Global Structured Finance

With one of the world’s premiere structured finance practices, Mayer Brown has the experience across asset classes, vehicles and markets to deliver creative, practical, business-oriented solutions no matter how market opportunities evolve.
GLOBAL STRUCTURED FINANCE

Where Capital Markets Converge

With more than 100 structured finance lawyers in offices across the Americas, Asia and Europe, Mayer Brown has one of the largest structured finance practices in the world – and with that size comes the knowledge, experience and manpower to tackle transactions of any scale in almost any jurisdiction.

As financial markets become increasingly integrated, working with a law firm that understands the complexities and nuances of the key technologies and markets can deliver that elusive competitive edge. We are adept at handling the issues that arise as financial products converge and thrive on the challenges this presents. Drawing on our firm’s collective experience, we deliver creative, practical, business-oriented solutions no matter how a transaction evolves.

Our team of lawyers has securitized virtually every conceivable asset type. When combined with our experience in the conduit, CDO and synthetic markets, we offer experienced teams with the intellectual depth and industry insight needed to assist clients as they explore and maximize both current and developing market opportunities.

Top tier for Structured Finance and Securitization
~ IFLR1000 2016

Structured Finance and Securitization Team of the Year
~ IFLR Americas Awards 2016

Best Law Firm for ABS
~ Global Capital Securitization Awards 2015
Market Leaders
We recently represented Morgan Stanley & Co. LLC in the issuance by Trade MAPS 1 Limited, a private limited liability company incorporated in Ireland, of $1 billion Floating Rate Notes, secured by Trade Finance Assets. The Trade MAPS program has been widely recognized for its innovative structure to finance trade finance assets of multiple banks in the capital markets.

IFLR Americas Awards 2016 awarded Mayer Brown with Deal of the Year for SolarCity.

In 2010 the Financial Times Innovative Lawyers survey named our financial services group as a “stand out” practice for its innovative representation of Citigroup and Morgan Stanley in the creation of Straight-A Funding, an asset-backed commercial paper vehicle for the student loan industry. In 2011, the same survey highlighted our work for Barclays on one of the first collateralized commercial paper programs.

This continues a long tradition at the firm as many of the structured finance transactions that are commonplace today were first initiated by lawyers at Mayer Brown – for example, the first CLO transaction in 1988 and the first partially enhanced multi-seller commercial paper conduit in 1989.

We continue to be at the forefront of new developments – whether it is the securitization of intellectual property or non-performing loans, securitization as an acquisition financing tool, large rescue structures for distressed assets, or structured credit products and other hybrids or derivatives.

A key factor in our ability to structure cutting edge transactions is the depth of knowledge within the firm of the regulatory and international accounting standards that affect securitization. This extensive knowledge is the result of decades of industry leadership on a range of securities, bank capital, accounting and other issues and provides us with a perspective that can give clients a critical edge in creative deal structuring.

“Widely respected international capital markets firm, renowned for its work in securitisation and structured finance.” ~ Chambers Global 2016

Global Reach
With one of the strongest structured finance teams in the Americas, Europe and Asia, we are regularly engaged on global projects that require multi-jurisdictional teams that few other firms can offer.

We have one of the pre-eminent practices in the emerging markets such as Latin America, Central and Eastern Europe, Russia, the CIS and Turkey. We have structured many programs that have been the first of their kind in their jurisdiction, including the world’s first “diversified payment rights” transaction for Finansbank of Turkey.

We have also participated in the vast majority of global ABS issuances backed by Australian and New Zealand mortgage loans since the birth of that market in 1998. In recent years we have been actively engaged in auto loan and lease transactions in the Australian market, including the first-ever offering in the US of asset-backed securities backed by Australian auto lease-backed securities.
Asset- and Mortgage-backed Securities

We have been a leader in the creation and expansion of the global and regional ABS and MBS markets and have securitized nearly every conceivable asset type.

Our mortgage-backed securities practice is comprehensive and international in scope. Our experience includes structuring securitizations of first-lien, home-equity and subprime residential mortgages, commercial mortgages and the resecuritization, repackaging and re-REMIC of MBS.

We have also been at the forefront of the covered bond market. Our lawyers have worked on some of the most innovative covered bond transactions to date in Europe, Asia and in Canada, where we advised on one of the first Canadian programs to be established.

Asset-Backed Alert ranked Mayer Brown in the top 2 issuer counsel by value of deals for US ABS/MBS transactions in each year since 2011.

At year-end 2015, such ranking reflects that Mayer Brown acted as issuer counsel for US ABS/MBS transactions with 59 deals valued at $39.2 billion.

We advise on more auto related securitizations than any other law firm and have the leasing and tax experience to capably analyze and execute transactions involving auto leases. We are at the forefront in helping leasing companies, banks and other auto lessors create like-kind exchange programs for their own account and in coordinating such programs with titling trusts and securitization structures.

