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The International Comparative Legal Guide to Securitisation 2022

A Practical Cross-Border Insight Into Securitisation

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Blockchain Securitisation: The Future of Structured Finance?

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Future of Finance or Hype?

According to the World Economic Forum, blockchain will become the “beating heart” of the global financial system.¹ Blockchain is a type of distributed ledger technology that records digital transactions in a secure, transparent and immutable way, with two of the best-known examples of public² blockchains being Bitcoin and Ethereum (the latter of which facilitates transactions in “Ether”).

Various claims have been made for blockchain in the context of the finance industry over the last few years, including that it has the potential to improve market efficiency, reduce transaction costs and enhance security of transactions. According to a report published by Galaxy Digital Research,³ venture capital firms invested USD 32.8 billion in the crypto and blockchain sector in 2021, with increasing investment taking place across the market, including in tokenisation⁴ platforms, exchanges and market infrastructure.

Blockchain has been a “hot topic” for the past few years, although widescale adoption of blockchain in structured finance transactions has been perhaps slower than many predicted. However, arguments are frequently being made that the market appears to be reaching critical mass, and blockchain technology has increasingly been used in the context of securitisation transactions, with adoption of the technology progressing from simply enabling back-office functionality to achieving fully automated, end-to-end securitisations. But are these uses of blockchain meaningful improvements to the securitisation landscape, or are they media hype? This chapter will consider how blockchain could be and is being used at each stage of the securitisation lifecycle, discuss potential blockers to adoption and conclude with some predictions on the future of blockchain’s impact on securitisation.

Securitisation Lifecycle

Although somewhat artificial, for the purposes of this chapter we will split the lifecycle of a securitisation into four key stages: (i) asset origination; (ii) issuance and sale of securities; (iii) cash-flow management; and (iv) secondary market trading. As we will see, blockchain can potentially have a significant impact on each of these stages.

1. Asset Origination

In a traditional securitisation, an originator will originate a portfolio of assets for financing. The originator pools together these

assets and often places them in a bankruptcy-remote trust or special purpose vehicle. Data on the underlying assets, such as the obligor’s credit quality or the commercial terms underpinning that asset, may at times lack standardisation. Paper documents are still in many cases the norm and are often scanned and stored in a non-digitally readable format. This origination stage is often seen as labour intensive, time-consuming and prone to human error. Due to enhanced regulatory requirements, asset originators are increasingly required to produce more granular data on the underlying asset portfolio and on individual assets.

Asset origination – impact of blockchain

Real world assets can be tokenised, in order to create digital representations that can be stored on a blockchain. This is the use of blockchain most commonly seen in the securitisation market. One benefit of this use case is that transferring ownership of the assets becomes simpler and easier to verify. For example, instead of the traditional paper documentation, the parties can rely on the blockchain platform to record and transfer the assets from the originator to the issuer, which can take place in minutes rather than days.

Compliance with regulatory obligations may also prove easier, as data can be instantaneously shared in accordance with regulatory requirements. The asset portfolio could be automatically matched against eligibility criteria built into the securitisation structure, and each asset transferred into the portfolio could be tagged through the tokenisation process, preventing the asset from being double-pledged to another pool.

Higher quality asset data could also help with more accurate assessments of risk retention requirements, ensuring that retainers retain as close to 5% as possible. More efficient processes mean that a greater number of securitisations could be brought to market more quickly, increasing market liquidity.

Asset origination – market examples

Tokenisation platforms are the first step in moving real world assets onto the blockchain, by issuing securities tokens that represent an ownership interest in an underlying asset. European companies, such as Tokenise, have developed end-to-end platforms that facilitate the issuance, management and trading of

digital asset securities, enabling businesses to raise capital directly from investors.⁵ Such platforms are designed to enable investors to acquire fractional ownership in a range of tokens that grant beneficial ownership in certain physical assets. US-based entities such as Polymath have sought to structure similar platforms. Polymath launched an institutional grade, end-to-end permissioned blockchain in 2021, built specifically for regulated assets that require enhanced governance and control features.

2. Structuring, Issuance and Sale of Securities

Transaction parties, such as arrangers and sponsors, work with their legal counsel to develop a securitisation structure and, where necessary or required under relevant prospectus or other legislation, negotiate and draft offering documents. These documents include disclosures about the underlying assets. The arrangers price and market the securities, which are often tranching, and investors subscribe for different tranches based on their risk appetite. If the securities are rated, rating agencies take an initial view of the credit quality of the loans.

