

Derivatives and Structured Products

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Table of contents

Financial Services and Products Group	1
The benefits of working with CMS	3
Our people – brief CVs	4
Adding further value to our relationship	7

Financial Services and Products Group

CMS Cameron McKenna LLP contains a dedicated Derivatives and Capital Markets Team (“the Team”) offering a range of transactional and advisory services for derivatives and structured products. It has an extremely strong and well-balanced client base which includes a number of leading investment banks such as Deutsche Bank, Goldman Sachs and JP Morgan, most of the clearing banks including Lloyds Banking Group and HSBC, as well as a large variety of institutional and corporate clients.

The Team is part of the wider Financial Services and Products Group (“the Group”), which is one of the largest in the UK and dedicated to financial services work. The Group is well known for its technical and market expertise.

Some areas of particular strength are set out below.

Securitised derivatives and structured products

The Team advises on all areas of securitised derivatives and structured products from flow issuances of retail structured notes, warrants and certificates to structured deposits, equity, credit and fund linked notes and CPPI products.

Equity derivatives and hedging

Apart from the use of equity derivatives in relation to vanilla OTC and retail structured products, the Team frequently advises on corporate financing transactions that use equity derivatives as part of their funding structure, as well as hedging issues and solutions in relation to financings (including in securitisations, project financings and vanilla facility financings).

Proprietary indices

The Team has worked with clients such as Deutsche Bank AG to produce proprietary commodities, rates and equity indices (including for emerging markets).

Credit derivatives

The Team advises many institutions on credit derivative issuances and in particular are well known for credit linked note issuances (including portfolio, tranching, single name and first to default).

Regulatory advice

The Group regularly advises financial institutions on a wide range of regulatory matters on both the non-contentious side (e.g. arising out of the Prospectus Directive, MiFID and EMIR) and contentious side (e.g. arising out of any enforcement matters from potential or actual breaches, market abuse issues, etc.).

Restructuring and insolvency

The Team is a market leader in the area of Lehmans trading, having advised many of the leading players in relation to the purchase and trading of Lehmans derivative and structured product claims. We are also heavily involved in the trading of claims relating to Icelandic banks. Our clients also use our combined expertise in securitised derivatives and structured products, to produce specific solutions for funding purchases of claims.

Master agreement negotiations

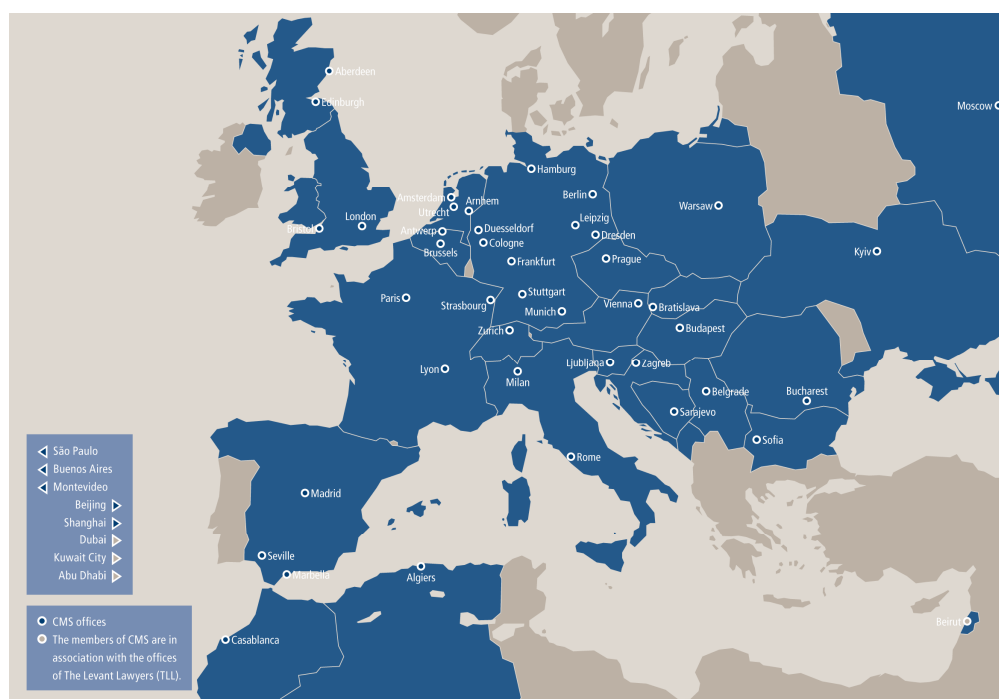
The Team has undertaken the negotiation of a wide range of master agreements (ISDA, GMRA, GMSLA, EFET) for a range of banks, corporates, and investment managers.