“Displays skill across a broad range of securitisation, structured finance and derivatives matters. Particular strength in sophisticated cross-border securitisations.”
~ Chambers Global 2016

OUR ABS AND MBS EXPERIENCE INCLUDES:

• Aircraft Loans and Leases
• Auto Leases and Loans
• Commercial Mortgage Loans
• Consumer Installment Loans
• Credit Card Receivables
• Distressed Consumer Debt
• Diversified Payment Rights
• Equipment Loans and Leases
• Future Flow Receivables
• Franchise Loans
• Health Care Receivables
• Home Equity Loans
• Insurance Linked Securities
• IP/Whole Business
• Marine Loans
• Residential Mortgage Loans

We also have one of the largest asset-backed commercial paper practices in the world. We are at the forefront of the industry’s efforts to restructure CP vehicles to deal with changing accounting and risk based capital rules. We have represented most conduit sponsors in the ABCP industry in connection with the establishment or restructuring of their ABCP programs and/or in connection with the customer transactions entered into in connection with such programs. This includes not only the traditional
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multi-seller ABCP programs that have survived the credit crisis but also the various single-seller, extendible, callable, SIV, arbitrage and hybrid programs that emerged and then faded along the way. Our experience covers domestic programs as well as cross-border and multi-currency programs. That depth of experience also makes us well suited to represent dealers in their ABCP programs.

Distressed Consumer Assets

Our structured finance team has extensive experience with distressed consumer assets of all types including extensive work with charged off credit card receivables for a now defunct acquirer/collector/issuer. We have acted as lead counsel for at least 20 issuances of debt securities with face amounts in excess of a billion USD backed by such assets, with some executed under Rule 144A and some privately placed under 4(a)(2). We handled the full range of related issues including those relating to warehousing prior to securities issuance, pool purchases and sales, servicing and related regulatory and tax issues.

CDOs and CLOs

Mayer Brown has maintained an active and varied CDO and CLO practice for over twenty years – since our work on the ground-breaking FRENDS transaction (a CLO of highly leveraged bank loans).

We represent clients in arbitrage and balance sheet, cash flow and market value, and funded and synthetic CDOs, with underlying collateral pools, ranging from bank loans, high-yield bonds, asset-backed securities, mortgage-backed securities, trust preferred, and similar securities, to distressed debt, emerging market debt and project finance debt.

We represent sponsors, arrangers, collateral managers, investors, trustees and rating agencies and are frequently engaged as overall transaction counsel. This broad client base complements the firm’s technical legal capabilities, enables the firm to keep abreast of CDO market developments and provides valuable information regarding market custom and practice, including insights as to appropriate compromises among various parties in interest in CDO transactions.

We helped to develop the trust preferred CDO market as a capital raising vehicle for smaller banks and insurance companies and also REITs. Trust preferred CDOs have become indispensable to smaller or regional banks and insurance companies needing to raise smaller amounts of hybrid capital.

More recently many of our financial institutions and fund clients have retained us to perform risk assessment and diagnostic work for large portfolios of complex financial instruments and help analyze their exposure including:

- Preparing reports for senior management based on analysis of dozens of CDOs for a major US banking institution acting as arranger, super senior investor, and CDS counterparty.
- Evaluating the exposure of several major European banks resulting from hundreds of CDO and CDS investments.
- Sophisticated analysis of each subprime mortgage-backed transaction comprising the ABX indices and identification of potential pricing and risk arbitrage opportunities; and sophisticated advice regarding numerous deal features that could require restructurings or result in controversy.

Derivatives and Structured Products

Structured finance transactions are increasingly embedded with complex derivatives. We are one of the most active firms in the market in the new generation of derivatives and we regularly structure and negotiate complex total return swaps and other credit derivatives, including pay-as-you-go CDS. We represent sponsors, arrangers, placement agents,
collateral managers, derivative counterparties, investors, credit and liquidity providers and ratings agencies.

Our lawyers understand the world of equity and index derivatives, derivatives-linked securities, fund-linked derivatives, commodity-linked derivatives, CPPI products, hybrids and other exotic derivatives. We design monetization and hedging transactions for clients, such as prepaid forwards, monetizing collar and issuer options. We are regularly called upon to bring the two worlds of hedge fund and financial institutions together by structuring leveraged total return swap programs linked to loan portfolios, indices, hedge fund portfolios and other asset pools. We combine our derivatives experience with our extensive private investment fund practice to create a variety of fund structures for facilitating synthetic investment opportunities.

We are also recognized for our knowledge in advising on structured products secured by commodities (particularly precious metals) as well as related commodity derivative products.

We were nominated for Global Derivatives Firm of the Year at the 2008 Global Derivatives and European Securitization Awards; and Derivatives Week has said that, “Market players describe the firm as business-orientated and knowledgeable, particularly with regard to sorting out various rules and regulations for clients working in numerous jurisdictions around the world.”