Structuring the transaction can be a labour-intensive and at times inefficient process. The offering documents are negotiated by circulating rounds of comments between the transaction parties, rating agencies and other key stakeholders (such as verification agents, etc.). Key terms include payment waterfalls, events of default and fee and cashflow structures and are rarely entirely standardised in substance or format. These commercial terms are often converted into models by certain transaction parties and even the end investors in many cases. Each party might have its own interpretation of the terms, causing potential misalignment across their models. Each change of terms as the deal progresses may require a party to update its model.

Structuring, issuance and sale of securities – impact of blockchain

If assets are originated on the blockchain or tokenised, the structurer could have instantaneously accessible, reliable information about the asset pool. If transaction documents are negotiated as smart contracts,⁶ each transaction party could have access to the same set of terms that could be updated in real time. This could remove or substantially reduce the requirement to circulate rounds of documents.

The required standardisation for smart contracts could make the development of a uniform calculation model possible, as it would allow transaction parties to rely on one unimpeachable source of data from which to build a model. As smart contracts could be continuously updated with data on the credit quality of the asset portfolio, this has the potential to improve document management, reduce costs and speed up the transaction timeline.

It is worth noting that the Financial Conduct Authority (“FCA”) has indicated that digital assets that exhibit characteristics similar to specified investments under the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (such as shares or debt instruments) will be regulated in the UK.⁷ Subject to certain proposals relating to the promotion of “qualifying cryptoassets” and proposals regarding the future regulation of fiat-linked stablecoins, as discussed in more detail below, digital assets that do not exhibit the characteristics of specified investments will be unregulated. As such, the classification of any given digital asset must be assessed on a case-by-case basis by reference to the particular rights and obligations attaching to such digital asset. Both the underlying assets and any tokens issued that were “backed” by such assets could therefore be regarded as a specified investment or as a transferable security.

Structuring, issuance and sale of securities – market examples

In April 2021, Société Générale’s Forge unit (which describes itself as providing services to issue and manage digital-native financial products registered on the blockchain and which works on blockchain solutions for capital markets), issued a euro medium-term note as a security token registered on the Tezos public blockchain, which was integrated into the traditional banking system using SWIFT.⁸ According to SG Forge, this transaction demonstrated the legal, regulatory and operational feasibility of issuing more complex financial instruments on public blockchains.

Also in April 2021, the European Investment Bank issued its first ever digital bonds, in collaboration with Goldman Sachs.⁹ Blockchain technology was used to register and settle EUR 100 million raised from the issuance of two-year digital bonds. The use of blockchain technology reduced the settlement time from the usual three days to a same-day settlement.

3. Cashflow Management and Servicing

The usual role for a servicer in a securitisation transaction is to collect repayments from underlying obligors and remit the funds to the transaction trustee. Likewise, a cash manager, administrator or trustee will often be responsible for allocating distributions to investors in accordance with the relevant payment waterfall set out in the transaction documents. Investors and rating agencies are often required to decide on next steps, using information from such parties that can be out of date due to the time lag in transmitting transaction data. It is not always possible for servicers to provide the required information to the transaction parties until after the investors are paid.

As the payments process is separate from the transaction information, reconciling payments can be operationally burdensome. The long settlement periods in traditional payment systems have capital and liquidity implications. It can sometimes take several weeks for the payments to reach investors.

Cashflow management and servicing – impact of blockchain

If assets are originated on the blockchain or tokenised, transaction parties can monitor the asset portfolio from issuance to maturity and receive real time updates. Fraudulent modifications should be reduced, due to the transparent nature of blockchain technology. The need for reconciliation could, in theory, be removed if blockchain technology is used to collect and distribute payments. Each tranche of securities issued could be automatically linked to data on pre-payments, defaults and recoveries. Rating agencies might be able to more easily monitor the credit quality of the underlying assets and the related securities. Investors could expect to receive their payments in hours, rather than weeks. The secure and verifiable transaction history would allow the transaction parties to monitor the performance of the security with precision.

