2020 PUBLIC COURSES

The ISDA® Agreement (6 CPD points)

Audience: This course is well suited to in-house legal advisers; business, credit and collateral personnel.

This course was approved in 2019 by the FPI as a CPD programme. Do let us know if you require these points in 2020!

- What is an ISDA®, what products does it cover, the key benefits that an ISDA® provides for
- Different types of derivatives: OTC, exchange traded & cleared
- The role of derivatives in hedging risk
- Key differences between the 1992 ISDA® and the 2002 ISDA®
- The structure of the ISDA® and the netting benefits (settlement netting, close-out netting and set-off)
- A clause-by-clause analysis of the ISDA® schedule and the credit and legal terms, elective provisions and the defined terms
- How to effectively negotiate the ISDA® schedule, pointing out the effect of certain negotiated provisions using practical examples
- The main Events of Default and how they trigger
- Additional Termination Events: how to address credit risk through Termination Events
- The process to follow after an Event of Default has been triggered
- The Agency provisions and the regulatory provisions (FATCA, EMIR)
- Includes a practical workshop which gives delegates an opportunity to work through an example of an ISDA® schedule and the types of clauses that are negotiated

Outcomes: Delegates will gain a very solid, in-depth knowledge of the legal and credit terms in an ISDA® Agreement. They will have a firm understanding of the types of negotiated clauses that are seen in an ISDA® schedule, and will also be aware of the types of additional clauses that one can include in an ISDA® schedule to address various credit concerns.

Duration: 8 hours (9am – 5pm)

Delegates are required to bring a copy of the 2002 ISDA® Master Agreement.

Cost: R8 500 per person (excluding VAT)

Johannesburg: Thursday 25 June I Thursday 01 October
Cape Town: Friday 19 June

Register online for this course at: https://www.derividoc.com/the-isda-agreement

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Collateral and the CSA Master Agreements

Audience: This course is well suited to in-house legal advisers; business, credit and collateral personnel.

- What is collateral and why is it so important?
- The operational and credit aspects of the collateral agreements: how to calculate exposure; what collateral is required; thresholds; minimum transfer amounts; independent amounts; delivery amounts, return amounts and valuation percentages
- Over-collateralisation risk
- An overview of the 1995 English law CSA, 1994 NY law CSA, the English Law Deed and the Standard CSA, and how all these documents work in a South African context
- Consider out-and-out cession and cession *in securitatem debiti* under SA common law, and the Financial Markets Act and the tax implications
- Collateral management as a key focus of the regulatory requirements
- Variation Margin versus Initial Margin
- Regulatory requirements under EMIR, Dodd Frank and the FMA for margining cleared and uncleared derivatives
- Options re how to document your regulatory VM relationship
- The ISDA® Self-Disclosure letter
- Differences between the legacy CSAs and the regulatory VM CSA
- A brief overview of the IM CSA
- Includes a practical workshop giving delegates an opportunity to work through an example of a CSA schedule

Outcomes: This is an introductory course to those who want to understand the operational aspects of collateral management and the legal framework for credit support documents. Delegates attending this course will gain a firm understanding of the Credit Support Annexures and the various negotiated sections in the CSA schedules, particularly the credit terms and thresholds. Delegates will gain a sound understanding of the New York law CSA, the English law CSA and the English Law Deed and when to use these agreements in a South African context. The legal intricacies of collateral arrangements under SA law will be covered in detail. A brief overview of the new regulatory requirements around collateral will be discussed including collateral in the cleared and uncleared environment, as well as a brief introduction to the new legal documents (VM and IM CSAs).

Duration: 8 hours (9am – 5pm)
Cost: R8 500 per person (excluding VAT)

Delegates are required to bring a copy of the CSA Master Agreements.

Johannesburg: Friday 02 October
Cape Town: Thursday 19 March I Friday 20 November

Register online for this course at: https://www.derividoc.com/collateral-and-csa-master-agmnts

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

2020 PUBLIC COURSES

Understanding the 2016 Variation Margin CSA

Audience: This course benefits legal personnel involved in negotiating the terms of the 2016 VM CSAs, and collateral management personnel who need to understand the agreement so that they can implement the operational aspects of the VM CSA. This course is a perfect add-on to the 'Collateral and the CSA Master Agreements' course as it provides legal and operational detail on the new requirements and provisions of the 2016 VM CSA.

