



DERIVATIVES DOCUMENTATION LIMITED

COLLATERAL AND THE 2016 ISDA® CREDIT SUPPORT ANNEX FOR VARIATION UNDER ENGLISH LAW

One day course

Course Description

This one day course provides a description of the collateral market; a discussion of credit and legal issues; the regulatory background and a clause by clause review of the ISDA® Credit Support Annex for Variation Margin (“VM CSA”) under English law. The practical exercise at the end of this course allows delegates to apply and consolidate the knowledge gained throughout the day.

Learning Objectives

Participants will take away with them the following:

- Awareness of why collateral is taken and in what forms.
- Acquaintance with the key legal issues for collateral.
- An understanding of the 2016 ISDA® Credit Support Annex for Variation Margin under English law.
- Knowledge of the common amendments negotiated in this Annex.

Who Should Attend

- Collateral Managers
- Derivatives Documentation Negotiators
- Legal Counsel
- Treasury Managers
- Credit Risk Managers

Programme points

Delegates need to bring their own copies of the 2016 ISDA® Credit Support Annex for Variation Margin under English Law.



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Course outline

1. Introduction
2. The practicalities of taking collateral.
 - Why take it?
 - Collateral types
 - Controlling collateral
 - Operating procedures
 - Collateral transformation
3. Overview of recent developments relating to uncleared margin requirements
 - EMIR RTS uncleared margin regulation
 - Its practical implications
 - ISDA® suite of new collateral documentation
4. Selected legal issues
 - Legal capacity
 - Pledge and title transfer approaches
 - Governing law
 - Suspect periods
 - European Directive on Financial Collateral Arrangements
5. Credit input in collateral arrangements
 - Eligible Credit Support
 - Need for initial margin
 - Minimum Transfer Amount
 - Haircuts
 - Use of ratings
 - Concentration and correlation risk
6. 2016 ISDA® Credit Support Annex for Variation Margin (English law)
 - Detailed analysis of provisions
7. Principal differences between the 1995 English Law CSA and 2016 English Law VM CSA
8. Practical Negotiation Exercise

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

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