

CLO SOLUTION BERMUDA

Conyers offers legal and corporate services to a broad client base, including FTSE 100 and Fortune 500 companies, international finance houses and asset managers. The firm advises on Bermuda, British Virgin Islands and Cayman Islands laws, from offices in those jurisdictions and in the key financial centres of Hong Kong, London and Singapore.

“ We offer unrivalled experience and expertise as the premier international firm in Bermuda.”

Proposed Addition of the Cayman Islands to the EU AML List

- On 7 January 2022, the European Commission adopted a delegated regulation proposing revision of its EU's High Risk Third Countries List (the EU AML List) to add nine countries, including the Cayman Islands.
- The EU Securitisation Regulations prohibit the establishment of securitisation special purpose vehicles (SPVs) established in non-EU jurisdictions that are included on the EU AML List.

- The addition of the Cayman Islands to the EU AML List will be published in the EU's Official Journal on 21 February 2022 and the updated EU AML List will enter into force on 13 March 2022.
- EU entities are expected to be prohibited from investing into notes (or other instruments) issued by a Cayman Islands securitisation SPV from the date the updated EU AML List becomes effective, with adverse repercussions for certain Collateralized Loan Obligation transactions (CLOs).

Conyers' "Bermuda CLO" Solution

Conyers is uniquely placed to offer all required Bermuda legal, corporate, trust and fiduciary services for both CLOs and other structured products, including: incorporation, directorship, trust, administration, regulatory, compliance, listing and liquidation services.

- **Structured Finance Practice:** Conyers has proven and longstanding expertise to advise on the full range of securitisation transactions, including CLOs, repackaging transactions, asset-backed securitizations, insurance linked securities, collateralised bond offerings, note programmes, commercial paper and depository receipt programmes, and other structured products.
- **Capacity and Resources:** Conyers is the largest law firm in Bermuda and is ranked as a tier 1 firm in all of the global legal directories. Conyers is also the largest corporate services provider in Bermuda with ample capacity to manage volume transactions.
- **Industry Relations:** We and other law firms in Bermuda have an agreement with the Bermuda Monetary Authority (BMA) in respect of an expedited process for company formations in the context of CLO transactions. As part of this agreement the BMA has made a commitment to process formations on a same day basis, whether for new incorporations or on continuance to Bermuda.
- **Ratings Agencies:** Bermuda, with its established insurance and re-insurance industry, is very well known to the major ratings agencies. Moodys, Fitch, and Kroll have all been involved with Bermuda transactions in the capital markets, including ILS and ABS transactions and securitizations that we have worked on. Our forms of transaction and securitization legal opinions are in established form and are accepted by the rating agencies and counter-parties.
- **Listings:** Through our legal and corporate services teams, we are able to assist with all aspects of listings whether in in Bermuda, on the Bermuda Stock Exchange (BSX), or in the Cayman Islands, on the Cayman Stock Exchange (CSX).

“As the largest law firm in Bermuda, we have a sizable team ready to assist.”

“Given our position in the market and significant resources, Conyers is ideally placed to offer from Bermuda all required legal, corporate and fiduciary services for both CLOs and other structured products.”



CONYERS CLIENT SERVICES

Conyers is uniquely positioned in Bermuda, where we are able to provide all corporate and trust services required for the establishment of a trust to hold the shares of SPVs and the incorporation and ongoing administration of SPVs.

Our Corporate Services offering includes:

- Incorporation services for SPVs
- Providing a registered office address and manage communication for the SPV
- Ensuring all statutory and regulatory filings are managed for the SPV and comply with relevant laws and regulations
- Providing independent directors resident in Bermuda to the SPV
- Providing corporate secretarial services to the SPV and maintain corporate documents
- Providing Registrar services to the SPV
- Reviewing transaction documents and implementation of administration on deal closing and annual administrator obligations

- Liaising with third-party transaction parties
- Liaising with regulatory bodies

Our Trust Services offering includes:

- Establishing a trust to hold the shares of the SPV
- Providing trustee services

Regulatory and Compliance Services:

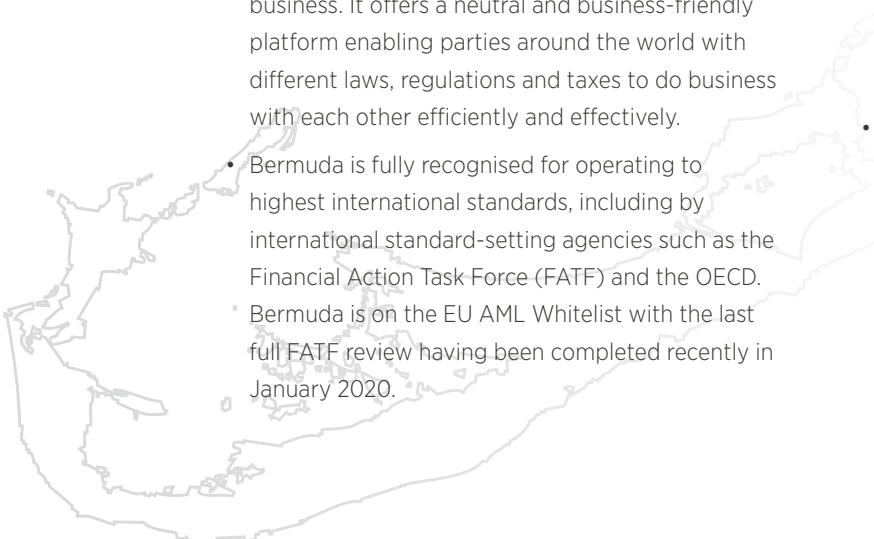
- Facilitating Bermuda compliance with:
 - US FATCA and Common Reporting Standards
 - Anti-Money Laundering regimes
 - Economic substance regimes
 - Beneficial ownership regimes

Liquidations:

- Providing a liquidator for a simple voluntary liquidation
- Preparing a liquidation plan for more complicated dissolutions
- Advising on questions of complex insolvency law and restructurings

ABOUT BERMUDA

- Bermuda is a well-established offshore jurisdiction and a highly respected place to do offshore business. It offers a neutral and business-friendly platform enabling parties around the world with different laws, regulations and taxes to do business with each other efficiently and effectively.
- Bermuda is fully recognised for operating to highest international standards, including by international standard-setting agencies such as the Financial Action Task Force (FATF) and the OECD.
- Bermuda is on the EU AML Whitelist with the last full FATF review having been completed recently in January 2020.
- Bermuda has specialized laws, regulations, products and expertise for global transactions and investments that make for a commercial and efficient business environment. It is well placed to develop and administer CLO products.
- As a British Overseas Territory similar to the Cayman Islands, Bermuda has a legal system based on English law with independent courts. It meets the highest international standards of regulatory compliance for taxation, anti-money laundering and insurance. It is a tax-free environment. Bermuda is located one hour ahead of the US East Coast, making for added convenience for businesses operating in the US.



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