

Understanding Security Lending, Repos and the Actions of Short Sellers

Virtual classroom by
ACADEMY

28 September 2021

In partnership with



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Academy

At Academy we aim at sharing **capital markets expertise** by turning it into world-class training courses and programmes covering every aspect of **financial markets**.

Key assets of our learning centre are our centrality in capital markets, and our **internal and external faculty**, made up of practitioners, academics, advisors and financial market specialists.

As an Exchange system, being at the centre of financial markets, we understand not just what happens now, but also what's changing - so we can design our courses to equip you for the world of today and tomorrow.

Management System Certificate

Academy Italy Campus has met the management system standards UNI EN ISO 9001:2015, sector EA:37 since 2007.

The accreditation guarantees internationally recognised quality service standards and allows companies to apply for public funding to finance individual and company training projects.







Course Programme

Overview

This 2.5 hour module explains the economic benefits that can be gained from the lending of securities (bond and equities) and how key market participants – such as funds, market makers and speculators interact with each other for potential mutual reward.

The webinar will include two short session from industry practitioners, who have set up a repo market and a depository business.

Who should attend

This is designed for:

- Head of business development in Exchanges and Depository banks
- Regulators (Head of Banking or Capital Markets)
- Law firms
- Traders
- Securities settlement specialists
- Income and corporate actions analysts
- Professionals working within investment banks (sell-side firms)
- Institutional investors (buy-side firms, including asset managers and pension funds)
- Central securities depositories, custodians, central counterparties
- Collateral management personnel
- Senior operations management
- Risk managers and credit controllers
- Legal document negotiators
- Accounting and audit specialists
- Management consultants
- Software designers and engineers
- Firms that provide services to the securities industry, including management consultants, data vendors and IT firms.



The Faculty

Paul North, Academy trainer

Paul has worked in the derivatives markets since 1988, having spent the first 11 years at the LIFFE exchange. He worked in business development, liaising with members and end users in the design and listing of derivative contracts as well as being head of education. For the last 22 years Paul has been an independent trainer in financial markets, presenting internationally to a wide clientele. During this time Paul has also been a trainer of the Academy.

Lucio Bonavitacola, Partner, Clifford Chance

Lucio Bonavitacola is Head of the Italian Regulatory team and he specialises in banking and financial regulations.

Lucio keeps regular contact with the regulatory bodies, the Bank of Italy and CONSOB. He is a regular speaker at symposiums and often quoted in the press on regulatory topics of interest.

Oliver Clark, Head of Product Development, MTS

As Head of Product Development, Oliver oversees all aspects of MTS' electronic global trading platforms, including design, specification, development and implementation across all interdealer and dealer-to-client markets. Oliver has over a 20 years of experience of electronic trading with a particular focus on fixed income and money market products such as repo, swaps, deposits, securities lending, government and corporate bonds. Prior to joining MTS in 2004, Oliver previously held a range of trading, broking and Fintech positions.

Ingrid Garin, Head of Markets, European Bank

Ingrid Garin joined the European Bank Extended Executive Committee in January 2020. She also leads Markets, Clearing and Collateral Management business development efforts for EU27 clients. Her prime responsibility is to oversee the transition and growth of the Markets business into the European bank including oversight and proper governance of our FX sales and trading business in Frankfurt; our securities finance and liquidity/segregation product and relationship managers whilst promoting sales efforts in Continental Europe.

Prior to joining BNY Mellon, Ingrid held positions at JPMorgan Chase, and was a Freelance Translator. Ingrid received her Bachelor's Degree in Translation from the University of Mons and her Master's Degree in International Politics from Fucam University.

Throughout her career, Ingrid has been an advocate for diversity and inclusion and is a member of the Professional Women International networking group, the Women in Finance in Brussels and of the Women in Securities Finance and on the Prism steer co.



E-learning tools

Learning tool

The course, developed in partnership with FEAS, the Federation of Euro-Asian Stock Exchanges, will be in “**live webinar**” format and will take place on the **FEAS Zoom platform**. Academy will send participants the joining instructions at registration completion.

Learning material

The course material will be provided to the delegates in pdf format the day after the course has taken place.

