



## 2018 REVIEW OF LSTA COMMITTEES, LSTA BOARD COMMITTEES & LSTA WORKING GROUPS

### LSTA Committees

Accounting Committee  
CLO Committee  
Litigation Committee  
MTM Committee  
OSG Committee  
Primary Market Committee  
Process & Technology Committee  
Regulatory Committee  
Trade Practices and Forms Committee  
Valuation Committee  
Women's Committee

### LSTA Board Committees

Education Committee  
Finance and Compensation Committee  
Liquidity Committee  
Nominating Committee

### LSTA Working Groups

Accounting Implementation Subcommittee  
Agreement Among Lenders Working Group  
Buy-Side Operations Working Group  
CUSIP Working Group  
Custodian/Trustee/Fund Administrator Operations Working Group  
Financial Instruments/FASB Subcommittee  
FpML Business Loan Working Group  
Latin America Initiative Working Group  
Letter of Credit Working Group  
Leveraged Lending Guidance Working Group  
LIBOR Working Group  
MEI Working Group



## LSTA Committee Descriptions

### **Accounting Committee**

**Chair: Ellen Hefferan**

The primary objectives of the Accounting Committee are:

- Discuss and examine existing market practices related to loan syndications and trading activities,
- Actively engage in standard-setting due process by monitoring developments arising from standard-setting activities by the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB) and
- Expand communication and education by:
  - developing publications that summarize standard-setting activities and regulatory actions and their implications on the industry and
  - developing seminars to provide continuing professional education (CPE) to all LSTA members and other interested parties.

### **CLO Committee**

**Chair: Matthew Miller**

**LSTA Project Manager: Meredith Coffey**

The CLO Committee was formed to share information and best practices among CLO managers, structurers and lawyers. In recent years, it has focused on regulatory issues including risk retention, FATCA (Foreign Account Tax Compliance Act), the Volcker Rule and issues arising from the SEC. The committee prepares analysis and white papers to support the CLO community's efforts with regulators, lawmakers and rating agencies.

The Committee's membership is open to CLO managers, structurers, researchers and lawyers.

### **Litigation Committee**

**Chair: Elliot Ganz**

The purpose of the Litigation Committee is to review and approve amicus litigation proposals.

### **MTM Committee**

**Chair: Andrew Sveen, Eaton Vance**

**LSTA Project Manager: Ted Basta**

The LSTA Mark-to-Market Pricing (MTM) Committee is a strategic committee that reports to the LSTA Board and directs initiatives geared toward ensuring the highest level of price accuracy in the secondary loan market.

The committee represents an ongoing effort to address secondary market pricing. The members of the committee will be recruited from a cross section of professionals including traders, portfolio managers and broker/dealers from prominent buy- and sell-side firms.

The mandates of the committee are to:



- Review and identify potential improvements to the process of secondary loan pricing
- Assess and recommend changes to the current audits, policies and procedures which govern LSTA/Thomson Reuters LPC Mark-to-Market Pricing
- Determine those areas with respect to which the LSTA has a role in addressing the improvements, and those areas with respect to which market solutions are more appropriate
- Submit to the LSTA Board its recommendations in accordance with its findings

### **OSG Committee**

**Chair: Ellen Hefferan**

The mission of the Operations Steering Group is to focus on a wide variety of strategic and tactical initiatives relating to loan servicing and loan settlement with a view toward achieving operational accuracy and efficiency. Current policies and procedures are assessed, areas for improvement explored and content and information flows standardized, as workflow efficiencies are identified.

This Committee is open to LSTA members by invitation only.

### **Primary Market Committee**

**Chair: Bridget Marsh**

The Primary Market Committee is the largest committee of the LSTA with more than 450 members. The Committee focuses on current legal issues in the primary market. In 2017, the Committee published the new form of “LSTA Credit Agreement”. In 2018, the Committee plans to finalize a form of Incremental Facility Amendment to Credit Agreement and Agreement Amongst Lenders, amongst other initiatives.

