IRELAND
FOR LAW

Capital Markets and Corporate Bonds Issuance

The Irish legal system as a common law jurisdiction is recognised as an attractive choice for international capital market and structured finance transactions. There are broad similarities between Irish law and English law in the application and interpretation of contract law, legal principles relating to finance and the taking of security, the recognition of trusts together with laws relating to the assignment of rights, debts and claims, and deed polls. This means that amendments to existing transactions or structures currently governed by English law would be minimised if those transactions or structures were to migrate to Irish law. The Irish courts also promote and uphold the concept of freedom of contract in a commercial context with an emphasis on giving effect to contractual bargains and literal interpretation of express terms. This gives certainty to parties with respect to the interpretation of their contracts and enforcement of their rights.

Why choose Ireland for Capital Markets & Corporate Bonds Issuance?

The advantages of Irish law and the Irish legal system include:

- Common Law legal system: The use of the doctrine of precedent and the extensive body of case law gives parties predictability and certainty when entering transactions. The common law system is also seen as being flexible and adaptable for example in supporting the freedom to contract and innovate. Further, common law (unlike civil law) recognises the use of trusts which are a fundamental building block of the legal structure in debt capital markets, securitisation and structured finance transactions in Europe due to the advantages of having a trustee.

- Mutual recognition: The EU principle of mutual recognition of jurisdiction clauses and the enforcement of judgments creates certainty and predictability which can reduce costs and delays if a dispute were to arise.

- EU law: Recent trends in EU legislation suggest a potential preference for the use of the laws and courts of an EU member state in future financial regulation.

- Collateral eligibility: As an EU member state, having Irish law as the governing law of certain transaction documents for asset-backed securities allows them to be eligible for use as collateral for the purposes of certain Eurosystem monetary policy initiatives (where having the laws of a non-EU member state might make them ineligible).

- Workforce: Ireland as an English speaking country is highly accessible to English speaking clients, lawyers and other professionals who are accustomed to working in English. In addition, Ireland is renowned for its highly educated and sophisticated financial and professional services sector.

Capital How will Brexit impact on Capital Markets & Corporate Bonds Issuance

The UK's exit from the EU is still unresolved and uncertain; however Brexit may render the choice of English law as governing law and English courts as a venue for resolving commercial disputes for debt capital markets, securitisation and structured finance transactions less attractive. Brexit will result in Ireland being the principal English speaking and common law jurisdiction in the Europe Union. As well as the direct impact on the use of Irish law and the Irish courts as outlined above, Brexit will also impact on other matters relevant to the capital markets including (i) the ability of UK-authorised firms to carry on regulated activities in other EU jurisdictions without needing local authorisation; (ii) the ability to offer and list securities on the basis of a single prospectus across multiple jurisdictions; and (iii) separate capital markets law regimes, including for market abuse, transparency, prospectus law, securitisations and so on, being applied in the UK.