- The regulatory requirements for Variation Margin for uncleared derivatives under EMIR, Dodd Frank and the Financial Markets Act
- Which entities and products are in-scope for the margin rules
- How to document the new VM rules: amend, amend and re-state, and new 2016 VM CSA
- Clause-by-clause analysis of the schedule to the 2016 English law VM CSA and how to understand and negotiate it
- The meaning of Covered Transactions and which transactions the new VM CSA should cover
- The various options of how to pay interest
- The impact of having multiple CSAs, setting-off against other CSAs, netting collateral calls across multiple CSAs
- Eligible collateral and valuation percentages
- What is Legally Ineligible Credit Support?
- Minimum Transfer Amounts and how they are apportioned across multiple CSAs
- A brief overview of the New York law VM CSA
- Discussion on the application of these new 2016 VM CSAs in a South African context
- Includes a practical workshop where delegates get to see the elective provisions in the VM CSA play out in a practical example

Outcomes: Delegates will gain an in-depth understanding of the workings of the new VM CSA as well as detailed explanations on how each of the elective and variable clauses work in the schedule. This means that delegates will have a firm grasp and understanding of the terms of the VM CSA to reflect their firms' collateral management processes.

Duration: 6 hours (9am – 3pm)
Cost: R6 800 per person (excluding VAT)

Johannesburg: Friday 26 June I Thursday 05 November

Cape Town: Friday 20 March I Friday 04 September

Register online for this course at: https://www.derividoc.com/understanding-the-2016-vm-csa

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Understanding Initial Margin and the Legal Documents

Audience: This course benefits legal personnel involved in negotiating the terms of the IM CSD (Initial Margin Credit Support Document), and collateral management personnel who need to understand the agreement so that they can implement the operational aspects of the IM CSD.

- Key differences between Variation Margin and Initial Margin
- What are the Initial Margin requirements under EMIR, Dodd Frank and the FMA?
- IM implementation phases
- Collateral flows between two IM counterparties
- AANA Thresholds and how they are calculated
- How to calculate IM
- Overview of the SIMM and Grid methods of calculating IM
- How to implement an IM compliant process
- Types of custodian and the triparty v. third party service offering
- The documentation required for an IM relationship (bank custodian v. CSD custodian)
- Clause-by-clause through the Initial Margin Credit Support Deed (English law) and the elective provisions
- Margin Approach options
- The Regime table
- Clause-by-clause through the Collateral Transfer Agreement
- Clause-by-clause through the Security Agreement
- Overview of the Custody Agreement
- Key provisions of the Account Control Agreement
- When does the Secured Party have access to the collateral?
- When does the Pledgor have access to the collateral?
- An insight into Initial Margin optimisation strategies

Outcomes: Delegates will gain an in-depth understanding of the workings of the new IM CSD as well as other documents which form part of the IM documentation suite. Delegates will gain insight into the IM requirements from a legal and operational perspective.

Duration: 8 hours (9am – 5pm)

Cost: R8 500 per person (excluding VAT)

Johannesburg: Thursday 05 March I Friday 05 June

Cape Town: Thursday 02 April I Thursday 03 September

Register online for this course at: https://www.derividoc.com/understanding-im-and-the-legal-docs

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

2020 PUBLIC COURSES

The Financial Markets Act and its Impact on the OTC Derivatives Market

Audience: This course suits people in the legal and compliance teams as well as the operational teams (middle office) and front office who need to understand the new regulatory environment and how it will impact OTC derivatives and how they will be traded.