“They understand us commercially and prioritise our work. Every time you have a problem the lawyers can iron them out in a second.”

~ Chambers Global 2016

Our derivatives experience fall under three primary areas:

**STRUCTURED FINANCE TRANSACTIONS, SYNTHETICS AND CREDIT Derivatives**

We regularly structure, document and provide transaction execution assistance on complex credit-linked note programs, repackagings and other synthetic and hybrid products for clients around the global. We also represent dealers and end users in credit default swaps, total return swaps on portfolio and single name exposures, and on a variety of structured asset classes. We regularly advise on hedging strategies in securitizations, project finance and real estate finance transactions.

An additional and significant factor that underlies our success is our broad experience with the regulatory and financial accounting issues that become relevant when derivatives are used to create, or are embedded in, structured finance transactions. Our relationships with the relevant regulatory bodies around the world have been carefully built over the years, and lawyers in our group are often approached to act as a sounding board as new policies are developed.

**STRUCTURED AND OTC, EQUITY Derivatives AND COMMODITY DERivatives PRODUCTS**

Our derivatives lawyers understand the world of equity and index derivatives, derivatives-linked securities, fund-linked derivatives, commodity-linked derivatives (including emissions trading, weather derivatives and synthetic commodity derivatives), CPPI products, hybrids and other exotic derivatives. We design monetization and hedging transactions such as prepaid forwards, monetizing collars and issuer options. We are regularly called upon to bring together the worlds of hedge funds and financial institution clients by structuring leveraged total return swap programs linked to loan portfolios, indices, hedge fund portfolios and other asset pools.
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**STRUCTURED PRODUCTS AND DERIVATIVES DISPUTE RESOLUTION, INSOLVENCY AND RISK MANAGEMENT**

The fallout from the credit crisis has led to increased risk of litigation against arrangers of derivatives, structured finance and structured products transactions. Our derivatives and structured products lawyers work closely with our litigation and insolvency lawyers to provide seamless advice to our clients on litigation and insolvency issues impacting structured products and derivatives.

**Our Approach**

Whether representing issuers, underwriters, investors, trustees, servicers, credit and liquidity enhancers, conduit sponsors or rating agencies, we bring the same commitment, personal attention and service to every client.

Our approach is always to provide advice that is both legally correct and commercially practical. We are committed to working until our clients achieve their goals, whatever the time frame.

Moreover, we have the global resources necessary to deliver integrated teams with the full range of skills to help clients respond effectively to market disruptions. The business impact and legal challenges arising from financial market disruptions continue to propagate throughout financial systems and markets worldwide. The ramifications for business include potential new regulations, pending and potential enforcement and litigation matters, bankruptcies, corporate dealings and financial implications. Our lawyers understand and possess insight into a wide range of related topics including finance, financial restructuring, government investigations and prosecutions, litigation, insurance & reinsurance and regulatory practices in the Americas, Asia and Europe.

**Industry Leadership**

One of the key benefits that we provide our clients is the knowledge and know-how derived from being extremely well-connected and active across the industry. The breadth of our client base, the volume of structured finance transactions we handle, our service as officers of structured finance trade associations, and our extensive communication with regulators on a day-to-day basis together generate a unique depth of institutional and market knowledge, which we give back to the marketplace.

From the earliest days of the structured finance market we have taken a proactive role relating to legal, regulatory, and accounting developments affecting our clients and the markets. We regularly represent the Structured Finance Industry Group, the European Securitisation Forum, and other industry groups in commenting on industry issues and proposals affecting the risk-based capital treatment of securitization.

Our advocacy goes beyond the formal comment process, as we frequently lead the industry in anticipating and resolving regulatory issues.

Our lawyers are the principal authors of *The Securitization of Financial Assets*, first published in 1992 and recognized as the leading treatise on asset securitization.

“With structured finance lawyers in the Americas, Asia and Europe, the firm has built an international reputation that is hard to rival.”

~ IFLR
About Mayer Brown

Mayer Brown is a global legal services organization advising clients across the Americas, Asia and Europe. Our presence in the world’s leading markets enables us to offer clients access to local market knowledge combined with global reach.

We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world’s largest companies, including a significant proportion of the Fortune 100, FTSE 100, DAX and Hang Seng Index companies and more than half of the world’s largest banks. We provide legal services in areas such as banking and finance; corporate and securities; litigation and dispute resolution; antitrust and competition; US Supreme Court and appellate matters; employment and benefits; environmental; financial services regulatory & enforcement; government and global trade; intellectual property; real estate; tax; restructuring, bankruptcy and insolvency; and wealth management.

Please visit www.mayerbrown.com for comprehensive contact information for all Mayer Brown offices.

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