Cashflow management and servicing – market examples

In September 2021, Redwood Trust in the US announced the pricing of the first Non-Agency Residential Mortgage-Backed securitisation using blockchain technology. Redwood used a permissioned blockchain to provide more timely reporting of loan level payments on underlying residential mortgages. The securitisation had an initial notional balance of USD 449 million and was backed by 497 jumbo residential loans. Redwood engaged

Liquid Mortgage, Inc., a patented digital asset and data platform, to act as a distributed ledger agent. Liquid Mortgage uses its blockchain technology to provide end users with reporting of loan level payments on a daily basis, rather than monthly, which would be an improvement to the current market standard. According to Redwood, this “*is the first step on a path to putting an entire RMBS transaction on the blockchain*”.¹⁰

4. Secondary Market Trading

For public securitisations, investors trade their securities on secondary markets, requiring a continual review of performance. Financial institutions trade the securities and create new prices based on supply and demand. The issue of double-pledging assets was given as a potential exacerbating factor to the 2008 financial crisis and there are now costly due diligence requirements to mitigate this risk. The settlement time for transfers of most securities is T+2, which impacts market liquidity.

Secondary market trading – impact of blockchain

The ease of transferring assets between parties on the blockchain means that blockchain technology can have a significant impact on clearing and settlement. This should increase liquidity of the securities on the secondary market. Due to the instantaneous nature of the transfer, counterparty credit risk can potentially also be reduced. The verifiable nature of the blockchain means that it should not be possible to double-pledge digital assets.

Secondary market trading – market examples

Paxos uses a permissioned blockchain that provides same day settlement rather than T+2. Paxos’ settlement service is reportedly being used by market participants such as Credit Suisse, Société Générale and Bank of America.¹¹ Paxos’ blockchain aims to provide an alternative to the central clearing counterparties who usually facilitate settlement of this nature.

In December 2021, Deutsche Börse introduced its D7 platform to provide more timely updates on trades executed across various European stock exchanges.¹² The D7 platform uses blockchain technology to accelerate post-trade processes including listing, execution and settlement, with the aim of enabling participants to track the status of trades in real time. Deutsche Börse will expand its D7 platform to include blockchain-based issuance, management and operation services for digital assets.¹³

End-to-End Securitisations

For the full benefits of blockchain technology to be realised, the market could find itself moving towards end-to-end securitisations, whereby the full lifecycle of a securitisation transaction is conducted on the blockchain.

In September 2019, Santander issued a USD 20 million “end-to-end” bond on the blockchain, carrying a quarterly coupon of 1.98%.¹⁴ The bond was issued and is represented only on the blockchain, which Santander claimed to be the first step towards creating a secondary market for mainstream security tokens. Santander Securities Services acted as the tokenisation agent and custodian of cryptographic keys and Santander Corporate and Investment Banking acted as dealer for the issuance. Santander used the Ethereum blockchain, allowing it to tokenise and register the bond. The principal and quarterly coupons were also tokenised. According to Santander, the reduction of intermediaries made the transaction faster, more efficient and simpler.

In August 2020, Figure Technologies announced the issuance of what it claimed to be the first securitisation backed by loans originated, serviced, financed and issued on a blockchain. According to Figure Technologies, the savings that blockchain will make to the transaction parties over the lifecycle of the securitisation are over 100 basis points.¹⁵ Parties in the transaction reportedly included Figure as the originator, Jefferies Group as structuring agent and warehouse provider and a large asset manager as the senior note buyer.¹⁶

In December 2021, Bank Frick and Cadeia issued what they have described as the first end-to-end blockchain securitisation in Switzerland. The underlying assets were tokenised corporate loans and cashflow management was automated via the Ethereum blockchain. The securities were privately placed Swiss Franc asset-backed tokens. The main aims were to reduce settlement time, improve co-ordination and assist in the monitoring of transactions for auditors and regulators. According to Bank Frick, the significant cost saving means that the concept could make securitisation accessible to small and medium-sized enterprises, potentially increasing access to an entirely new segment of the market.¹⁷

Operational Challenges to Blockchain Adoption

As the above illustrates, there is seemingly huge potential for the use of blockchain technology in securitisation transactions, with great claims being made for use cases at every stage of the lifecycle of a securitisation. However, there are also significant blockers to implementation that would need to be overcome before end-to-end blockchain securitisations could become mainstream.