Agenda

28 September 2021

10.00 CEST

Registration and Course intro

10.05

Understanding sec lending, Repos and the actions of short sellers

- Unsecured secured versus secured (collateralised) borrowing and lending
- Understanding terminology - outright sale, title transfer, rehypothecation
- The mechanics of security lending and repos?
- Central bank role in bond repo market
- Classic repo versus sell buy back
- Quoting and calculating the repo rate
- General collateral versus special
- Term and open repos
- Margin and hair cuts
- Bi-lateral and triparty arrangements
- Centrally cleared repos
- Difference in being short, going short, (covered) short sale, naked short sale
- Market making use of security lending – covered short sale and hedging
- Risks from short positions and managing those risks
- Pension fund use of security lending – yield enhancement strategy
- Other Repo applications
- Dealing with failed deliveries
- Derivatives and short selling techniques
- Bond futures and the implied repo rate and CTD concept

Paul North, Academy trainer

10.30

Overview of the European Regulation on short selling

- Intro to the EU Regulation on short selling
- Short selling bans and the rationale behind them
- Market monitoring and supervision disclosures in case of short selling

Lucio Bonavitacola, Partner, Clifford Chance

11.00 - 11.10

Break

11.10

Use case of a regulated market for repo transactions

Oliver Clark, Head of Product Development, MTS

11.30

Use case: intro to a depositary bank business – collateral management and securities lending

Ingrid Garin, Head of Markets, European Bank

12.30

Closing remarks

Terms and conditions

The registration form is a legally binding agreement between Bit Market Services and the applicant (or the company the applicant works for) and is defined by the following conditions:

Virtual classroom schedule

28 September 2021: 10.00 – 12.30 CEST

Registration

The applicant can submit the registration form, duly filled out, to Academy 7 days prior to the webinar date via:

- **EMAIL** academy@euronext.com
- **WEB** [Academy website](#)

To register after this date, please contact the following phone number:

- **TEL +39 02 72426.086**

Participation will be confirmed in writing by the Academy administration.

Registration fee

The individual registration fee is **€ 270 + VAT**.

Discounts

Multiple registrations - Discounts are available for multiple registrations of the same company. In particular:

- Two participants: 10% discount on the total amount
- Three participants or more: 15% discount on the total amount

Payment method

Fees must be paid:

- Upon receipt of the email from Academy confirming the applicant's registration (sent approximately 7 days prior to the course date)

or

- Upon receipt of the invoice from Bit Market Services S.p.A. (Academy is part of the Bit Market Services Company)

Payment must be made via **BANK TRANSFER** to:

BIT MARKET SERVICES S.p.A.

P.zza degli Affari, 6

20123 Milano

Tax code 06695270964

VAT number 10977060960

Deutsche Bank S.p.A.

Filiale via San Prospero, 2

20121 Milano

codice IBAN:

IT 22 B 03104 01600 000000 770114

SWIFT address DEUTITMMIL

Copy of the effected bank transfer must be emailed to Academy academy@euronext.com.

Invoice marked as paid will be mailed to the addresses indicated on the wire transfer.

Traceability of financial flows

Bit Market Services and the Client assume all obligations regarding the traceability of the financial flows provided by Law 136/2010, as subsequently amended and implemented (the "Traceability Obligations").

In relation to the payments to be made pursuant to the present Contract, the Client, if it is a public contractor pursuant to decree law 163/2006 (Code of public contracts for works, services and supplies), to ensure the enforcement of Law 136/2010 and subsequent amendments, undertakes to communicate to Bit Market Services, by the form attached to the Contract, the identification bidding code (CIG) and, in case, the unique code of project (CUP).

In particular, in fulfilling the Traceability Obligations, Bit Market Services will communicate to the Client:

(i) the bank accounts details to be used, also nonexclusively, for the payments to be made by the Client pursuant to the present Contract;

(ii) the personal details and the fiscal code of the persons delegated to operate on them, indicating the relevant role and powers, within 7 (seven) days from the creation of the accounts above (or, in case of existing accounts, within 7 (seven) days from their first use in relation to the payments made by the Client).

(iii) Any possible amendment of the information indicated in points (i) and (ii) above, will have to be communicated by the Client within 7 (seven) days from occurrence.

Let it be understood that, save for possible derogations and partial exemptions to Law 136/2010, failure to use instruments suitable to permit the full traceability of the financial flows (for instance, bank or post transfer) and the failure to comply with any other Traceability Obligations, are ground to terminate the present Contract.

BIt Market Services undertakes, in particular, to inform the Client and the Prefecture (territorial office of the Government of the province where the Client has its registered office) if it becomes aware of breaches by its contractual counterparties, if any, in relation to the Traceability Obligations.