Our experience:

Recent experience includes advising:

- the Central Bank of a European country in relation to all its OTC derivatives documentation including its credit, equity and derivatives documentation;
- a large investment bank on numerous repackagings pursuant to a number of programmes;
- a large investment bank on a number of emerging market credit linked notes (linked to various returns including bond forwards);
- a large investment bank on the issuance of fiduciary notes linked to European Emissions Allowances;
- a UK regulated market on regulatory aspects of establishing a new exchange traded CFD Product;
- a large investment bank on a large number of its ISDA and repo negotiations;
- a large investment bank on its flow retail structured products;
- a number of financial institutions and investment banks in relation to longevity derivative and insurance transactions;
- in relation to issues arising from the dealer – distributor relationships;
- in relation to issues arising from pre-hedging transactions with funds; and
- in relation to numerous complex derivative transactions in Central and Eastern Europe.

The benefits of working with CMS



CMS is a leading legal service provider and has the most extensive presence across Europe; it has more than 5,000 people and 2,800 lawyers working across 53 cities in 28 countries.

We provide legal, regulatory and tax services to financial institutions of all kinds, with expertise in the retail, commercial and wholesale markets. We understand that financial institutions face legal and regulatory challenges when they expand into new markets in Europe or operate across national borders. Working with CMS provides an ideal solution for cross-border or pan-European assignments.

Throughout Europe our people are immersed in the local culture and understand the legal landscape. It means our clients benefit from high quality expertise wherever they need it in Europe, delivered in the local context; for example our offices have fostered excellent relationships with local regulators.

Our industry specialists meet and talk regularly, and know each other well. We are heavily involved in topical issues, and regularly publish thought leadership papers.

We work hard to ensure consistent standards and the same fast response from any part of our network. Our clients develop direct relationships with offices and partners across CMS. We also undertake cross-border assignments using a 'one-call' service. A single call to the lead partner and we can launch and then co-ordinate the delivery of the advice required across our European team.

Our people – brief CVs

Regulatory advisory

**Ash Saluja**

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Ash trained at the firm and qualified as a solicitor into the financial services regulatory team in September 1998, becoming a partner in May 2006. He advises clients on a wide range of non-contentious financial services regulatory and related matters such as authorisation and compliance requirements, product design and distribution, cross border business, insider dealing and market abuse, anti-money laundering requirements, as well as the regulatory aspects of mergers and acquisitions, restructurings, joint ventures and outsourcings.

**Paul Edmondson**

Partner, Financial Services and Products

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Paul Edmondson joined CMS Cameron McKenna in 1992, qualifying as a solicitor in 1994 and becoming a partner in 2002. He now heads the firm's Financial Services and Products Group. He advises financial institutions on a range of regulatory and related commercial issues. His clients include banks, insurers (life and non-life), fund managers, insurance intermediaries, and trade associations. Paul is the author of the insurance regulation chapter in the Oxford University Press publication, "Financial Services Law". Paul is a recognised expert on insurance mediation and has advised banks, card companies, insurers, financial companies, retailers and trade associations on the distribution of retail insurance products. He regularly handles pan-European and cross-border projects.

Regulatory contentious



Simon Morris

Partner, Financial Services and Products

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Simon joined the firm in 1980, qualified as a solicitor in 1982 and has been a partner since 1988. He is a member of the firm's financial services group and specialises in advising financial services institutions on commercial and regulatory matters. Simon has acted on a number of acquisitions and product launches, and has represented over 250 firms in regulatory and disciplinary proceedings. Simon was named as the Best Regulatory Lawyer of 2008 at Complinet's Fourth Annual Compliance Awards in January 2008.

Derivatives and structured products



Will Dibble

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Will trained at the firm and qualified as a solicitor into the Derivatives and Capital Markets Team in September 1998, spending six years at Allen & Overy before becoming a partner in the firm in May 2006. He advises a large number of financial institutions on a wide range of debt capital markets, derivatives and structured products. Will's principal areas of expertise include advising in relation to securitised derivatives and credit, equity and fund linked derivatives. His clients include Deutsche Bank, JPMorgan Chase and Lloyds Banking Group.