New technology

Blockchain is a new technology. As with any automated system, blockchain technology may not perform as expected. Disruption of blockchain technology and automated smart contracts could lead to the payment waterfalls or other elements of transactions not operating as required. This could expose the issuer to the risk of a payment default on the securities. This is a risk to which all blockchain securitisations are exposed and could lead to ratings limitations in some circumstances. S&P, Moody’s and Fitch have all considered this risk in recent reports.¹⁸ Although inefficient, the current securitisation landscape does work and trades are verified by multiple transaction parties. Market participants will need to be convinced that automated systems are safer and more reliable when used on a market-wide basis.

Human error

At present, not every securitisation function can be fully automated for all asset classes. This creates a point of risk when human input is required. There is also the risk of human error during the creation and coding of smart contracts and blockchain permissions. Careful procedures need to be established in order to regulate the intersection of human input into an automated blockchain model, as well as predetermined dispute resolution procedures.

Interoperability

As mentioned above, an end-to-end securitisation on the blockchain could allow full integration and optimisation across the securitisation lifecycle. For this to work on an industry-wide

basis, a sufficient number of market participants would need to collaborate in order to agree on common standards around security and coding language. Interoperability is particularly important for agents, such as trustees and custodians, who interact with market participants across the securitisation market.

In August 2021, the International Swaps and Derivatives Association (“ISDA”), the International Capital Markets Association and the International Securities Lending Association signed a memorandum of understanding to further develop ISDA’s Common Domain Model (“CDM”).¹⁹ The CDM is a distributed ledger platform that uses standardised terms for trade lifecycle events. The CDM can be likened to an app store: it provides a platform that market participants can use to develop technology solutions that can communicate with their counterparties’ systems. One way forward for the securitisation sector is to consider exploring if the CDM could be developed to create interoperable securitisation-related technology.

Legal Challenges to Blockchain Adoption

Regulation in the UK

Global regulators have differing approaches to regulation of blockchain technology, if any. This makes the regulatory landscape patchwork and potentially costly to navigate in cross-border securitisation transactions. This is a problem that will perhaps be mitigated as the technology is more widely used and legal integration becomes a necessity. In the near term, those using blockchain technology in securitisation transactions need to ensure they allocate sufficient resources to avoid cross-jurisdictional regulatory issues. At present the inconsistent regulatory landscape does present costs and efficiency obstacles.

In the UK specifically, blockchain-based systems are not regulated *per se*; however, as outlined above, where a blockchain-based cryptoasset or token gives the token holder rights equivalent to traditional securities or financial instruments, then activities relating to that token are likely to fall within the FCA’s existing regulatory perimeter. As such, it is likely that certain applications of blockchain technology on the securitisation lifecycle would be considered activities regulated by the FCA and the Prudential Regulation Authority.

In addition, the UK does have certain limited blockchain and cryptoasset legislation as a result of the UK’s implementation of the EU’s fifth Money Laundering Directive. As such, firms providing cryptoasset exchange services, which includes the issuance of cryptoassets, and custodian wallet providers based in the UK, are subject to a requirement to register with the FCA for the purposes of anti-money laundering and counter-terrorist financing supervision.

In January 2022, both HM Treasury and the FCA issued publications on proposals to extend the UK’s financial promotion regime, which applies as a result of the financial promotion restriction in Section 21 of the Financial Services and Markets Act 2000, to apply to “qualifying cryptoassets”. In particular, in a response to its earlier consultation, HM Treasury confirmed its intention to amend the list of controlled investments in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 to include “qualifying cryptoassets”, which will be defined as “any cryptographically secured digital representation of value or contractual rights which is fungible and transferable”. The definition will exclude other controlled investments, electronic money under the Electronic Money Regulations 2011 (“EMRs”), and central bank money, as well as cryptoassets that are transferable only to one or more vendors or merchants in payment for goods or services. The FCA’s consultation paper indicates the FCA’s intention to classify qualifying cryptoassets as “Restricted

Mass Market Investments” that will be subject to the same rules as “non-readily realisable securities” and “peer-to-peer agreements”. As such, firms promoting qualifying cryptoassets would be subject to the financial promotion rules in chapter 4 of the FCA’s Conduct of Business sourcebook, including the requirements for the promotion to be clear, fair, and not misleading. As securities issued as part of a securitisation would already constitute controlled investments that would be in scope of the existing financial promotion rules, a security issued as a cryptoasset under a securitisation would also be in scope of the existing rules, but additional restrictions could potentially apply once the new rules for cryptoasset promotions come into effect.