- The global and South African regulatory landscape pre-2008 and where it has moved to post-2008
- Recommendations to the SA market to strengthen the current regulations (G20 & IOSCO)
- What are the aims of the FMA: what does it address, who does it apply to, and how will it be implemented?
- An overview of the other regulations impacting OTC derivatives in SA: Financial Sector Regulation (FSR) Act; Financial Markets Act regulations; Board Notices and Joint Standards published under the FMA
- Subordinate legislation
- Establishing Twin Peaks under the FSR Act
- Changes to the definitions of the Securities Services Act in the Financial Markets Act
- Authorising OTC Derivative Providers
- Central Securities Depository (Participants and Authorised Users)
- Uncertificated securities, registration and ownership of securities
- Pledge and Out and Out Cession of securities
- The tax treatment relating to the transfer of assets
- Trade repositories and the reporting rules
- Central clearing houses and an overview of central clearing requirements
- Margin requirements and collateral under the FMA
- Other regulatory impacts on the way in which OTC derivatives will be done: Basle III, FATCA, the Volcker Rule, MiFID II
- Issues with the new global regulatory landscape

Outcomes: Delegates will gain detailed insight into how the Financial Markets Act will impact the way in which OTC derivatives are traded, and how securities are dealt with. Delegates will also be made aware of the contentious issues in the new legislation, and the subordinate legislation will also be highlighted. Some comparisons will be drawn to the Dodd Frank and EMIR regulations.

Delegates are required to bring a copy of the Financial Markets Act.

Duration: 8 hours (9am – 5pm)

Cost: R8 500 per person (excluding VAT)

Johannesburg: Thurs 12 March I Thurs 22 October

Cape Town: Thurs 18 June

Register online for this course at: https://www.derividoc.com/the-financial-markets-act

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

OTC Regulations: An Overview of the Financial Markets Act, Dodd Frank and EMIR

Audience: This course suits people in the legal and compliance teams as well as the operational teams (middle office) and front office who need to understand the new regulatory environment and how it will impact OTC derivatives and how they will be traded with their EU and US counterparts.

- Why reducing systemic risk is important and how that can be achieved
- An overview of the key components of the FMA, Dodd Frank and EMIR regulations
- Counterparty classification and definitions under the FMA, Dodd Frank and EMIR:
  - FMA – what an ODP, Counterparty and Client are
  - EMIR – Counterparty classification (FC, NFC+, NFC-), and requirements under EMIR for FC, NFC+ and NFC-
  - Dodd Frank – what a 'US Person' is; what elements of Dodd Frank will apply (specifically to SA Counterparties); what a Swap Dealer, Foreign Branch, Conduit Affiliate and Guaranteed Affiliate under Dodd Frank are
- Transaction level requirements and entity level requirements
- What does substituted compliance mean and how does it operate under the FMA, EMIR and Dodd Frank?
- What are the extraterritorial aspects of each of the regulatory regimes? What is a Third Country Entity?
- End-User Exceptions
- Trade reporting: what it is, and what is required under the FMA, EMIR and Dodd Frank?
- Collateral and Margin Rules: what is VM and IM and what does each regulatory regime require from a collateral perspective? Who is in-scope and who / what is exempt?
- Central Clearing: an introduction to the concept and what each regulatory regime prescribes
- The ISDA® protocols for regulatory compliance – when to use these and which are relevant for an SA Counterparty:
  - The Cross-border Swaps Representation Letter
  - EMIR NFC Representation Protocol, and the Portfolio Reconciliation Dispute Resolution and Disclosure Protocol
  - The EMIR Counterparty Classification Tool on ISDA® Amend
  - Summary of the various D-F Protocols and their relevance to SA Counterparties
  - The FATCA Protocol
  - The Universal Stay Protocol (including US Resolution Stay and the EU BRRD)
- Issues and challenges with the new global regulatory environment

Outcomes: Delegates will gain a solid understanding of what regulatory changes will impact on the processes and documentation of OTC derivatives going forward. This is particularly useful as it gives delegates a South African focus on the global regulatory regimes and how these international regulations impact an SA counterpart.

