

### Background

ISLA obtains and updates legal opinions annually, in a joint exercise with ICMA for approximately 60 jurisdictions globally. ISLA currently obtains opinions for the following securities lending documents; Global Master Securities Lending Agreement – GMSLA (May 2000, July 2009 & January 2010 versions)

### Legal Opinions

The legal opinions opine on the above mentioned documents. For a full list of jurisdictions and counterparty types ISLA cover for the securities lending business, please refer to the securities lending opinion matrix which is updated annually.

### Scope

The legal opinions cover the enforceability of the netting provisions of the securities lending documents covered by the exercise. The UK Prudential Authority (PRA), the UK Financial Conduct Authority (FCA) and the German Financial Supervisory Authority (BaFIN) recognise the effect of netting provisions for regulatory capital and large exposure requirements provided, inter alia that a reasoned legal opinion has been obtained to the effect that, in the event of a legal challenge, the relevant courts and administrative authorities would find that, where a counterparty fails owing to default, bankruptcy, liquidation or any other similar circumstance, the regulated firm's claims and obligations pursuant to the securities lending agreement covered under the netting opinion exercise would be limited to a net sum under the law of relevant jurisdiction (s) and which meets certain other requirements. The opinions ISLA makes available to its netting service subscribers assist them in fulfilling these regulatory requirements. It remains the responsibility of each subscriber firm to ensure that it meets its specific regulatory requirements.

### Beneficiaries

The Core Opinion and Appendix to the opinions are provided for the sole benefit of ISLA and members of the ISLA Netting Opinions Subscriber Group (including branches and subsidiaries of the subscribers or, where the subscriber is itself a branch or subsidiary, the head office or parent company or any subsidiary of such parent company, as applicable) excluding associate members of the ISLA Netting Opinions Subscriber Group.

### Associate Members

Associate members of the ISLA Netting Opinions Subscriber Group will receive a copy of the Core Opinion and Appendix to the opinion. Associate members are not however able to rely on the opinion.

### Availability

From January 2018, to subscribe to the ISLA Netting Subscribers Group you are required to be a member of ISLA. Full details of how to become a member of ISLA are documented on the ISLA website. Once membership of ISLA is complete, firms become eligible to subscribe to the ISLA Netting Subscribers Group. Once fees have been received access to the opinions will be granted by ISLA.

Online access to the opinions is managed by aosphere LLP as they host the opinions for the securities lending agreements on their website. If you require further information in relation to the netting opinion service that ISLA provides, please visit our website or email [support@isla.co.uk](mailto:support@isla.co.uk)

### SLAnalytics

SLAnalytics is an online subscription service provided by aosphere LLP (a wholly owned affiliate of leading international law practice Allen & Overy LLP). It simplifies your analysis of the ISLA securities lending opinions, using traffic light colour coded analysis of the key issues contained in the opinions and highlighting suggested document amendments. Please contact [info@aosphere.com](mailto:info@aosphere.com) for more information including pricing and to arrange a few trial or demonstration.