In April 2022, HM Treasury published proposals to extend regulatory authorisation, governance, conduct of business, and reporting requirements under existing regulations to include certain activities relating to fiat-linked stablecoins. In particular, the definition of “electronic money” under the EMRs will be extended to include fiat-linked stablecoins. As a result, requirements under the EMRs, including the obligation to safeguard customer funds will apply to funds received in exchange for the issuance of fiat-linked stablecoins. HM Treasury also proposes to regulate firms that provide or arrange for custody of fiat-linked stablecoins. HM Treasury indicates that the intervention is justified on the basis that such stablecoins have the potential to become a widespread means of payment, including by retail customers. Where securitisation cashflow management (or other aspects of the securitisation) are implemented through the use of a fiat-linked stablecoin arrangement, there could be regulatory implications once the new rules come into effect.

As one of the perceived advantages of blockchain-based systems is their ability to disintermediate parties in a transaction chain, certain traditional securitisation parties could become redundant, either through the use of smart contracts or because parties can communicate and transact with each other directly. While this could reduce the regulatory burden and costs associated with a securitisation, a more lightly regulated structure could present investor protection or market stability concerns. Some structures may also require the presence of certain intermediaries for legal or regulatory purposes and so it may be unclear how any particular blockchain-based structure might be treated by a regulator.

Given the regulatory uncertainties that may be experienced in early blockchain-based securitisation projects, firms should note the existence of the FCA’s regulatory sandbox, which was launched in 2015 and which accepts applicants on a cohort basis. The sandbox is designed to allow businesses to test innovative financial services propositions and new technologies in the market with real consumers. Where relevant, the sandbox allows firms to conduct regulated activities with a restricted authorisation and enhanced oversight from the FCA. This means firms can test proofs of concept and service offerings prior to a real-world launch.

Blockchain and cryptoassets continue to be a regulatory “hot topic”, including at an international level, with Financial Action Task Force, International Organization of Securities Commissions and Bank for International Settlements all having issued various publications relating to possible regulatory approaches. In the EU, a proposal for a Markets in Crypto-assets Regulation (“MiCA”) is currently going through the legislative process. MiCA will subject activities relating to cryptoassets, defined in MiCA as “a digital representation of value or rights which may be transferred and stored electronically, using distributed ledger technology or similar technology”, to similar regulation as securities. MiCA will subject the issuers of cryptoassets, and providers of ancillary services in relation to cryptoassets such as placing, custody and the execution of orders, to a licensing obligation and other regulatory obligations such as conduct of business and market-abuse rules.

Further regulation in the UK and at an EU level is highly likely.

Tax in the UK

Cryptoassets are not currently subject to a separate UK tax regime and are instead taxed according to generally applicable UK taxation legislation and case law. The tax treatment of a token will therefore depend on its particular terms and conditions and it is necessary to understand all of the characteristics of that asset and the transaction being undertaken. HM Revenue & Customs (“HMRC”) has published its view of the appropriate tax treatment of certain types of cryptoasset for individuals and business; however, it has expressly noted that its tax policy may evolve as this sector develops.

In general, the taxation of a token holder depends on whether the token transaction forms part of a trade or investment activity. HMRC’s view is that individual token holders investing in tokens are therefore generally expected to be subject to capital gains tax in respect of disposals. The guidance HMRC has prepared in respect of businesses is principally focused on exchange tokens, and issuers and corporation-tax paying investors do not have clarity in respect of HMRC’s view of the tax treatment of tokens that are analogous to securities. It is therefore not clear whether an issuer of securitisation tokens, or a special purpose securitisation vehicle that purchases underlying assets that have been tokenised, is able to qualify for the special UK tax regime for securitisation companies; this is particularly important in the context of rated securitisations where the agencies require comfort in the form of a tax opinion regarding the expected treatment of a transaction. Where an offshore issuer is used, this can create other potential UK tax issues for investors: in particular, under the UK stamp duty reserve tax rules, a UK register of securities will bring those securities within the scope of that tax. This rule does not sit easily with a token that is held on the blockchain and therefore has a decentralised register that may partly be regarded as located in the UK.