Duration: 8 hours (9am – 5pm)

Cost: R8 500 per person (excluding VAT)

Johannesburg: Friday 13 March

Cape Town: Thursday 19 November

Register online for this course at: https://www.derividoc.com/regulatory-overview-fma-df-emir

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

2020 PUBLIC COURSES

DERIVIDOC CC

Update on OTC Derivative Regulations 2017 to Present

Audience: This course is relevant for those legal and business personnel who have already attended the 'Financial Markets Act and its Impact on the OTC Derivatives Market' course and/or 'OTC Regulations: An overview of the Financial Markets Act, Dodd Frank and EMIR' course, and need to be brought up-to-speed on the updates in these regulatory regimes since 2017.

- Updates to the margining of uncleared derivatives under the FMA (latest draft, November 2019)
- Updates to Initial Margin requirements under EMIR, Dodd Frank and FMA; and the use of smart contracts for IM
- Update to the reporting requirements under the FMA (April 2018 Board Notice)
- Other updates to the FMA since 2017: the Financial Sector Regulation Act 2017; the Financial Markets Act regulations; authorising ODPs
- The Financial Matters Amendment Bill
- MiFID II: an overview
- Securities Financing Transaction Regulation under EMIR: transparency and reporting provisions
- Bank Resolution and Recovery Directive (BRRD): how it will operate and how it will impact SA Counterparties
- The US Resolution Stay Protocols: what the regulation provides for and who is impacted; main terms of the US Stay Protocol and how to adhere
- Benchmark reform; risk-free rates; LIBOR
- ISDA® initiatives to support benchmark reform: supplement to the 2006 ISDA® definitions and the Benchmark Protocol

Outcomes: Delegates will gain an update to the most recent developments in local and international regulation in the OTC deriatives market.

Duration: 4 hours (9am – 2pm, including lunch)

Cost: R5 500 per person (excluding VAT)

Johannesburg: Thursday 04 June

Cape Town: Wednesday 01 April

Register online for this course at: https://www.derividoc.com/regulatory-update-2017-to-present

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

The 2011 Global Master Repurchase Agreement

(4.5 CPD points)

This course was approved in 2019 by the FPI as a CPD programme. Do let us know if you require these points in 2020!

Audience: This course benefits the legal teams involved in negotiating this agreement, the credit teams involved in assessing credit risk on these transactions as well as the trading teams who trade repo. Collateral personnel may also be interested in this course in terms of how the margining process works.

- What is a repo: classic repo; buy-/sell-back and securities lending transaction
- Tri-party repo
- An overview of the different repo products
- Why use repo?
- Background to the legal documentation
- Benefits of using a GMRA
- Legal aspects of a repo
- Risks and rewards: credit risks involved
- New or different definitions used in the 2011 GMRA
- Margin and margin maintenance
- Collateral and haircuts: margin ratio and margin percentage calculations (and how they relate to Transaction Exposure)
- Re-pricing
- Adjustment
- Income payments
- Substitution of collateral
- Default mechanisms in the GMRA
- Buy-in, mini close-out and set-off
- The Annex and elective provisions; the Buy/Sell Back Annex
- The use of the GMRA in South Africa
- Re-characterisation risks
- Tax implications

Outcomes: Delegates will gain a solid understanding of the 2011 GMRA, the margining process as well as how this agreement works in the context of SA law. Negotiation points of the agreement will also be discussed to give the delegates a good understanding of how to effectively negotiate the agreement.

Duration: 6 hours (9am – 3pm)

Cost: R6 800 per person (excluding VAT)

Johannesburg: Wednesday 15 July

Cape Town: Wednesday 13 May

Register online for this course at: https://www.derividoc.com/2011-global-master-repurchase-agmnt

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

2020 PUBLIC COURSES

DERIVIDOC CC

The 2010 Global Master Securities Lending Agreement

Audience: This course is suitable for legal teams involved in negotiating the GMSLA, credit teams involved in assessing the credit risks, collateral teams involved in the posting and receiving of collateral, as well as trading teams who enter into securities lending transactions.