Jason Harding

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Jason joined the firm in 1999 and acts for a wide range of financial institutions and corporates in all areas of debt capital markets, including Eurobonds, securitisations, high-yield bonds, project

bonds, structured finance, CDOs and derivatives. His clients include Goldman Sachs, HSBC, Lloyds Banking Group, Deutsche Bank, National Australia Bank and Allied Irish Banks.

**Michael Cavers**

Solicitor, Financial Services and Products

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Michael Cavers has a wide range of debt capital markets and derivatives experience in the London market. He has advised banks and issuers on a variety of transactions including retail structured products, standalone debt issues, fund and other derivatives, PFI/PPP financings, the establishment and update of debt issuance programmes and securitisation and structured finance transactions. He has also spent time on secondment to business teams at Lloyds TSB, HSBC and JP Morgan.

US Securities Law

**Daniel Winterfeldt**

Partner, Financial Services and Products/ Corporate

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Daniel is a US securities lawyer and leads the firm's International Capital Markets practice. His practice focuses on representing US, UK, European and Asian investment banks and corporate issuers in a wide range of securities transactions, including Rule 144A and Regulation S equity and debt offerings; Category 3, Regulation S transactions for US companies listing in the United Kingdom; rights offerings; exchange offers; equity-linked securities offerings; initial public offerings and secondary and follow-on offerings of equity securities, including SEC-registered transactions. He also provides ongoing US securities advice to The London Stock Exchange on Regulation S, Rule 144A and Regulation D.

Adding further value to our relationship

As you would expect from a leading law firm, we offer a complete range of added value services, including an innovative Knowledge Management audit which won the Lexis Nexis award for excellence in the use of IT systems in 2005. Unlike many professional advisers, our ethos is to leave a legacy of knowledge rather than acting on a purely transactional basis.

We provide our clients with the following information about the additional services we offer, working with them to understand their priorities and then developing a bespoke plan.

Service type	Details	Benefits to clients
Training seminars – in-house	<ul style="list-style-type: none"> We understand that you may need legal training both for your in-house team, but also key business executives We have developed bespoke training courses for clients, which have been praised for their content. We deliver tailored training and have ready-to-go materials on a wide range of topics, a list of which can be provided on request. We recommend a combination of webinars as well as face-to-face sessions. Alternatively, our advanced e-learning programme can be tailored to your business to provide a detailed online training approach to key issues. 	<ul style="list-style-type: none"> Use our legal expertise and immersion in the financial services sector to ensure best practice within your business. We can help you ensure consistency of knowledge within your in-house legal team We have helped clients feel better prepared for the challenges and opportunities that are facing the financial services industry which can give a competitive advantage We can deliver a platform for knowledge sharing between both our teams on a non-case specific activities and topics.
Training seminars – general client programme	<ul style="list-style-type: none"> We run tailored workshops and panel discussions for and with our clients in order to develop and share commercial and technical expertise Training events range from smaller 'lunch and learn' events to much larger formal seminars in our dedicated lecture theatre. 	<ul style="list-style-type: none"> We can offer clients access to a programme of over 80 events each year in London and Edinburgh.
Advice line provision	<ul style="list-style-type: none"> We would propose that you would not be billed for any advice for the first 15 minutes on any matter discussed through the helpline We would provide you with a hotline contact card so that your users know exactly who to call for particular issues. 	<ul style="list-style-type: none"> An easy to access, surgery solution for simple enquiries. This gives you the opportunity to scope matters prior to the clock running thereby reducing unplanned legal spend Regular reports with regards to clients' usage providing a good snapshot of key issues and team needs.

