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2017 in Review – Records, Recommendations and Responses

While 2017 was a record-breaking year for private capital funds, it was also a year that featured a robust dialogue concerning the shape and scope of leverage applied to these funds. Fundraising for private equity funds surpassed or approached previous records, including with respect to the most capital raised in a calendar year and the launching of the largest private equity fund. Subscription line financings and other financing activity supporting these funds remained at historically high levels. At the same time, market participants engaged in an active and, at times, public discussion of fund financing. Some groups, most notably the Institutional Limited Partners Association ("ILPA"), recommended certain improvements to funds and their subscription line financing providers for the benefit of investors. The commentary and recommendations spurred responses from other participants in the fund finance industry, including, most notably, the Fund Finance Association ("FFA"). A wide variety of commentators, including private investors, fund advisory firms, accounting firms, law firms and the mainstream media also contributed to the dialogue.

This article will address recent market trends in the private capital markets, including in the fund finance industry, as well as the public discourse surrounding subscription line credit facilities. It will then address other market and legal developments of note for fund financings, and will conclude with a brief outlook for the year ahead.

State of the market in 2017

Recordbreaking fundraising

According to industry reports, 2017 was arguably the most successful fundraising year for private capital markets. This success continued the consistent growth that the market has enjoyed since 2013: between 2013 and 2016, aggregate fundraising increased by approximately $50 billion each year. In 2016, fundraising for the private capital markets totaled $728 billion and surpassed the previous high of $708 billion from 2008. A strong fourth quarter in 2017 contributed to a fundraising total of $754 billion for the entire calendar year, which established a new record for the private capital markets, as measured by market data providers.

In addition to the aggregate fundraising figures, there were several funds that established new highs for funds of their type in 2017. Internationally, the SoftBank Vision Fund, currently

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at $93 billion in capital commitments, is the largest private capital fund ever raised. In the United States, Apollo Investment Fund IX raised $24.7 billion in capital commitments and is the largest private equity fund ever. Venture capital, secondaries, growth and natural resources also closed funds that ranked among the five largest for such asset classes. The average size of a private capital fund closed in 2017 was $570 million, which surpassed the previous high in 2008 of $475 million. In addition, there is evidence that there are more new entrants into the market than in previous years, which may contribute to further growth in the coming years.

Market research indicates that investors continue to report satisfaction with their investments generally across the asset classes, including private equity, private debt, venture capital, real estate and infrastructure. With the exception of hedge funds and natural resources, investors also report that they plan to increase their allocation in their existing asset classes, both in the next 12 months and in the longer term.

Fund finance

The market for subscription line facilities and other financing products that leverage private capital funds is closely linked to the fundraising and successful closings of those funds. As such, the fund finance space has benefited from the sustained rise of both in the past few years. In parallel, the proportion of private capital funds utilising subscription line facilities as part of their fund capital structure has also increased in the recent past. Although there are no published reports on the aggregate amount of lender commitments under subscription line facilities, anecdotal evidence from market participants indicates that 2017 was another successful year for the fund finance space, with some estimating several hundred billion dollars of committed facilities. In addition, consistent with previous years, no significant defaults under subscription line facilities were reported by lenders or their counsel. The growth and stability with respect to fund-level leverage further supports the proposition that, in the United States, subscription line facilities and other debt financing products occupy a key function in the capital structure for private capital funds.

Against the backdrop of continued fundraising success for private capital funds and investors committing equity capital to these funds, subscription line facilities have become a prominent topic of public discussion and press coverage.

The public discussion of subscription line facilities

Among numerous pieces contributed by various market participants, the June 2017 release by ILPA entitled, "*Subscription Lines of Credit and Alignment of Interests: Consideration and Best Practices for Limited and General Partners*" (the "ILPA Guidelines") and the response by the FFA, "*FFA Analysis and Recommendations on the ILPA Guidelines for Subscription Credit Facilities*" (the "FFA Analysis") were two of the more prominent contributions to the discussion.