- What is securities lending?
- Why enter into securities lending transactions?
- Risks involved in securities lending
- History and structure of the GMSLA
- Main changes in the new 2010 GMSLA (amended definitions and concepts)
- Collateral and margin
- Market Value
- Substitutions
- Manufactured Payments
- Voting rights and corporate actions
- Default mechanisms and Default Market Value
- Using the GMSLA in South Africa
- The terms of the 2016 SASLA Annex
- Tax implications and STT exemptions
- Re-characterisation risks
- Foreign and local regulatory impacts on the securities lending market

Outcomes: Delegates will gain a detailed understanding of the legal and operational workings of the 2010 GMSLA, and the key differences between the 2010 and 2000 versions of the agreement. In particular this agreement and the collateral process is discussed in the context of the South African market and how this agreement works for South African counterparts.

Duration: 6 hours (9am – 3pm) **Cost**: R6 800 per person (excluding VAT)

Johannesburg: Thursday 16 July **Cape Town**: Thursday 14 May

Register online for this course at: https://www.derividoc.com/2010-global-master-sec-lend-agmnt

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Apply to Attend Courses

DeriviDoc also offers the following courses, not scheduled, which run when 5 or more delegates register – on a mutually agreed-upon date. Register your interest on our website, and we will contact you when we have the minimum number of delegates to schedule a public offering (at the Da Vinci Hotel in Sandton).

Alternatively, these courses are also offered on an in-house basis for a minimum of 5 people.

- ✓ **An Introduction to Central Clearing**
- ✓ **The Legal Agreements Required for Clearing**
- ✓ **Project Finance Linked Hedging**
- ✓ **Credit Derivatives and the 2014 Definitions**
- ✓ **The ISDA® Agreement for Credit Personnel**
- ✓ **Close Outs under the ISDA®: a Lehman Brothers Case Study**
- ✓ **Master Agreements Workshop (or part thereof)**
  - ➢ **Day 1: Master Agreements Overview**
  - ➢ **Day 2: Collateral Agreements Overview**
  - ➢ **Day 3: Regulatory Overview**

2020 PUBLIC COURSES

DERIVIDOC CC

Summary of Courses	Date	Venue	Duration
First Quarter			
Understanding IM and the Legal Docs	Thurs 05 March	JHB	9am-5pm
The Financial Markets Act	Thurs 12 March	JHB	9am-5pm
Regulatory Overview	Friday 13 March	JHB	9am-5pm
Collateral and the CSAs	Thurs 19 March	CT	9am-5pm
Understanding the 2016 VM CSA	Friday 20 March	CT	9am-3pm
Second Quarter			
Regulatory Update 2017 to Present	Wed 01 April	CT	9-2, incl. lunch
Understanding IM and the Legal Docs	Thurs 02 April	CT	9am-5pm
2011 GMRA	Wed 13 May	CT	9am-3pm
2010 GMSLA	Thurs 14 May	CT	9am-3pm
Regulatory Update 2017 to Present	Thurs 04 June	JHB	9-2, incl. lunch
Understanding IM and the Legal Docs	Friday 05 June	JHB	9am-5pm
The Financial Markets Act	Thurs 18 June	CT	9am-5pm
The ISDA® Agreement	Friday 19 June	CT	9am-5pm
The ISDA® Agreement	Thurs 25 June	JHB	9am-5pm
Understanding the 2016 VM CSA	Friday 26 June	JHB	9am-3pm

Summary of Courses	Date	Venue	Duration
Third Quarter			
2011 GMRA	Wed 15 July	JHB	9am-3pm
2010 GMSLA	Thurs 16 July	JHB	9am-3pm
Understanding IM and the Legal Docs	Thurs 03 Sept	CT	9am-5pm
Understanding the 2016 VM CSA	Friday 04 Sept	CT	9am-3pm
Fourth Quarter			
The ISDA® Agreement	Thurs 01 Oct	JHB	9am-5pm
Collateral and the CSAs	Friday 02 Oct	JHB	9am-5pm
The Financial Markets Act	Thurs 22 Oct	JHB	9am-5pm
Understanding the 2016 VM CSA	Thurs 05 Nov	JHB	9am-3pm
Regulatory Overview	Thurs 19 Nov	CT	9am-5pm
Collateral and the CSAs	Friday 20 Nov	CT	9am-5pm

APPLY-TO-ATTEND COURSES

An Introduction to Central Clearing

Audience: This course introduces you to the operational and legal aspects of central clearing. It suits people in the legal and compliance teams, the operational teams (middle office), front office, as well as the collateral teams who need to understand the way in which central clearing will impact the way OTC derivatives are traded.

