the extent necessary for legal or regulatory compliance only; and (b) any portion of the LMA Documents that may be found in an archive, provided always that this is stored as part of the Former Member's or Former Member Group Company's usual internal business processes. For the avoidance of doubt, LMA Documents shall not include any LMA Derivative Templates.

8. APPEALS PROCEDURE

- 8.1 Any Former Member wishing to challenge withdrawal or suspension of its membership or any Applicant wishing to challenge the Membership Committee's decision not to invite the candidate to join the Association (in each case the "**Claimant**") may do so in accordance with this Byelaw 8.
- 8.2 The Claimant must send a request in writing to the Board of Directors within one (1) calendar month of withdrawal or suspension of their membership or receipt of notification of the Membership Committee's decision to refuse membership (as the case may be) (the "**First Stage Appeal**"). The Claimant may make representations to the Board of Directors in writing and shall supply the Board of Directors with such information as it reasonably requests. The Claimant will be given the opportunity to attend and be heard by the Board of Directors at a duly convened meeting thereof.
- 8.3 The Board of Directors may as relevant re-admit the Claimant to membership and may reverse or uphold the decision of the Membership Committee to refuse an Applicant membership by way of determination of not less than three quarters of the Board of Directors present and voting at a meeting of the Board of Directors.
- 8.4 The Board of Directors will reach its final decision within one (1) calendar month of the First Stage Appeal and will notify the Claimant in writing giving reasons for its final decision.
- 8.5 The Claimant may appeal against the Board of Directors' final decision within one (1) calendar month, where the final decision is not to re-admit the Claimant to membership or is to uphold the decision of the Membership Committee to refuse the Claimant membership, by way of notice in writing to the Board of Directors stating the grounds on which the appeal is being made (the "**Second Stage Appeal**").
- 8.6 Upon receipt of such notice, the Claimant and the Board of Directors shall appoint an independent arbitrator or, in the absence of agreement within a period of no longer than

one (1) calendar month, the arbitrator shall be appointed by the President of the Law Society at his discretion but on the request of the Board of Directors.

- 8.7 The arbitrator will be requested to hear the Second Stage Appeal as soon as possible but in any event within three (3) months of the notification of the Second Stage Appeal by the Claimant.
- 8.8 The Claimant and the Association will make representations to the arbitrator at the Second Stage Appeal and supply the arbitrator with such information as he may reasonably request. Both parties will be given the opportunity to be heard by the arbitrator. The arbitrator will give its decision within one (1) month of receiving all representations and information and shall give reasons for its decision. The arbitrator's decision will be final.
- 8.9 Any Claimant that was a Member and the Association will each bear their own costs incurred in following the procedures set out in this Byelaw 8.
- 8.10 Any Claimant that is an Applicant will bear all of the costs incurred by the respective parties in following the procedures set out in this Byelaw 8.

9. **AD HOC COMMITTEES**

- 9.1 Any of the Board of Directors or member of the Executive may from time to time establish ad hoc working parties and committees ("**Ad Hoc Committees**") on such terms and conditions as they shall, at their discretion, deem appropriate for the purposes of carrying out specific tasks or reviews and/or making recommendations in connection with any aspect of the activities of the Association and, in particular, shall determine at their discretion the composition of such Ad Hoc Committees, including, without limitation, the maximum number of members, the terms upon which persons may be invited to join or shall be obliged to retire from such committees and the length of time such Ad Hoc Committees shall remain in existence. For the avoidance of doubt, the Finance Committee, as set out in Article 77 of the Articles of Association shall not constitute an Ad Hoc Committee, and none of the provisions of the Articles of Association applying to the Finance Committee shall apply to such Ad Hoc Committees. The powers of, and procedures applying to proceedings of, any such Ad Hoc Committees shall be at the discretion of the party establishing such Ad Hoc Committee.
- 9.2 Both nominated representatives and employees of the Members and employees of the Association shall be eligible to join by invitation any such Ad Hoc Committee. In addition, the party establishing any such Ad Hoc Committee shall be free to invite any other person or persons, including, without limitation one or more representatives or employees of any other body, corporation, association or partnership, to join any such Ad Hoc Committee on such terms and conditions as they shall deem appropriate. For the avoidance of doubt, such Ad Hoc Committee may or may not include one or more members of the Board of Directors.