While there are many nuanced viewpoints articulated, in general, the discussion can be characterized as reflecting two differing counter-positions. One position contends that subscription line facilities may be used by funds to artificially increase the internal rate of return ("IRR") of a leveraged fund, in particular in the first few years of a fund's life, and that the interest and fees relating to the facilities (ultimately shouldered by investors) present a greater cost than the benefits they provide. It also alleges that subscription facilities may increase the probability of sudden capital calls (to repay defaulted lines), which, in extreme instances, could present a liquidity risk. The countervailing position contends that the difference in IRR (between a leverage fund and an unleveraged fund) over the course

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of the life of a fund is very small and that investors understand the economic impact of the facilities. In addition, it asserts that the pricing of subscription facilities is very favorable, and the facilities are an essential tool for funds from an operational and financial viewpoint (for example, to have capital deployable for investments within a very short time period, provide access to letters of credit and foreign currencies and ease the administrative burden of making multiple capital calls to investors). Additionally, the increased risks to investors presented by a fund employing a subscription line facility are remote (and the perceived liquidity risk is not created by the presence of the facility in and of itself), and the use of such facilities by funds has become standard in the market and is generally expected by investors.

ILPA guidelines

ILPA is a trade organisation representing the interests of institutional investors in private equity funds. The ILPA Guidelines briefly mention the administrative benefits of subscription line facilities for an investor, including smoothing cash flows and limiting the number of capital calls to which an investor has to respond.

The main focus of the ILPA Guidelines is the potential lack of alignment of interests between a fund and its investors with respect to subscription line facilities and where, in the view of ILPA, the differing interests may be detrimental to investors. In addition, the ILPA Guidelines discuss the possibility of inadequate visibility into investors' total exposure that may be attributable to subscription line financings. The ILPA Guidelines also identify the increased IRR of a leveraged fund in its first few years as a result of a subscription line facility, as compared to an unleveraged fund, and the effects this could have on investor perceptions of fund performance, as well as the possibility that the fund's general partner may potentially collect carried interest earlier in a leveraged fund than it would in an unleveraged fund with the same investment strategy. The ILPA Guidelines conclude by offering nine enumerated recommendations for funds and their general partners to ensure that "the use of lines of credit should accrue to the benefit of the LP."

Fund Finance Association analysis and response

The most substantive response to the ILPA Guidelines thus far has been the FFA Analysis. The FFA Analysis acknowledges the ILPA Guidelines as a constructive and productive attempt to present an analysis of the benefits and detriments of subscription line facilities, but also emphasises that ILPA should resist advocating a "one-size-fits-all" approach with respect to subscription line facilities. Specifically, the FFA Analysis responds to each of the categories of recommendations included in the ILPA Guidelines.

Increased disclosure

The FFA Analysis identifies various recommendations from the ILPA Guidelines that encourage greater transparency by funds in their communications with investors. These steps concerning transparency and disclosure from the ILPA Guidelines include: quarterly reporting to investors concerning a fund's financings, including the amounts outstanding, the use of proceeds, the number of days outstanding of each draw, the net IRR (calculated both with and without the subscription line facility), the terms of the financing and the costs of the financing to a fund; discussing the financing with the limited partner advisory committee; timely reporting to investors concerning investments, even if no capital has been called; generally reporting a fund's policies as to financings and the impact of financings on the sponsor's track record (including with respect to IRR) in the investors' diligence materials; and disclosure of detailed terms of the subscription line facility that would be of concern to an investor, such as the assets being collateralised, documentation requirements

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imposed on investors and terms that may influence the financial obligations of investors (e.g., cross-default provisions).

Although the FFA supports the overall recommendation of robust disclosure to investors, the FFA Analysis stresses that the "vast majority" of funds already satisfy this standard of disclosure. The FFA Analysis adds that lenders under subscription line facilities themselves often require much of the detailed disclosure discussed in the ILPA Guidelines with respect to the obligations of the investors *vis-à-vis* the subscription line facility. The FFA Analysis also notes that most investors are sophisticated and educated about the mechanics of a subscription line credit facility. Also noted, both in the FFA Analysis, as well as in other sources (such as in the Private Equity International piece, which quotes a fund manager stating that his investors are pressuring him to enter into subscription line facilities for his funds), is that many investors expect and welcome subscription line facilities, because of the benefits to investors with respect to cash flow and capital calls. In general, the FFA Analysis agrees that increased disclosure is better for all parties, but the precise nature of the disclosure, given the unique circumstances of any single credit facility, is best left to discussions between a fund and its investors. Commentators, including law firms, expect the trend towards increased disclosure to investors of their fund financings to continue in 2018, especially in light of the general agreement among all market participants as to the benefits of open and robust communication between funds and their investors.