The Organisation for Economic Co-operation and Development is preparing a new global tax transparency framework providing for the automatic exchange of tax information on cryptoassets (“CARF”) and is also consulting on broadening its Common Reporting Standard to require reporting in respect of transactions not clearly covered by that standard or the CARF. New securitisation platforms and participants taking advantage of blockchain technology will need to ensure that they are able to comply with reporting requirements and tax authority information requests under these and other similar tax reporting rules (such as US tax reporting in accordance with the Foreign Account Tax Compliance Act regime).

Contract law in England and Wales

On 25 November 2021, the Law Commission published its advice to the UK government on the enforceability of smart legal contracts, building on the findings of the UK Jurisdiction Taskforce. Under English law, a contract must contain certain elements, including: (i) offer and acceptance; (ii) an intention to create a legal relation; (iii) certainty of terms; (iv) consideration; and (v) formality requirements. The Law Commission concluded that current contract law principles adequately address smart legal contracts, so there is no need for statutory reform; however, questions remain as to how certain elements of English contract law would be interpreted and applied to smart contracts.

Real estate in England and Wales

Accelerated by the conflict in Ukraine, the UK government passed the Economic Crime (Transparency and Enforcement) Bill, which received royal assent on 15 March 2022. The

Economic Crime (Transparency and Enforcement) Act²⁰ establishes a public register of UK property ownership by overseas entities, maintained by Companies House. Any non-UK domiciled entity that holds a registered estate in land in the UK must apply for registration. This will include disclosing the details of the entities’ beneficial owners. The date of implementation of the relevant provisions of the Act is yet to be confirmed at the time of writing. Blockchain technology is well placed to facilitate identity verification required by the Act. An overseas company (such as a Cayman Islands-domiciled issuer) could create a digital passport with proof of its registration status. This could be built into the smart contract, ensuring that ownership of land does not transfer from the originator to the issuer until proof of registration had been received.

Conclusion

The expressed use cases for blockchain in the securitisation life-cycle are many and varied, with the market ripe for adoption. The use of blockchain technology in certain aspects of securitisation transactions, such as issuance and settlement, has the potential to become commonplace in the near term. End-to-end blockchain securitisations may take longer to become mainstream, due to the inevitable risks and uncertainties that come with being an early adopter. However, investors and institutions that are able to successfully establish and scale end-to-end blockchain securitisation programs could have increased access to previously inaccessible segments of the market at a low cost. What is evident is that both the markets and regulators are increasingly receptive to the adoption of blockchain technology in order to modernise traditional financial markets infrastructure. The most significant challenges to wide-scale adoption are likely to be the development of a unified global approach to regulation and technological interoperability between market participants.

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Rupert Wall is the Head of Sidley's Global Finance practice in Europe. He advises arrangers, originators, asset and investment managers and investors on all aspects of securitisation, structured finance and derivatives. He also advises counterparties in relation to general capital markets issuances, leveraged finance transactions and portfolio sales and financings (both performing and non-performing loans/distressed). Rupert has consistently been recognised in all the major legal directories as a leading individual for Securitisation and Structured Finance with clients describing him as *"a standout lawyer for ABS and CLO deals"* whom one client describes as *"a subject matter expert with the ability to get straight to the point; he has a brain the size of a planet and works very well in high pressure situations"*. He has been recognised by other clients as *"technically excellent, with an encyclopaedic knowledge of the CLO market"* and *"thorough and detailed and personable to work with"*, with other clients commenting to legal directories that he *"stands out as being a valued adviser who, as well as being hugely bright and intellectual, has a unique ability to listen carefully to the often complex commercial dynamics that we require of a transaction and meld those seamlessly into its structure"*.

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Matt is a member of Sidley's cross-practice sustainable finance and ESG working group and is regularly called to advise upon the evolving sustainable finance landscape in the EU and UK. Matt also advises the firm's FinTech clients, particularly companies that are actively engaged in the cryptocurrency and digital assets space. He is the author of the "Payments and Blockchain/Crypto-Assets" chapter of the 2022 edition of *"Payment Services: Law and Practice"*.