10. **RULES OF MEMBERSHIP**

- 10.1 At all times each Member shall accept and acknowledge that:

10.1.1 the Association is a company limited by guarantee in England and Wales and that, pursuant to clause 7 of the Memorandum, every Member undertakes that in the event of the winding up of the Association, while it is a Member, or within one year of cessation of its membership, the Member shall be liable to contribute to the assets of the Association an amount not exceeding £1; and

10.1.2 membership of the Association is non-transferable.

10.2 At all times each Member shall:

10.2.1 accept and acknowledge that:

(a) any Intellectual Property Rights in:

(i) any recommended form documents, user guides, commentary, or guidance published under "**Documents and Guidelines**" on the LMA Website, including all copies and reproductions ("**LMA Documents**"); or

(ii) subject to Byelaw 10.2.1(b), any other materials, guides, presentations, slides, information, communication or correspondence produced, published or distributed by or on behalf of the Association, whether via the LMA Website or otherwise, and including information produced by a Member or Third Party for or on behalf of the Association or at the Association's request ("**LMA Information**"),

are owned exclusively by the Association (unless otherwise agreed or stated) and no Member shall have any Intellectual Property Rights in respect of either LMA Documents or LMA Information. In so far as any Member or any Third Party with whom the Member collaborates, partners or otherwise works with (a "**Collaborating Third Party**") acquires any Intellectual Property Rights in LMA Documents or LMA Information by reason of authorship or otherwise, unless otherwise agreed or stated, the Member shall, and shall ensure that each Collaborating Third Party shall, hold those Intellectual Property Rights on trust for the Association and take such steps as the Association may reasonably request (at the Association's expense) to irrevocably and unconditionally assign and transfer, and the Member shall cause each Collaborating Third Party to irrevocably and unconditionally assign and transfer, those Intellectual Property Rights to the Association in perpetuity throughout the world, without separate compensation;

(b) notwithstanding the provisions of Byelaw 10.2.1(a):

(i) with respect to any LMA Information produced by a Member ("**Non-LMA Authored Information**"), the Association shall grant to that Member the right to republish or redistribute the Non-LMA Authored Information in revised or unrevised form, in any language and in any publication, provided that the Association is notified of such use, and it carries a copyright

notice in appropriate form identifying the Association as the owner of the copyright and an acknowledgment of its original publication (and such notice and acknowledgement shall be subject to approval by the Association);

- (ii) with respect to any LMA Information produced by a Member which relates to any event, seminar, education programme, webinar or other presentation held by or on behalf of the Association ("**Non-LMA Educational Material**"), then that Member shall retain any Intellectual Property Rights in the Non-LMA Educational Material but (unless otherwise agreed) shall grant to the Association an irrevocable licence to copy, distribute, display, amend and create derivative works of the Non-LMA Educational Material, including a licence to redistribute, reproduce, republish, and to authorise republication, reproduction and redistribution of all or any part of the Non-LMA Educational Material in any format, media or database;
- (c) the provision of any LMA Documents or LMA Information to a Member does not in any way constitute the provision of legal advice;
- (d) it is the sole responsibility of each Member to ensure that any LMA Documents are used and adapted by that Member appropriately, with consideration having been made to the circumstances of the transaction and the parties to it, as well as any relevant legal, accounting and regulatory issues;
- (e) the Association shall have no responsibility for any use to which any LMA Documents or LMA Information may be put or for any loss, damage or liability whatsoever arising from such use;
- (f) the Association shall be under no obligation to provide updates to LMA Documents or LMA Information and it is the responsibility of the Member to ensure that any information it seeks to use is up to date and fit for purpose; and
- (g) each Member is responsible for configuring its computer programmes, software and platforms to enable access to the LMA Website and for ensuring that it has appropriate anti-virus protection software in place; and

10.2.2 take reasonable and proper care:

- (a) not (without LMA's written consent) to use any LMA Documents or LMA Information for any purpose other than:
 - (i) for its own internal use;
 - (ii) subject to Byelaws 10.2.2(b) to (d), for the reproduction, adaptation and transmission of LMA Documents in direct connection with the preparation and documentation of

agreements relating to actual or potential transactions in the loan or private placement markets or in connection with the trading of financial assets; or

- (iii) to facilitate internal education and training to any Authorised User, provided that if a Member wishes to involve a Third Party in providing internal training to Authorised Users, the Member must obtain prior written approval of the Third Party's involvement and the provision of LMA Documents and/or LMA Information to the Third Party from a member of the Executive, which may approve, reject approval, seek further information or impose conditions, in its sole and absolute discretion,

(the "**Permitted Purpose**");

