

Jersey - The International Stock Exchange – Listing Securitization Vehicles on The International Stock Exchange

Introduction

The purpose of this memo is to provide a high level understanding of Walkers' listing sponsor services in the Channel Islands, together with general information on the listing of bonds issued by securitization vehicles on The International Stock Exchange ("TISE") by Walkers Capital Markets Ltd ("WCML").

TISE

TISE offers a regulated marketplace from within the European time zone but outside the European Union. EU directives (such as the Market Abuse Regulation). TISE is a "Recognised Stock Exchange" by UK HM Revenue & Customs.

In comparison to other major exchanges, TISE requirements to list are less onerous than other exchanges. It is also worth noting that the listing document will not be published on TISE's website.

Listing Bonds issued by Securitization Vehicles

WCML have provided guidance and helped to successfully list several bonds issued by securitization vehicles on TISE, for issuers incorporated under the laws of Ireland, Luxembourg and England and Wales. In particular, for synthetic securitizations, where the sale of large pools of cash-generating assets are transferred to a special purpose vehicle ("SPV"). The SPV pays for the assets by issuing interest-bearing securities ("bonds" or "notes") which have the benefit of security over those assets and/or the cash flows generated by them. The cash flows are used to pay interest and repay principal on the securities.

Our recent listings have included the following types of financial assets:

1. auto loans;
2. residential mortgage loans;
3. commercial mortgage loans; and
4. credit cards and other unsecured consumer loans

Listing Process

The listing process essentially involves the review and approval of an information memorandum and/or wrapper, which is referred to as a listing document, and certain ancillary documents, which must demonstrate compliance with TISE Listing Rules. As part of the WCML service, we will review the draft information memorandum to ensure that it is capable of listing under TISE listing rules.

The listing application process is normally carried out in two main stages. The first stage is an initial submission with draft documents. The second stage is the submission of the final signed documents on the anticipated listing date.

The listing document must include all information necessary for an investor to make an informed decision in relation to its investment and usually consists of an instrument constituting the bond and the information memorandum and/or a wrapper document prepared by WCML.

Timing

WCML would generally advise that an issuer should be listed within four to six weeks of receiving instructions, although shorter timeframes may also be accommodated. As TISE's Listing Membership Committee meets on a daily basis, it is possible to arrange a listing on any business day of the week.

WCML Listing Sponsor Services

The WCML listing team has extensive experience providing listing agent services in connection with listings on TISE. WCML is a Category 1, 2 and 3 sponsor of TISE which means that we are able to act as a sponsor for all listing purposes.

In the case of unusual transactions, WCML can contact TISE at an early stage to seek informal and confidential guidance as to the eligibility of a proposed listing application.

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For further information please refer to your usual contact or:

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