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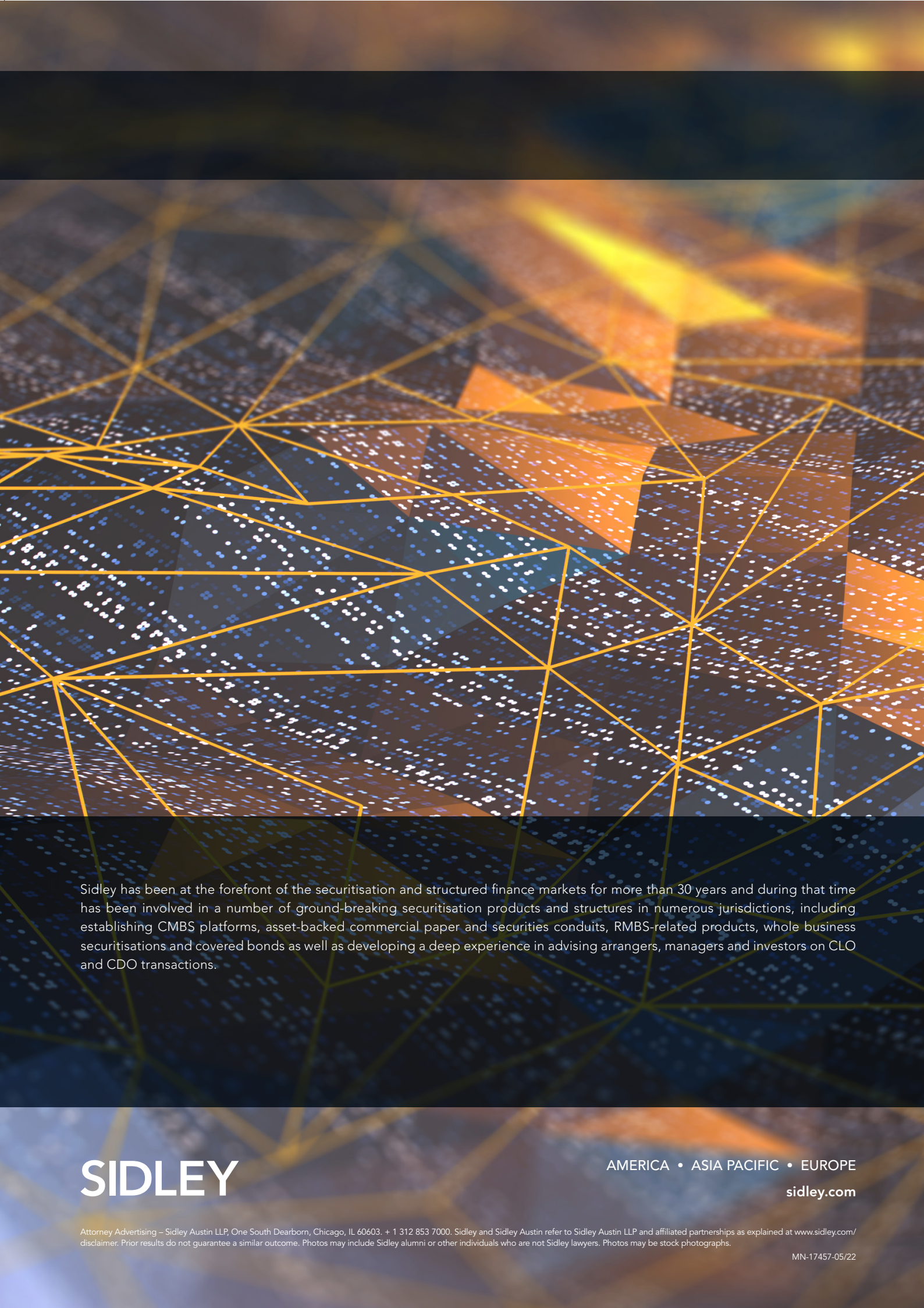
Sidley has been at the forefront of the Securitisation and Structured Finance markets for over 40 years and during that time has been involved in a number of ground-breaking securitisation products and structures in numerous jurisdictions across the UK and Europe, including establishing domestic and multi-jurisdictional CMBS platforms, asset-backed commercial paper and securities conduits, RMBS-related products, whole business securitisations and covered bonds as well as developing a deep experience in advising arrangers, managers and investors on collateralised loan obligation and collateralised debt obligation transactions.

Sidley's securitisation lawyers in the UK, Europe, the US and Asia have a longstanding practice in all areas of securitisation, structured finance and derivatives, with market-leading experience of the full gamut of asset classes and structures, including securitisations and secured financings involving corporate (mid-market and syndicated) loans, rental fleets, consumer assets such as personal loans, auto loans and leases, student

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