Specific limitations on subscription line facilities

The FFA Analysis also discusses the ILPA Guidelines' recommendation concerning specific thresholds for subscription line facilities: (i) the maximum leverage should not exceed a certain percentage of all uncalled capital, in the range of 15-25%; (ii) amounts borrowed should not remain outstanding for more than 180 days; and (iii) other specific terms, such as: (1) ensuring that advance rates are based on uncalled capital; (2) ensuring that subscription line facilities are secured only by the uncalled capital commitments of investors, and not invested assets of a fund; (3) ensuring a maturity after a definitive time period and not payable on demand; and (4) allowing investors to cap the interest payable by them. The FFA Analysis states that these recommendations are too rigid to be applied to all subscription line facilities and across all asset classes of funds, but suggests that a more nuanced approach, which would consider the unique circumstances of each fund, is advisable.

In particular, the FFA Analysis notes the ILPA Guidelines' recommendations do not account for a fund's individual investment strategy, availability of investment-level financing or fund-specific timing considerations. The FFA Analysis identifies different types of funds, based upon asset class or size, which may have divergent strategies with respect to leverage. For example, certain funds, such as credit funds, may use a subscription line facility to provide bridge financing until the funds are able to enter into a fund-level asset-based credit facility, secured by the loans held by such funds (and such asset-based facilities are rarely available in the early life cycle of funds before they reach a certain level of portfolio diversification). Other funds, such as commercial real estate funds, use subscription line facilities as less expensive leverage, in lieu of individual mortgage financings, until the real estate properties can achieve a credit profile that maximises the terms of the property-specific permanent financing. If the ILPA Guidelines' recommendation requiring "clean-downs" (i.e., requiring loans to be repaid within 180 days) were to be strictly followed, many funds would lose the true benefits of the subscription line facilities, which would ultimately be to the detriment of investors.

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The FFA Analysis also notes that the concern with respect to increased IRR may be overstated because studies show that the effect on IRR over the life of a fund is fairly minimal. Additionally, the FFA Analysis clarifies the differences between subscription facilities and other types of fund-level financing: while the latter forms of leverage are based upon the net asset value ("NAV") of a fund's underlying investments, traditional subscription facilities are based on the amount of investors' uncalled capital. To be sure, so-called "hybrid" facilities, which include both capital commitment-based and NAV-based borrowing bases and collateral pools, are gaining increased popularity in the marketplace. However, many commentators draw a distinction between subscription line facilities and NAV facilities (including hybrids) and indicate that such facilities should not be subject to the same limitations as subscription line facilities, because the parameters of the former are typically addressed by investors and fund managers through a separate set of criteria.

The FFA Analysis includes helpful refinements of ILPA Guidelines' specific recommendations, such as: (i) that clean-downs should be considered only after a fund has completed all fundraising to avoid frequent rebalancing between investor closings; (ii) that clean-downs should not be applied to all facility uses (for example, letters of credit, which are almost always required to be posted for a longer period of time, should be carved out); (iii) that restrictions on indebtedness should only apply to debt for borrowed money and not to guarantees or other credit enhancements issued by a fund in support of its investments; (iv) that the post-investment-period needs of funds should be considered in determining the tenor of facilities; and (v) that, most importantly, funds have varying investment objectives, asset classes and investor bases, so that imposing the ILPA Guidelines' recommendations universally (for example, that they all be repaid within 180 days) might defeat their intended purpose. It should be noted that in some instances, either investors or lenders have historically required a clean-down of borrowings under subscription facilities within even a shorter period of time. Interestingly, some commentators have observed that in certain cases, the ILPA Guidelines now serve as an opportunity for extending these periods to the recommended 180 days.

Liquidity risk

The FFA Analysis further responds to the ILPA Guidelines' concern that the facilities could create a wave of capital calls which could affect investors' ability to fund them. The FFA, referencing conversations with investors and noting the size of the secondaries market (which has grown exponentially over the last decade) as a source of liquidity, believes that investors are not concerned as to the risk of their inability to meet capital calls as a result of fund-level credit facilities. The FFA Analysis also notes that the investor funding default rate has historically been near a statistical 0%, even during the financial crisis.