- What is central clearing?
- What products will it apply to?
- How a CCP protects against counterparty default
- Benefits and risks of a CCP
- The structure of a CCP and multilateral netting
- Initial Margin and Variation Margin for cleared transactions
- CCP resolution and the default waterfall
- Client clearing (agency and principal models)
- Protection and segregation of margin and the different models of segregation (omnibus, segregated and LSOC)
- Collateral management for clearing
- Clearing requirements under Dodd Frank, EMIR and the FMA
- Risks, benefits and challenges of central clearing
- Clearing and netting and ISDA® opinions
- Porting of trades through a clearing house

Outcomes: Delegates will gain detailed insight into how central clearing works from a legal and operational point of view and how it will impact the way in which OTC derivatives are traded.

Duration: 8 hours (9am – 5pm)

Cost: R8 500 per person (excluding VAT)

Register your interest in this course online at:
https://www.derividoc.com/introduction-to-central-clearing

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

The Legal Agreements Required for Clearing

Audience: This course suits people in the legal and compliance teams as well as the collateral teams who need to understand the documentation required to allow central clearing.

The course will focus on the legal agreements that will be required to document the various clearing relationships: between two clearing members, between a client and a clearing member (client clearing), and between a client of a client and a clearing member (indirect client clearing).

- Background to clearing
- Clearing requirements under EMIR, Dodd Frank and Financial Markets Act regulations
- The three different clearing structures will be discussed in detail:
  i. clearing between two clearing members
  ii. clearing between a clearing member and a client (client clearing) – covering both agency and principal models
  iii. clearing with a client of a client's clearing member (indirect clearing)
- The documentation required for each of the three structures
- An explanation of the netting sets and what can be netted
- An overview of the standard documentation used for a clearing relationship
- Clause-by-clause through the ISDA®/FIA Cleared Derivatives Execution Agreement
- Clause-by-clause through the ISDA®/FIA Client Cleared OTC Derivatives Addendum
- Default events in the different documents used for clearing
- Collateral provisions in the clearing documents
- Segregation models and how collateral is held
- The Addendum Annex
- Protecting collateral and the models (Security model, Triparty Custody and Contractual model)
- Confirmations for clearing
- The ISDA® clearing opinions

Outcomes: Delegates will gain detailed insight into the various central clearing documents.

Duration: 8 hours (9am – 5pm) Cost: R8 500 per person (excluding VAT)

Register your interest in this course online at:
https://www.derividoc.com/legal-agmnts-required-for-clearing

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

APPLY-TO-ATTEND COURSES

DERIVIDOC CC

The ISDA® Agreement for Credit Personnel

Audience: This course is tailor-made for credit personnel who need to understand the credit terms in the ISDA® when initiating a new ISDA® negotiation.

- What is an ISDA®, what products does it cover, the key benefits that an ISDA® provides for
- Different types of derivatives: OTC, exchange traded and cleared
- The role of derivatives in hedging risk
- Key differences between the 1992 ISDA® and the 2002 ISDA®
- The structure of the ISDA® and the netting benefits (settlement netting, close-out netting and set-off)
- A deep dive into the credit-related clauses in the ISDA® Schedule
- How to set relevant credit provisions in the ISDA® Schedule, using practical examples
- The main Events of Default and how they trigger
- Additional Termination Events: how to address credit risk through Termination Events
- The process to follow after an Event of Default has been triggered
- How the Agency structure works from a credit point of view
- Includes a practical workshop which gives delegates the opportunity to work through an example of an ISDA® Schedule and the types of credit clauses that should be considered.

Outcomes: Delegates will gain a solid, in-depth knowledge of the credit terms in an ISDA® Agreement. They will have a firm understanding of how to assess and set credit-related clauses in the ISDA®.