Cancellation Policy

According to article 1373 C.C., to withdraw from this contract applicants must send a written notice via email to academy@euronext.com:

- The fee will be fully refundable up to 7 working days prior to webinar date.
- A 50% refund will be provided for cancellations made during the 6 days leading to the webinar,
- Fees are non refundable for cancellations made 1 day prior to the webinar date.

Substitution of attendee (from the same company) may be made at any time.

Academy accepts requests to replace the webinar with another Academy course. The rescheduled training must take place within 12 months.

Changes to the program

Academy reserves the right to postpone or cancel the webinar and notify the participant via fax or email at least 5 day before the webinar date; in this case, the participant is entitled to a full refund of the webinar fee only.

Booking form

Please read the terms and conditions on the previous page.

Fill out the form and send email to academy@euronext.com.

For further information +39 02 72426086 – academy@euronext.com

Understanding Security Lending, Repos and the Actions of Short Sellers

VIRTUAL CLASSROOM – 28 SEPTEMBER 2021

FEES

Individual		<input type="checkbox"/> € 270 + VAT
2 participants	10% discount	<input type="checkbox"/> € 486 + VAT
3 participants	15% discount	<input type="checkbox"/> € 688 + VAT
3+ participants	15% discount	<input type="checkbox"/> € + VAT

PARTICIPANT INFORMATION

Name and Surname			
Jop title			
Company			
Email		Phone	
Job Field			Knowledge level of the subject
<input type="checkbox"/> General Management	<input type="checkbox"/> ICT	<input type="checkbox"/> Tax	<input type="checkbox"/> Basic
<input type="checkbox"/> HR, Organisation and Development	<input type="checkbox"/> Legal	<input type="checkbox"/> Finance	<input type="checkbox"/> Intermediate
<input type="checkbox"/> Administration and Control	<input type="checkbox"/> R&D	<input type="checkbox"/> Risk Management	<input type="checkbox"/> Advanced
Nature of business			
<input type="checkbox"/> Listed/unlisted company	<input type="checkbox"/> Bank	<input type="checkbox"/> Advisory	<input type="checkbox"/> Energy
<input type="checkbox"/> Lawyer	<input type="checkbox"/> Investment Bank	<input type="checkbox"/> Private Equity	<input type="checkbox"/> Funds
Company Address			
Street	N.	Zip code	City
			Country

BILLING INFORMATION

The invoice must be addressed to:

Company name/Participant name and surname

VAT number

Department

Billing reference name

Street

N.

Zip code

City

Country

Phone

Email

SPLIT PAYMENT

According to the art. 17-ter of the Italian D.P.R. no. 633/72 (as subsequently amended and implemented), the Client (duly holder of an Italian VAT code/Tax identification code) declares that:

☐ is subject to the "Split Payment" VAT regime

☐ is not subject to the "Split Payment" VAT regime

and undertakes to communicate any change of such regime.

PRIVACY

By signing this booking form I declare that I have read the informative document regarding the processing of personal data on the Bit Market Services S.p.A.'s website (<http://www.borsaitaliana.it/varie/privacy-bims/privacy-bims.en.htm>) and I accept the General Terms and Conditions of the service.

In addition to the declaration above, by ticking the relevant box I also inform that (*please tick the chosen box*):

☐ I DO

☐ I DO NOT

authorize Bit Market Services S.p.A. to gather and to process my personal data for the purpose of "direct marketing", by sending advertising material, direct sales and promotion of products and services of Bit Market Services S.p.A., carrying out market research, marketing communications, also using data subject's name for publicity carried out through automated means of contact such as e-mail, fax messages, mms or sms.

☐ I DO

☐ I DO NOT

authorize the communication/the transfer of the personal data for the purposes of direct marketing by third parties - even outside the European Community - included the other companies of the Euronext Group, as well as third parties referred to in point c) of the informative document regarding the processing of personal data (<http://www.borsaitaliana.it/varie/privacy-bims/privacy-bims.en.htm>).

Signature and company seal

Date:

Academy

Comprehensive, quality education is fundamental for the development and growth of the economy. As part of a leading exchange system at the centre of European capital markets, Academy's main objective and activity is turning capital markets expertise into world-class training courses and programmes and making them relevant to the wider financial community of today and of tomorrow. Key Academy assets are our centrality in capital markets, and our internal and external faculty, made up of practitioners, academics, advisors and financial market specialists. Interactive and innovative learning methods make all Academy programmes an inspiring experience.



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[Academy website](#)