The FFA and some commentators have noted that, although in practice, the facilities result in many fewer capital calls to investors, they neither release the investor from a capital commitment (because its capital is committed and must remain available on relatively short notice, as it can be called by a fund at any time) nor do they increase the investor's funding obligations (because a lender can never call more than the amount committed). Therefore, a subscription facility itself does not create any additional legal obligations on investors that could result in further funding risk than an investor has already assumed by virtue of subscribing to a fund and committing to fund capital calls.

Based on the number of participants in the discussion and the frequency with which they contribute to it, we expect that a lively debate concerning the merits of subscription line facilities will continue for the foreseeable future.

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Market developments: Investor letters

For more than a decade, direct privity between the subscription line facility lender and investors has not been required under typical market terms for diversified commingled funds. Such privity would generally be established by the relevant investor delivering an "investor letter" to the lender, pursuant to which the investor acknowledges the pledge by the fund of such investor's capital commitments and confirms its obligation to make capital contributions when called, including with respect to capital calls made in connection with a financing and/or when such capital calls are made by a lender.

Investor letters are an administrative burden to a fund: they present additional and separate documentation requested from investors (in addition to the regular subscription documents relating to the fund) and may disrupt the planned investor communications from the fund. Additionally, if all investors were expected to deliver investor letters, it would likely generate a negotiation process with each investor, and require significant time and resources, as well as added cost. Further, because each investor may have its own requirements and appetite for negotiation, the process could yield different versions of investor letters being delivered to the lender, which in turn could contribute to inconsistent treatment of otherwise similarly situated investors in the borrowing base and create uncertainty for funds as to expected borrowing capacity.

As a result of these and other factors, investor letters are no longer standard in the United States for funds with a diversified limited partner base. Limited partnership agreements or the equivalent constituent fund documents have become more standardised with respect to the fundamental financing provisions that were traditionally contained in investor letters, especially as many fund sponsors launch their second, third or later generation funds, often to repeat investors, with both a subscription line facility and a specific group of relationship lenders in mind. Fund sponsors and investors alike have pushed for the elimination of investor letters across the board and this approach has largely been accepted by lenders, as fulsome protections are now typically included in limited partnership agreements.

However, there are exceptions to this general rule. For instance, some fund sponsors who are new entrants into the subscription line facility market have historically agreed to request investor letters, if required by a lender. Even established, large fund sponsors may agree to investor letters in certain limited circumstances, including when a fund is comprised of one or a few large institutional investors, or when an investor is an affiliate of the sponsor (because the uncertainty of whether an investor letter can be obtained from an affiliate is significantly lower as compared to a third party investor).

Market observers noted some interesting developments during the past year that suggest further refinement to the practice of providing investor letters. One such example is that investors affiliated with fund sponsors who historically had been delivering investor letters now often negotiate to eliminate such requirement. Another development was that large institutional investors utilizing separately managed accounts, or "funds-of-one", delivered very limited investor letters which provided lenders with little more than a confirmation of the investor's capital commitment. On the other hand, because of the rising popularity of these vehicles, investor letters in the more traditional (and fulsome) scope have not completely disappeared and are still utilized in that particular segment of the market. In 2018, we expect investor letters to continue to be very rare for funds with diversified investor bases, and investors who do deliver investor letters will continue to further negotiate for limited representations and covenants.

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Market developments: LIBOR retirement and potential replacement approaches

In July 2017, the United Kingdom's Financial Conduct Authority, which regulates the London Interbank Offered Rate ("LIBOR"), announced that LIBOR would be retired by the end of 2021. The announcement reverberated across international capital markets, since LIBOR serves as the interest rate benchmark for more than $300 trillion in loans and derivatives. While a number of other benchmarks have been suggested as replacements for LIBOR, as of year-end, none have been widely accepted as a new standard.

Determining a replacement for LIBOR will have practical consequences for the fund finance space. LIBOR-based loans are very common in fund financings and there are a number of fund finance facilities that have terms of four years or longer, especially when giving effect to extension periods. As a result, there will be an increasing number of facilities in 2018 and beyond that will need to address a replacement benchmark for LIBOR-based loans.