- (b) for the avoidance of doubt the Permitted Purpose shall not (without LMA's written consent) include any use of the LMA Documents, by a Member, or a Collaborating Third Party, in connection with:
 - (i) the provision, by a Member to a participant in the loan market, of a platform or service equivalent (or substantially similar) to that provided by the Association;
 - (ii) the preparation and documentation of agreements relating to transactions or potential transactions which are not in the loan or private placement markets or connected with the trading of financial assets;
 - (iii) the integration of LMA Documents, or other forms of template or recommended form document substantively derived from LMA Documents ("**LMA Derivative Templates**"), into a Member's or a Collaborating Third Party's platforms, solutions, products or services such that LMA Documents or LMA Derivative Templates are distributed, displayed, communicated or otherwise become available to Third Parties through a technology platform or solution provided by that Member or Collaborating Third Party;
 - (iv) using LMA Documents or LMA Derivative Templates with technology solutions, databases and/or platforms (whether owned by a Member or a Third Party) to develop products and services made available or intended to be made available to more than one Member Group. For the avoidance of doubt, nothing in this Byelaw 10.2.2(iv) shall preclude the use of LMA Documents or LMA Derivative Templates in a Member's own internal intranet or other internal systems ("**Internal Systems**"), or in equivalent externally-hosted services provided to a Member ("**Hosted Services**") provided that such Internal Systems and Hosted Services are only available to Authorised Users of that Member Group;

- (c) not to offer any LMA Documents or LMA Information, whether in part or in whole, or any adaptation of such (including LMA Derivative Templates), for sale or otherwise communicate them for profit, including (but not limited to) in connection with the uses set out in Byelaw 10.2.2(b);
- (d) not to publish or distribute LMA Documents or LMA Information (in whole or in part) or any adaptation of such (including LMA Derivative Templates), in any way which is or might be commercially, reputationally or otherwise prejudicial to the Association;
- (e) except as permitted by Byelaw 10.2.2(a) or Byelaw 10.2.1(b), not to use, copy, adapt, reproduce or transmit LMA Documents, LMA Derivative Templates, or LMA Information (in whole or in part) for any other purpose or in any other manner, including but not limited to: communicating, displaying, duplicating, publishing or uploading them in any format or media, whether written or electronic;
- (f) not to use "web crawlers" or other types of software or hardware technology to automatically download or index LMA Documents or LMA Information;
- (g) not to assist any Third Party or anyone who is not an Authorised User in obtaining access to the members' only area of the LMA website; and
- (h) to ensure that nobody other than Authorised Users access the members' only area of the LMA Website using accounts created with that Authorised User's username and password.

10.3 All Intellectual Property Rights that are created by a Member or a Third Party Collaborating Party acting outside the Permitted Purpose (the "**Developed IP**") shall be held on trust for the Association and the Member shall, and shall ensure that the Collaborating Third Party shall, take such steps as the Association may reasonably request (at the Association's expense) to irrevocably and unconditionally assign and transfer, and the Member shall cause each Collaborating Third Party to irrevocably and unconditionally assign and transfer, the Developed IP to the Association in perpetuity throughout the world, without separate compensation.

11. **DATA PROTECTION**

11.1 The Association and each Member agree that they shall comply with relevant applicable data protection laws (including the General Data Protection Regulation (EU) 2016/679) with respect to the use, processing and/or transfer of the personal data of an Authorised User.

11.2 Each Member shall ensure, and the Association shall be entitled to assume, that when the personal data of an Authorised User is disclosed to the Association by a Member, all necessary legal requirements have been satisfied so that the Association may lawfully use, process and/or transfer that personal data.

11.3 Personal data received from a Member will be processed by the Association in accordance with the Association's privacy notice, which can be accessed on the LMA Website (currently accessible at: www.lma.eu.com/privacy-notice), or for other purposes as necessary for the Association's legitimate interests as disclosed at or before the time the personal data is received.

12. GOVERNING LAW AND JURISDICTION

12.1 These Byelaws and all non-contractual and other matters arising out of or in any way connected with them are governed by and construed in accordance with English law.

12.2 The courts of England have exclusive jurisdiction to settle any dispute or Claim arising out of or in connection with these Byelaws (including a dispute regarding the existence, validity or termination of these Byelaws) or the consequences of their nullity (a "**Dispute**").

12.3 The Association, the Members and Member Group Companies agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.

12.4 Each Member will procure that any Member Group Company complies with this clause, and agree this clause 12 continues notwithstanding the involvement of any other Member or Third Party.