Duration: 6 hours (9am – 3pm)

Cost: R6 800 per person (excluding VAT)

Register your interest in this course online at:
https://www.derividoc.com/isda-for-credit

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Project Finance Linked Hedging

Audience: This course is aimed at those working within, or intending to move into, project development or project finance - including legal advisers, transactors and principals - whether from the financier, project company or sponsor side.

The course will be divided into five short modules:

1. An introduction to the principles of project finance (2 hours)
This module will provide an understanding of the basic principles underlying a typical project finance transaction including: defining project finance, introducing the relevant counterparties, differentiating it (as a concept) to corporate finance, risk allocation and mitigation, the limited recourse concept, financing methods, construction and operation phases in a project finance transaction, PPP's (as a concept), as well as providing a brief run-down of the documents typically involved in a project finance transaction.

2. Instruments used to hedge project risks (0.5 hours)
This module will cover the instruments typically used to hedge project risks (including fluctuations in interest rates, currency and commodity prices) and will explain how these fit in to the overall project financing structure.

3. The Facility Agreement / Common Terms Agreement (1 hour)
This module will identify and explain the clauses relevant to the hedge, including positive and negative undertakings, account controls, cash flows and waterfalls as well as the hedging policy/strategy. This module will also explore the security position of the hedge provider and its rights as a finance party under the finance documents.

4. The Intercreditor Agreement (1 hour)
This module will address the rights of the finance parties under the Intercreditor Agreement, including the rights of the hedge providers in contrast to the other finance parties (including independent rights of termination/close out, restrictions, rights on a default and rights on enforcement etc.).

5. The Schedule to the ISDA® Master Agreement (1.5 hours)
This module will explore the provisions of a typical Schedule to the ISDA® Master Agreement in a project finance transaction and explore the interplay between the Schedule to the ISDA® Master Agreement and the other finance documents. It will talk to clauses which can be disapplied in the ISDA®, bespoke clauses required for additional termination events and additional events of default, reliance on the finance documents as well as general rights of termination and enforcement.

Duration: 8 hours (9am – 5pm)

Cost: R8 500 per person (excluding VAT)

Register your interest in this course online at:
https://www.derividoc.com/project-finance-linked-hedging

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

APPLY-TO-ATTEND COURSES

Credit Derivatives and the 2014 Definitions

Audience: This course is useful for legal teams (prior knowledge of the ISDA® is required), credit teams involved in setting terms for the credit derivatives confirmations, confirmations teams who are involved in working with the confirmations for the credit derivatives transactions and the trading teams who transact in credit derivatives transactions.

- What is a credit derivative transaction (and what are Credit Default Swaps, Total Return Swaps and Credit Linked Notes)?
- Key areas of change in the 2014 Credit Derivative Definitions
- The main definitions will be covered including: Reference Entity, Succession Event, Obligations, Deliverable Obligations, Obligation Category and Obligation Characteristics
- New definitions included in the 2014 definitions including those relating to Sovereigns and to Financial Reference Entities
- Credit Events: what they are, and how are they triggered? The new Credit Event in the 2014 definitions of Governmental Intervention
- The SNS Reaal case study and how the 2014 definitions addressed the issues identified in this case
- The auction process and physical settlement process
- How the credit derivatives industry is being standardised (in particular, electronic systems and the Physical Settlements Matrix)
- The ISDA® suite of documents relating to credit derivatives: Master Confirmation Agreements, the Standard Terms and the Physical Settlements Matrix

Outcomes: Delegates will gain a sound understanding of the key credit derivatives definitions, how they work in the context of a confirmation and how the auction and settlement process works when closing out credit derivatives transactions.

Duration: 6 hours (9am – 3pm)

Cost: R6 800 per person (excluding VAT)

Delegates are required to bring a copy of the 2014 Credit Derivatives.

Register your interest in this course online at:
https://www.derividoc.com/credit-derivatives-and-2014-defns

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Close Outs under the ISDA®: a Lehman Brothers Case Study

Audience: This course is useful for people in legal, credit and risk; collateral and compliance; and possibly the front and middle office staff.