There are certain trends developing in the broader financial markets with respect to the language in credit facilities that address a potential LIBOR replacement. One approach is to permit any of the administrative agent, the borrower or lenders representing a majority in interest of commitments or outstanding loans, to recommend that LIBOR should no longer be used as the interest rate standard. In addition, credit facilities may provide that the replacement rate should be determined jointly by the administrative agent and the borrower, giving due consideration to any existing conventions for similarly situated loans. Accordingly, if such a replacement interest rate is provided for, no lender vote would be required and any potential disruption to the operation of the credit facility will be minimized (although in some cases, lenders constituting required majority have a right to disapprove such a rate). We anticipate that in 2018, the market practice will continue to evolve and LIBOR concepts and provisions will continue to be negotiated, as market participants of all shapes and sizes further reflect on the interest rate landscape and potential benchmarks.

Market developments: Tax reform

On December 20, 2017, the United States Congress passed H.R. 1, known as the "Tax Cuts and Jobs Act," which was signed into law on December 22, 2017 (the "New Tax Law"). The New Tax Law includes significant changes to the taxation of business entities. In particular, it places significant limits on the deductibility of interest expense, which, under certain circumstances, may make it less attractive for a borrower to issue debt. These limitations could affect funds (and indirectly their investors), and may also impact lenders (including subscription facility lenders). Although the New Tax Law has been enacted, only limited guidance has been issued to date and some uncertainty remains, including as a result of the need to implement Treasury Regulations and/or technical corrections. It is currently unclear if and when any further guidance will be forthcoming, and future regulatory guidance and legislation may significantly affect the impact of the New Tax Law.

Legal developments: The Hague Securities Convention

On April 1, 2017, the Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary (the "Convention") came into effect in the United States (after similarly being ratified by Switzerland and Mauritius). The Convention has a potential effect on the choice of law rules regarding certain issues in respect of securities held with an intermediary, including the perfection and priority of a security interest

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therein. Because of its impact on the perfection of liens over securities accounts (and, as a result, account control agreements), the Convention has received a significant amount of attention from practitioners in the fund finance space.

Securities accounts in fund financings

The collateral supporting a subscription line financing generally includes both a pledge of the uncalled capital commitments of the fund's investors, the associated rights of the fund or its managing entity to call such capital commitments, and a pledge of the fund's bank accounts into which capital calls are funded by investors. In connection with the pledge of a fund's applicable bank accounts, the fund, the administrative agent (on behalf of the lenders as secured parties) and the depositary bank (or securities intermediary, as the case may be) enter into an account control agreement. An account control agreement serves to perfect the secured parties' security interest in the bank accounts.

In addition, an account control agreement governs the control of the pledged accounts both prior to an event of default under the underlying credit facility and subsequent to an event of default, in connection with which the administrative agent may deliver a notice of exclusive control over the accounts to the depositary bank (or securities intermediary). The accounts into which investor capital contributions are paid may be securities accounts (although investors are funding cash into the accounts, a fund may purchase liquid securities with the cash and hold such securities in that account, in order to generate return pending deployment by the fund). Because the securities account may hold non-U.S. securities or because a fund, the secured party or the securities intermediary may have differing jurisdictions, the Convention may be an important consideration with respect to determining perfection.

Scope of the Hague Convention: Choice of law rules

The main purpose of the Convention is to update the choice of law rules governing the holding, transfer and pledging of securities in light of certain technological developments in the securities market over the past few decades.

In the United States, Article 9 of the Uniform Commercial Code (the "UCC") governs the attachment and perfection of a security interest in securities. Article 2 of the Convention provides that the Convention determines the law applicable to, among other issues, the priority and perfection of a security interest in securities held with an intermediary (the "Convention Issues"). As a treaty, therefore, the Convention determines the applicable law in lieu of the UCC choice of law rules on these issues. It has no effect on the underlying substantive law, and the UCC still governs attachment of a lien generally, and the priority and perfection of security liens over securities that are directly held. In the United States, the Convention applies in all transactions involving even a minor foreign element, and whether or not such foreign element is of a nation that has adopted the Convention.

Choice of law rules: Practical applications

The Convention provides that the law applicable to the Convention Issues is the law expressly agreed in the account agreement (i.e., the agreement between the account holder and the securities intermediary that governs their rights and duties in relation to the securities in the securities account) as either (i) the law governing all Convention Issues, or (ii) the law governing the account agreement. The rule also requires the securities intermediary to have an office in the United States that is engaged in the business of maintaining securities accounts.