Membership of the Committee is open to all LSTA members.

### **Process & Technology Committee**

**Chair: Pradeep Mouli, State Street**

**LSTA Project Manager: Ellen Hefferan**

The mission of the Process & Technology Committee is to articulate and help implement various initiatives within the loan market. Through publishing best-practice recommendations, educating market participants and facilitating discussions, the committee intends to effect change; directly resulting in a more efficient and orderly syndicated loan market. The directives of the committee are to:

1. Define. Establish and document best-practices around existing processes. Focus on areas that are proven to be bottlenecks.
2. Educate. Demonstrate how those best practices can be implemented using current technology.
3. Innovate. Research emerging technologies. Document how they will impact the loan market.
4. Facilitate. Drive consensus between vendors, buy-side, sell-side and regulators/associations to accomplish the above.



This Committee is open to LSTA members by invitation only.

### **Regulatory Committee**

**Chair: Jeff Bakalar, Voya**

**LSTA Project Managers: Elliot Ganz & Meredith Coffey**

The mission of the Regulatory Committee is to develop and supervise the LSTA's strategy for interfacing with regulators and other government entities.

This Committee is open to LSTA members by invitation only.

### **Trade Practices and Forms Committee**

**Chair: Bridget Marsh**

The Trade Practices and Forms Committee has more than 300 members and is one of the longest running groups of the LSTA. The Committee seeks to develop market conventions that govern trading and settlement of par and distressed loans. Since its inception, the Committee has worked to identify key market issues and to build consensus toward resolving those issues through the drafting and adoption of standard documents and market practices. In 2017, the Committee completed its revisions of the trading documents to reflect latest market developments. It is recommended that each member of the LSTA nominate at least one person to be on this Committee so that the member is kept informed about secondary trading practices and developments, credit-specific market advisories, and documentation revisions.

### **Valuations Committee**

**Chair: Ted Basta**

The purpose of the committee is to provide a forum for discussion on the following topics pertaining to the valuation of loans:

- The current state of valuation - Loan Mark-To-Market (MTM) pricing methodologies.
- The classification of MTM prices within the scope of:
  - Amendments to Rule 2a-7 (July 2014 guidance) under the 1940 Act Rule 2a4 – definition of value.
  - FASB Acct. Standards Codification 820 – how fair value of assets should be determined – Level 1, Level 2, Level 3.
- Issues being conveyed by Accounting firms and/or increased SEC scrutiny on the classification of MTM loan prices
  - In what capacity are such valuation issues being addressed? How might the committee assist in providing an industry-wide solution?



**Women’s Committee**

**LSTA Chair: Tess Virmani**

**Co-Chairs: Christine Scaffidi, Misys and Tracy Springer, HSBC**

This committee was established in 2016 and already has more than 900 members. The committee hosts several events and networking evenings throughout the year. Please contact [Tess Virmani](#) for further information.

**Committee Descriptions Of The Board**

**Finance and Compensation Committee**

**Chair: Scott Baskind**

**LSTA Project Managers: Lee Shaiman**

The Finance & Compensation Committee reviews the detailed financial budget of the LSTA, including LSTA staff compensation. The Committee is currently examining possible alternative revenue streams for the LSTA.

**Liquidity Committee**

**Chair: Ellen Hefferan**

The Liquidity Committee is focused on evaluating liquidity of the asset class and recommending changes to trade settlement procedures.

**Nominating Committee**

**Chairs: Lee Shaiman**

Analyze Current LSTA Board & Officers and identify Institutions and Individuals for future Boards to be voted in by LSTA Membership.



## Working Group Descriptions of The LSTA

The LSTA also creates working groups and task forces to address emerging issues, short-term projects, and issues that require focused attention by a small group to make recommendations to the larger committees.