- An overview of what caused the financial crisis: the sub-prime mortgage market and the securitisation food chain
- An in-depth look at what one should do if there is an event of default under an ISDA®
- The impact of defaults on equity derivatives transactions and credit default swaps
- Key court rulings on Lehman's cases will be discussed and how the court interpreted the ISDA®, and what lessons were learnt: How the Conditions precedent clause was interpreted; the enforceability of cross affiliate set-off and mutuality requirements for set-off

Outcomes: This course will provide delegates with an in-depth knowledge of what steps to take when closing out transactions under an ISDA®. The Lehman collapse will be analysed in terms of what triggered it and how derivatives played a part in the collapse. Various court cases will be discussed to give the delegates a good understanding of how courts interpret various key clauses in the ISDA® agreement. This is important in understanding the various precedents, which courts set as a result of litigating on the ISDA®.

Duration: 4 hours (9am – 2pm, including lunch)

Cost: R5 500 per person (excluding VAT)

Register your interest in this course online at:
https://www.derividoc.com/close-outs-lehman-bros-case-study

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE

APPLY-TO-ATTEND COURSES

DERIVIDOC CC

Master Agreements Workshop

How? Register your interest online in our 3-day workshop (or part thereof) at: https://www.derividoc.com/master-agreements-workshop

For whom? Employees who are new to the topic can come along for a high level overview of the master agreements, as a 'taster' of what to expect and what to look out for. Also, those who are familiar with these arrangements can come back for a refresher – a 'back to basics' overview of the agreements.

Day 1: Master Agreements Overview

a) The ISDA® Master Agreement

- What is an ISDA®, what products does it cover, the key benefits that an ISDA® provides for
- The role of derivatives in hedging risk
- The structure of the ISDA® and the netting benefits (settlement netting, close-out netting and set-off)
- Long Form Confirmations
- Cross default

b) The Global Master Repurchase Agreement

- What is a repo: classic; buy-/sell-back and securities lending transaction
- Why use repo?
- Background to the legal documentation
- Benefits of using a GMRA
- Legal aspects of a repo

c) The Global Master Securities Lending Agreement

- What is securities lending?
- Why enter into securities lending transactions?
- Risks involved in securities lending
- History and structure of the GMSLA
- Main differences between repo and securities lending

9am-5pm, including lunch, @R8 500 per person (excluding VAT)

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.

Master Agreements Workshop cont.

Day 2: Collateral Agreements Overview

a) The Credit Support Annex

- What is collateral and why is it so important?
- The operational and credit aspects of the collateral agreements: how to calculate exposure; what collateral is required; thresholds; minimum transfer amounts; independent amounts; delivery amounts and return amounts
- Over-collateralisation risk

b) **The Variation Margin CSA**

- The regulatory requirements for Variation Margin for uncleared derivatives under EMIR, Dodd Frank and the Financial Markets Act
- Which entities and products are in-scope for the margin rules
- How to document the new VM rules: amend, amend and re-state, and new 2016 VM CSA

c) Margin Maintenance under the GMRA and GMSLA

- Different methods of reducing exposure under the GMRA (re-pricing, adjustment, margin call)
- Collateral calls under the GMSLA (valuation percentage)

9am-5pm, including lunch, @R8 500 per person (excluding VAT)

Day 3: Regulatory Overview

- Counterparty classifications under Dodd Frank, EMIR & the Financial Markets Act
- Reporting requirements under Dodd Frank, EMIR & the Financial Markets Act
- Central clearing requirements under Dodd Frank, EMIR & the Financial Markets Act
- Main Protocols published by ISDA® for regulatory compliance (EMIR Portfolio and Dispute Resolution, Cross Border Swaps Representation Letter, Bank Resolution and Recovery Directive).

9am-2pm, including lunch, @R5 500 per person (excluding VAT)

THIS COURSE IS ALSO OFFERED ON AN IN-HOUSE BASIS FOR A MIN OF 5 PEOPLE.