



DERIVATIVES DOCUMENTATION LIMITED

AN INTRODUCTION TO REPOS AND THE GMRA 2000

One day course

Course Description

Repos are big business. Annually the total value of repo contracts outstanding on the books of major dealers typically exceeds EUR 8 trillion.

Gain an understanding of a European market standard master agreement used to allow parties to trade in this thriving sector, the GMRA 2000.

Your trainer will provide delegates with an introduction on the repo market, the types of products traded and the legal and risk issues which affect repos. They then cover all the provisions of the GMRA 2000 thoroughly as well as outlining the differences between it and the GMRA 2011.

At the end of the day there is a practical negotiation exercise which gives participants an opportunity to apply the knowledge learnt during the course.

Learning Objective

- In-depth review of all the provisions of the GMRA 2000 and its Annex I.
- Gain an understanding of the repo market and the types of products which are traded.
- Recognise risks with repos.
- Explore legal related issues.
- Learn about the principal differences between the GMRA 2000 and GMRA 2011.

Who Should Attend

- Legal Counsel
- Documentation specialists
- Treasury staff
- Risk Managers
- Middle Office & Back Office Managers
- Collateral Management specialists



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Course outline

1. The nature of and types of repo

- What are repos?
- How do they work?
- Types of repo.

2. Typical Repo Uses

- From the Seller's viewpoint
- From the Buyer's viewpoint
- Use by Central Banks.

3. Buy/sellbacks

- Differences between repos and buy/sellbacks.

4. Legal issues affecting repos

- Nature of the transaction
- Ownership of the securities
- Drawbacks of recharacterisation as a secured loan
- English law legal opinion by Richard Sykes QC
- ICMA legal opinions.

5. Repo Documentation

- History of the TBMA/ISMA Global Master Repurchase Agreement (2000) (the "GMRA 2000")
- Contents of the GMRA 2000
- Paragraph by paragraph analysis of the GMRA 2000**
- The GMRA 2000 Annexes
- A review of Institution's own Annex I to the GMRA 2000

6. Main differences between the GMRA 2000 and the GMRA 2011

7. Practical negotiation exercise

Training is charged at an agreed daily rate plus Value Added Tax.

****Accounts for 75% of the course.**