### **Accounting Implementation Subcommittee**

**Chair: Paul Woods, State Street**

**LSTA Project Manager: Ellen Hefferan**

Accounting Implementation Subcommittee is charged with determining and reviewing list of accounting items on which guidance and standardization will be provided.

### **Agreement Among Lenders Working Group**

**Chair: Bridget Marsh**

The Agreement Among Lenders Working Group was formed in 2017 to develop a new LSTA Form of Agreement Among Lenders (AAL) for use with unitranche financings. All members are welcome to join the working group.

Interested parties should contact [Bridget Marsh](#) or [Tess Virmani](#) for further information.

### **Buy-side Operations Working Group**

**Chair: Ellen Hefferan**

The Buy-side Operations Working Group is a forum used to discuss operational issues, efforts and initiatives.

This Working Group is open to all members who are employed by buy-side firms.

### **CUSIP Working Group**

**Chair: Ellen Hefferan**

The CUSIP Working Group seeks to develop policies and procedures regarding the application of CUSIPs by Agent Banks for all corporate loan deals and facilities and their subsequent incorporation into all loan systems.

This Working Group is open to all members. Although its primary participants are Agent Banks, Buy-side institutions are welcome to join.



### **Custodian/Trustee/Fund Administrator Operations Working Group**

**Chair: Ellen Hefferan**

The Working Group's mission is to represent the common interests of this constituency while ensuring alignment with the core principles of the LSTA and its broader membership. By focusing on a variety of strategic and tactical initiatives, the working group will proactively advocate for best-practice recommendations; build consensus across providers to ensure standardization where possible; and develop broader education of service providers' operational flows and regulatory implications.

This Working Group is open to all members who are employed by these firms.

### **Financial Instruments Subcommittee**

**Chair: Ellen Hefferan**

FASB Subcommittee reviews FASB Accounting Standards Updates (ASU) and provides commentary to the FASB on behalf of the LSTA members.

### **FpML Business Loan Working Group**

**Chair: Ellen Hefferan**

The FpML Business Loan Working Group seeks to develop industry standards for the exchange of loan data both here and in Europe. The group defines common data standards that can be utilized by all systems throughout the loan market to distribute daily loan activity notices, confirm position information and potentially match trades. This group works in tandem with the FpML Technology Loan Working Group to establish a common electronic data exchange format within the primary and secondary loan markets to employ these standards.

Both Working Groups are open to all members and currently include operations professionals and technology experts.

### **Latin America Initiative Working Group**

**Chair: Bridget Marsh**

The LSTA continues to expand its offering of LSTA legal product for cross border transactions with borrowers in Latin America. In 2017, the LSTA published LSTA Cross-Border Confirm and Form of Participation Agreement for settling trades of loans made to Latin American borrowers in Chile, Colombia, and Peru. This year we are considering doing the same for Mexico. All members are welcome to join the working group.

Interested parties should contact [Bridget Marsh](#) or [Tess Virmani](#) for further information.

### **Letter of Credit Working Group**

**Chair: Ellen Hefferan**

The purpose of the Letter of Credit Working Group is to formulate operational best practices around the issuance, maintenance and trading/settlement of letters of credit while recognizing the challenges inherent therein. All LSTA members that are issuing banks for Letters of Credit are asked to participate.



### **LIBOR Working Group**

**Chair: Meredith Coffey**

The LIBOR Working Group engages with ARRC, regulators and other trade associations to help with LIBOR replacement. Interested parties should contact [Meredith Coffey](#) for more information.

### **Leveraged Lending Guidance Working Group**

**Chairs – Meredith Coffey, Tess Virmani**

Leveraged Lending Guidance Working Group engages on Leveraged Lending Guidance with market participants and regulators via roundtables, meetings and comment letters. Interested parties should contact [Meredith Coffey](#) or [Tess Virmani](#) for more information.

### **MEI Working Group**

**Chair: Ellen Hefferan**

The MEI Working Group is charged with formulating best practices for MEIs, including MEI application procedures, documentation requirements, validation processes and overall maintenance.