

Date: 07 April 2020

Senior Management and Board Meeting

ISLA Reps: Andrew Dyson (AD), Jamila Jeffcoate (JJ), Sejal Amin (SA), Tina Baker (TB), Adrian Dale (ARD), Lewis Nicholson (LN)

### Agenda

1. Opening Remarks – ISLA Chair and CEO
2. First Quarter Metrics - JJ
3. ISLA 2020 Business Priorities & Glidepath – AD, TB, ARD, SA, JJ
4. European Conference Impact Assessment – JJ, SA
5. Q1 Financial Summary – JJ
6. Premises Review - JJ
7. Resourcing - AD
8. CDM - AD
9. ISDA Creates – AD, TB
10. ICSF Post Launch Update – AD, Matthew Chessum
11. Changes to ISLA Membership Structure – JJ
12. Closing Remarks – ISLA Chair & CEO

### Attendees

Jonathan Lombardo (Chairman)  
Alessandro Cozzani (Deputy Chairman)  
Paul Bradford (Treasurer)  
Stefan Kaiser  
Ueli Von Burg  
Arnaud Fransioli  
Ina Budh-Raja  
Harpreet Bains  
Tanja Hauenstein  
Eicke Reneerkens  
Poya Agha-Bozorgi  
Matthew Chessum  
Matthew McDermott  
Ed Oliver  
Matthew Glennon

#### 1. Opening Remarks – ISLA Chair and CEO

- JJ confirmed with attendees that there were no conflicts of interest on the agenda and no points arising from the January Board minutes.
- AD opened the meeting and shared how the ISLA team were positioned given the backdrop of the current Covid-19 pandemic. ISLA's business continuity plans were well established with 100% of staff working from home. The ISLA team had maintained daily contact through regular video conferencing facilities and were pursuing their work agenda, mostly unaffected.
- AD also highlighted how the Covid-19 pandemic had affected the Association's interaction with various stakeholder communities and forced changes to our priorities in order to ensure that we continue to deliver on our core objectives.
- Jonathan acknowledged the challenges across the industry and wished attendees well given the current lockdown situation.

## 2. First Quarter Metrics – JJ

- JJ introduced two preliminary slides which highlighted ISLA's Q1 activity metrics. The ISLA team will continue to broaden this study at future board meetings to highlight their activity efforts across member outreach, advocacy meetings with regulators and policy makers and the participation of our membership at various regulatory and legal workshops and working groups.
- SA described the recent training sessions the ISLA Support Team had undertaken with HubSpot that will help to refine the metrics and present them through a series of reports and dashboards.
- JJ provided an overview of ISLA's advocacy efforts with Regulators, Member outreach and the various working group meetings that were held in the first quarter.
- The Board questioned the number of member enquiries (32) compared to the number of new members who have joined (4) in Q1. ISLA will provide a breakdown of the type of firms who made these enquiries as an action item.
- The ISLA team were asked to comment about enquiries from regulators given the ongoing Covid-19 situation. AD confirmed that the relationship with regulators has been very good and ISLA have remained in regular dialogue with European NCA's the FCA and ESMA as well as the Bank of England during the crisis.

## 3. ISLA 2020 Priorities and Glidepath – AD, TB, ARD, SA, JJ

- The ISLA Business heads provided an update on their respective 2020 business priorities and highlighted a number of projects that were completed in the Q1
- Each business lead described some of the headwinds & dependencies necessary to address the remaining priorities for 2020 and the glidepath to completion.
- The Business Priorities glidepath will be a recurring theme at future Board meetings in 2020 to track progress and ETA on each of the Association's goals.

## 4. European Conference Impact Assessment – JJ, SA

- SA described the events leading up to the postponement of the European conference in Vienna this year and explained that our conference organisers have secured the same venue for ISLA in 2021.
- ISLA are in the process of refunding delegate and sponsorship fees in full over the next few weeks. Had the COVID-19 pandemic not forced us to postpone the event, the conference was scheduled to be ISLA's most successful to date, with record delegate and sponsorship commitments as at the end of March 2020.
- JJ presented the Events bank account statement which showed a net loss in Q1 of £83,293 due to unrecoverable expenses. Most of the other expense items are able to be carried over to next year's conference, including hotel deposit and venue fees.

## 5. Q1 Financial Summary – JJ

- JJ provided a summary of Q1 financials and a full year forecast vs budget.
- Although the postponement of the European conference will leave a deficit in the income statement for the full year, there are expected cost savings to be made in terms of travel costs, consultancy fees and communications that will in part, offset the lost income.
- There are further cost savings forecast in the salaries expense line as two new hires budgeted to join in Q2 are not expected to join until Q3/4

**6. New initiatives & Budget Dependencies – AD, JJ**

- Review of ISLA premises kept under review for potential 2021 move to leased office. The Board were provided with a direct cost comparison of ISLA's current serviced arrangements vs leased office space in the same or similar location.
- Full agreement from the Board to move forward with ISDA and REGnosys proposals for the development of pilot project in respect of a common domain model.
- Update on ISDA Create (E-Contract Negotiating Platform), ISDA Amend, and Electronic Opinions. It was agreed that the ISLA team should undertake a more detailed review of ISDA Create including the various pricing models for this service.

**7. ICSF Post Launch Update – AD, Matthew Chessum**

- The Board were advised that the ICSF's first position paper will be launched in coming days and work ongoing
- Principals and goals of the Council to be updated to include diversity
- It was agreed that all members of the ICSF will also be members of ISLA.

**8. Membership Fees/Tiering Structure – JJ**

- A Committee will be assigned (made up of Board Members and ISLA staff) to undertake an annual review of membership pricing and tiering levels going forward.
- JL to identify 6 Board Members (to represent each of the Agent Lender, the Principle Borrower and the Beneficial Owner community).
- The Committee will be responsible for presenting their proposals for any changes to fee & tiering structures to the Board of Directors for ratification during the September Board Meeting and AGM.
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**9. Closing Remarks – ISLA Chair & CEO**

- AD and JL expressed thanks to Board members and ISLA staff for attending the meeting remotely, recognising the challenges it presented. As the expectation is that the next meeting in June may also be held by video conferencing, the ISLA team will look at ways in which to improve the presentations to include participation from individual Board Members and the Board Committees.

**Action Items:**

1. ISLA to provide more information on 32 member enquiries in Q1 – (JJ – April 2020)
2. Rework draft MOA with ISDA to reflect our revised position. (AD – April 2020)
3. Outline proposal for CDM pilot project was approved. Arrange meeting with REGnosys to take this forward (AD – April 2020)
4. Re-engage with ISDA about electronic agreements (TB & AD – April 2020)
5. Next steps on CSDR implementation mechanics i.e. protocol or ISDA Create platform. (TB – April 2020)
6. Assess virtual options for Vienna 2020 panels and sessions (SA – June 2020)
7. Communicate stance on pricing for new ICSF council members (AD – April 2020)
8. Establish Membership Committee & begin review of current fee structure (JL & JJ -May 2020)