From a practitioners' perspective, the Convention Issues can be addressed by ensuring that the account agreement is clear as to the jurisdiction of the laws applicable to the issues

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specified in Article 2(1) of the Convention. This can be accomplished in a number of ways, such as incorporating within the securities account control agreement an amendment to the account agreement to provide for the proper jurisdiction. Additionally, because the transition rules of the Convention are not clear with respect to account agreements and account control agreements entered into prior to April 1, 2017, some parties have amended their agreements to expressly provide for the desired law to apply to all Convention Issues, thus unambiguously applying the rule from the Convention, as recommended by the American Bar Association's Section on Business Law.

Furthermore, in the United States, a lien over securities can be perfected by either control or by filing a financing statement, and while perfection by control has priority over perfection by filing, many lenders nevertheless choose to perfect by both methods. In light of the fact that the Convention could yield a result different from the UCC with respect to choice of law that would dictate where to file the relevant financing statement, parties may elect to file it under the laws of both jurisdictions in certain situations.

We anticipate that as the appropriate concepts and provisions concerning the Convention are incorporated into account agreements and account control agreements, issues regarding implementation of the Convention will continue to become less common.

Conclusion

The year of 2017 brought many notable developments and, overall, was a successful year for fundraising and fund financing. We expect that 2018 should continue on a positive note, based on macro-economic environment and investor confidence, among other reasons, although it will be interesting to see how the effects of the tax reform and LIBOR replacement issues are absorbed by the market generally. We also believe that a dynamic discussion concerning subscription line facilities will continue but, with public dialogue as a background, investors will continue to invest in funds employing leverage.

At the same time, we expect that the commentary concerning subscription line facilities will serve as a good reminder to keep open lines of communication between lenders, fund sponsors and investors, including with respect to subscription line facilities. Increased communication will contribute positively to the development of the fund financing market and allow for improved utilization of subscription facilities – in the mutual best interest of all constituencies.

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Endnotes

1. *Preqin Q4 2017 Fundraising Update*.
2. *Preqin Q2 2017 Fundraising Update*; *Preqin Q4 2017 Fundraising Update*.
3. *Preqin Investor Outlook: Alternative Assets H2 2017*.
4. These are in addition to pieces by law firms, fund managers, fund advisory firms, accounting firms, international newspapers and media companies and trade publications. See, e.g., "Subscribing to Change", Thomas Duffel (PERE/PEI), Albert Tan (Haynes and Boone LLP), David Wasserman (Sumitomo Mitsui Banking Corporation), Kenneth Chiu (Gaw Capital Partners) and Jan Sysel (Fried, Frank, Harris, Shriver & Jacobson LLP), *Roundtable hosted by Private Equity Real Estate*, June 22, 2017; "The Subscription Line is Fine," Ellen Gibson McGinnis and Timothy E. Powers (Haynes

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and Boone LLP), May 8, 2017; "Subscription Credit Facilities: Misperceptions Remain Aplenty," Michael Mascia (Cadwalader, Wickersham & Taft LLP), December 7, 2017; "Lines in the Sand," Howard Marks (Oaktree Capital), April 18, 2017; "ILPA's Mistake – Credit Line Guidance," Matt Lowe (Langham Hall), July 31, 2017; "Subline Facilities: End of the Road?," Julia Keppe (PwC), November 15, 2017; "Private Equity's Dirty Finance Secret," *Financial Times*, Chris Flood, July 27, 2017; "Buyout Firms Are Magically -- and Legally -- Pumping Up Returns," *Bloomberg*, David Carey, April 13, 2017; and "The Dividing Lines of Fund Finance," *Private Equity International*, November 23, 2017.

5. "Lines of Credit and Their Impact on IRR", Cobalt for General Partners, 2017.
6. For further reading on investor letters, please see in this volume, "One size does not fit all: Subscription facilities as a global financing tool for investment funds of various types", Jan Sysel, Jons F. Lehmann & Sabreena Khalid.
7. A foreign element includes the place of business or incorporation of the account holder, the intermediary, the parties or the issuer of the underlying securities, and does not depend on whether or not such foreign element is related to the dispute on hand or is considered material by the chosen forum.
8. Convention art. 1(1)(e); Convention art. 4(1).
9. Presentation from the Business Law Section of the American Bar Association; March 15, 2017; "The Hague Securities Convention Becomes Effective," April 1, 2017; "What You Need to Know Now," p. 21.

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