Online billing	<ul style="list-style-type: none"> • Online billing solutions provide an accurate, efficient solution for major clients and we would be happy to provide this for you. We submit online bills in the LEDES format via a number of e-billing systems including Tymatrix, Serengeti, and Litigation Advisor. 	<ul style="list-style-type: none"> • Our solution allows clients to receive detailed information and analysis with the ability to manipulate the data to suit your needs.
Publications, updates and subscriptions	<ul style="list-style-type: none"> • We produce a number of publications and updates for clients that cover the latest legal and business developments • We can also offer you Law-Now, our market-leading, free email alert and online information service, which provides a fully searchable archive of over 3,000 articles, guides and cases. 	<ul style="list-style-type: none"> • Clients' legal services team will receive up-to-date legal news and market insights from our team of specialists • We offer the opportunity to integrate our newsfeeds into your intranet so that our latest law know-how and insights are easily accessible.
Secondments and reverse secondments	<ul style="list-style-type: none"> • We provide secondees and reverse secondments to a number of our clients and would be happy to arrange this with you, subject to cost and availability. We can offer expertise whenever you need it. 	<ul style="list-style-type: none"> • We believe in making secondees available because it strengthens the relationship between us and helps build trust and understanding • We can help with capacity management and provide a flexibility resource at all levels of experience.
Precedent documents and templates	<ul style="list-style-type: none"> • We are happy to provide precedent documents and templates for use by your in-house legal team. 	<ul style="list-style-type: none"> • We can give you access to up-to-date documentation used by experts across our firm.
Knowledge Management	<ul style="list-style-type: none"> • We can assist in a full audit of your in-house knowledge systems. Kate Stanfield, our award-winning Head of Knowledge Management, has broad experience of working with our clients to ensure they have the best systems and processes in place to provide the know-how you require. 	<ul style="list-style-type: none"> • Clients will be able to draw upon the extensive skills of our award-winning Knowledge Management team and ensure that we are contributing effectively to augment this.
Access to research tools	<ul style="list-style-type: none"> • We are happy to provide you with access to our firm's comprehensive legal library ("the Exchange") and dedicated information service, staffed by qualified information professionals • The Exchange offers an extensive range of international legal, business and reference sources, both in hard copy and electronic form, together with a research and enquiry service. 	<ul style="list-style-type: none"> • Access to the knowledge resources of a major international law firm, offering potential savings on your overheads.

A client extranet

- Through our extranet site we can create secure areas that can contain a range of information for you and your team. It will give you access to the latest documents and progress reports on current matters, key documents on past matters, client service team information, precedent documentation, meeting reports and billing information. Materials from seminars and training sessions would also be accessible.
 - We offer a central location for sharing information, relating to all work activities and additional services, that is accessible irrespective of location or time.
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Get in the

RegZone

www.law-now.com/regzone



The Regulatory Zone (RegZone) – a ‘free to view’ online resource for CMS clients and contacts, providing a wealth of materials to help financial institutions deal with the fast-changing world of regulation. Relunched in September 2010, our online site incorporates an introductory video and monthly Online Newsletter.

In the RegZone you will find:

- The new **RegZone Online Newsletter** is a monthly round-up of regulatory developments. To subscribe to the Online Newsletter, email regzone@cms-cmck.com.
- **Expert reports** on key challenges faced by financial institutions such as RDR, PPI, ARROW inspections, corporate governance, client assets and living wills; as well as guides to ‘Handling a Regulatory Crisis’.
- A **‘New Regulatory Order’** page dedicated to examining how the reform of the regulatory framework at UK and EU level will impact on financial institutions.
- The **RegZone timeline** which sets out key dates for regulatory developments. Complinet.com offer our timeline as part of their paid-for service for financial institutions worldwide.
- Comprehensive **news monitoring reports**, allowing you to follow the sequence of events. These cover 13 areas of reform; they monitor publications, announcements and speeches of over 30 organisations.
- A full **reference library** of CMS Cameron McKenna articles and presentations; as well as a library of FSA materials, including an enforcement database of FSA and FSMT decisions.
- Upcoming dates for our popular **Breakfast Briefing seminars**.

The information held in this publication is for general purposes and guidance only and does not purport to constitute legal or professional advice.

CMS Cameron McKenna LLP is a limited liability partnership registered in England and Wales with registration number OC310335. It is able to provide international legal services to clients utilising, where appropriate, the services of its associated international offices. The associated international offices of CMS Cameron McKenna LLP are separate and distinct from it. We use the word "partner" to refer to a member, or an employee or consultant with equivalent standing and qualifications.

Further information about the firm can be found at www.cms-cmck.com

CMS Cameron McKenna LLP is a member of CMS, the organisation of nine European law firms providing businesses with legal and tax services in 29 jurisdictions, with 54 offices in Western and Central Europe and beyond. CMS aims to be recognised as the best European provider of legal and tax services. Clients say that what makes CMS special is a combination of three things: strong, trusted client relationships, high quality advice and industry specialisation. CMS combines deep local expertise and the most extensive presence in Europe with cross-border consistency and coordination.

Further information can be found at www.cmslegal.com

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