

## Chapter 2 - Programme establishments and updates

### Legal counsel to dealers

<b>R2.1</b>	A law firm representing the dealers should not have any conflicting interest in the transaction and, in particular, should not also represent the issuer, any guarantor or any other party to the transaction (other than the trustee or its equivalent). See also R3.1.	<i>September 2015</i>
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### Circulation of draft documents to dealers

<b>R2.2</b>	Each of the dealers should receive the latest drafts of the main programme documents (see 2.3), for review and comment, at least five business days prior to the deadline for comments.	<i>September 2015</i>
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<b>2.3</b>	The main programme documents will usually include: (a) the offer document; (b) all documents to be signed by the dealers, including the programme agreement and any auditor arrangement letter(s); (c) other material agreements: e.g. any guarantee, deed of covenant, trust deed and agency agreement; (d) certain conditions precedent documents, such as the comfort letter(s) and legal opinion(s) (see R2.15).	<i>September 2015</i>
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<b>R2.4</b>	Each of the dealers should receive drafts of any other conditions precedent documents a reasonable time before their intended delivery.	<i>September 2015</i>
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<b>R2.5</b>	Initial drafts relating to an update and all revised drafts should be blacklined against, respectively, the existing programme documentation and the preceding drafts.	<i>September 2015</i>
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<b>R2.6</b>	With the initial drafts circulated pursuant to R2.5, dealers should be notified of, and given an explanation of the reasons for: (a) any particular points that have already been heavily negotiated with the issuer; and (b) in the case of a programme update, any significant changes to the programme terms and conditions compared to the existing terms and conditions.	<i>September 2015</i>
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### Dealer comments

<b>R2.7</b>	There should be at least five business days between the deadline for comments to be received and the date fixed for signing.	<i>September 2015</i>
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<b>R2.8</b>	The name of a dealer making a particular comment on the documentation should not be disclosed to the issuer without that dealer's prior consent.	<i>September 2015</i>
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## Meetings and conference calls with issuers

**R2.9** Dealers should be afforded sufficient time to prepare for meetings and conference calls with an issuer (and any guarantor), including time to review any relevant documents relating to such event. *September 2015*

## Documentation content

**R2.10** Programme documentation should include the forms of final terms/ pricing supplement and subscription agreement to be used for drawdowns. See also R10.1. *September 2015*

**2.11** An issuer has a legal responsibility (for example under the Prospectus Directive) to ensure that the information in the programme offer document is correct, complete and not misleading. See R2.12. *September 2015*

**R2.12** In relation to a drawdown, the programme offer document should be updated and re-issued if dated more than a year prior to an intended issue's closing. See R2.19 and 3.5. *Drawdowns September 2015*

**2.13** Possible language relating to offer document disclosure of credit ratings is set out at A4. *September 2015*

**R2.14** Where possible the corporate authorisations at issuer/guarantor level for programme establishments/updates should also cover drawdowns under the programme. If additional authorisations are required for drawdowns this should be specified clearly, together with any appropriate conditions precedent, in the programme documents. *September 2015*

## Conditions precedent

**R2.15** On an establishment, an annual update and any material amendment of a programme, conditions to signing should include delivery to the arranger (on behalf of all the dealers) of: *September 2015*

- (a) appropriate comfort letter(s) from the issuer's auditor (and any guarantor's auditor); and
- (b) relevant opinion(s) from appropriate legal counsel (e.g. from the country of incorporation of the issuer and any guarantor and the country whose laws govern the bonds to be issued) confirming *inter alia* that: (i) the bonds to be issued under the programme will create valid and binding rights against the issuer (and any guarantor); and (ii) the contracts relating to the programme (including any annual update or material amendment) and the rights of the dealers under them are valid and binding,

dated the signing date and addressed to the dealers.

**R2.16** The dealers' permission should be sought before conditions precedent are waived on their behalf by an arranger. *September 2015*

## Circulation of final documents to dealers

**R2.17** A dealer should receive:

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- (a) promptly after the signing and in any event before the first drawdown: soft copies of the offer document, executed programme agreement, agency agreement and any trust deed and any condition precedent documents; and
- (b) within two weeks of the signing, a complete set of soft-copy programme (or update) documentation.

## Circulation of final copies to paying agents and ICSDs

**R2.18** The paying agent and the ICSDs should be sent promptly (to the e-mail addresses set out in A11-6.1) copies of:

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- (a) the final offer document (including the form(s) of final terms/pricing supplement);
- (b) any trust deed;
- (c) the agency agreement;
- (d) any issuer-ICSD agreement;
- (e) any effectuation authorisation; and
- (f) any master global note(s).

See further A11 generally.

## Update other than by the arranger

**R2.19** If a dealer or lead manager of a new issue, who is not the arranger, updates a programme, they must notify the arranger. Amendments to the offer document should be sent promptly to the arranger and the permanent dealers.

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