Douglas M. Rutherford

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PRACTICE AREAS

Corporate & Business

COURT MEMBERSHIPS

- Colorado
- District of Columbia
- Illinois
- Minnesota
- U.S. District Court of the Northern District of Illinois
- Not admitted in Missouri

EDUCATION

New York University, J.D., 1983

Carleton College, B.A., *magna cum laude, Phi Beta Kappa*

Doug Rutherford is a part-time of counsel attorney with Lathrop GPM who also is a partner of Rutherford & Bechtold LLC, Minneapolis, Minnesota. He serves firm clients on matters designated by mutual agreement of the two firms, with the consent of each affected client.

Doug Rutherford founded Rutherford & Bechtold LLP along with Teresa Bechtold in December, 2009. He is engaged in complex lending, structured finance/securitization, derivatives and other areas of practice relating to the treasury function. Doug has over 25 years of structured finance experience, representing commercial and investment banks, borrowers, mutual funds, hedge funds, pension trust advisors, finance and leasing companies, insurance companies and issuers. Before founding R&B, he co-managed the structured finance and derivatives practices at Morgan, Lewis & Bockius LLP and, before that, at Faegre & Benson LLP. Prior to joining Faegre, he served as head of Mayer Brown's London-based European securitization team and had previously practiced in that firm's Chicago, Washington and Tokyo offices.
Some of his engagements of recent years have included:

- More than $25 billion of bank financings representing agents, syndicate members and borrowers
- On behalf of an issuer, a $200 million medium-term note offering with AAA(sf) and A/A3(sf) rated tranches.
- On behalf of an issuer, more than $200 million of new variable funding notes relating to an existing master trust structure.
- On behalf of an issuer, a $150 million, money-market eligible AAA offering of extendible asset-backed securities.

- On behalf of two different offshore lenders, a $50 million bridge loan and letter of credit facility and a subsequent $730 million project finance facility to develop a mine and related iron ore pellet and steel plant.
- On behalf of an issuer, a $100 million increase to its existing CP conduit facilities.
- On behalf of hedge funds interested in pursuing remedies for MBS investments through active collateral management strategies, negotiated re-REMIC structures to manage approximately $224 million in partially performing MBS.
- On behalf of a portable-alpha fund, a new ISDA Master Agreement and related documentation for a $100 million notional amount total return swap related to an equity index. The collateral was the fund's limited partnership interests in an underlying "master" fund-of-funds.
- On behalf of a different portable-alpha fund advised by the same manager, a new ISDA Master Agreement and related documentation for an $75 million notional amount total return swap related to a proprietary fixed-income index. The collateral was the fund's membership interests in an underlying registered investment company.
- On a commercial bank's behalf, a large letter of credit financing program related to the export sales of one of America's largest food companies. We negotiated with the customer's agent bank and its counsel to comply with and release collateral from the customer's $1 billion syndicated credit agreement.
- Represent investment managers, pension trusts, mutual funds, and insurance companies in diverse derivatives transactions. In connection with those clients we have been negotiating ISDA Master Agreements, related amendments, trades, and collateral arrangements with most major swap dealers. We have advised on equity and fixed-income derivatives trades aggregating several hundred million USD in notional principal amount since our inception.
- On a commercial bank's behalf, a $38 million standby letter of credit facility for one of America's largest toy manufacturers.
- On a commercial bank's behalf, negotiated and documented replacement collateral for a large, outstanding letter of credit when our client decided to leave the customer's bank syndicate.

- On a commercial bank's behalf, negotiated and re-documented several credit facilities for Chicago-based customers of a failed bank acquired from the FDIC.
- On behalf of an issuer, analyzed and advised on the impact of the SEC's new regulations on rating agency competition and the resulting requirement for issuers to share rating information with competing rating agencies under certain circumstances.
- On behalf of an issuer, advised on the impact of SEC proposed regulations relating to Rule 144A and Regulation AB, among other regulations, and prepared three comment letters to the SEC that have been submitted by the client.
- On behalf of an issuer, a bridge financing of a $1.4 billion loan portfolio acquisition using two newly-documented, S&P AAA-rated variable funding note series aggregating $1.2 billion and two newly-documented subordinate series aggregating $30 million.
- Permanent financing of the acquisition described above, using term TALF-eligible offerings of $1.217 billion split between two AAA-rated senior and two A-rated subordinate tranches.
- On behalf of a large commercial bank, a program for the bank to purchase bonds directly from large consortia of municipal issuers in lieu of traditional letter of credit enhancement of those bonds
- On behalf of the issuer, a $550 million securitization under the Federal Reserve's Term Asset-Backed Loan Funding (TALF) program, together with a concurrent issuance of $25 million of subordinated medium-term notes
- Extensive workout/refinancing/restructuring advice to a nationally prominent family of finance companies
- Ongoing equity, fixed-income and credit derivative programs for numerous pension trusts, mutual funds, hedge funds, insurance companies, and other large institutional investors
- Workout and termination of numerous Lehman and AIG-related swap positions for various clients
- $750 million securitization of insurance premium finance loans in multiple tranches of short-term notes bought by commercial paper conduits and finance companies
- On behalf of the sellers, residential mortgage-related repurchase agreements involving more than $12 billion
- On behalf of a major oil company, a $350 million trade receivables securitization

- On behalf of the issuer, a $10 billion conduit and bank financing facility involving directly held residential mortgages and loans to mortgage lenders
- On behalf of the borrower, a $1.5 billion loan facility secured by the borrower's Fannie Mae servicing rights
- On behalf of the borrower, an $800 million loan facility secured by the borrower's Freddie Mac servicing rights
- On behalf of a hedge fund, a program for trading related to the CMBX index and for trading large-block credit default swaps on MBS
- On behalf of an insurance company, a credit default swap program with multiple counterparties
- On behalf of distressed asset and bank loan funds, total return swap programs designed to achieve synthetic exposure to large, bespoke baskets of underlying loans and securities
- On behalf of a CDO collateral manager, workout advice and analysis relating to a troubled CDO with more than $1 billion of securities outstanding
- On behalf of the purchaser, a $150 million purchase of dealer floorplan receivables out of an existing (and ongoing) securitization
- On behalf of a credit card receivables originator, a sale of substantially all of its portfolio to a bank
- On behalf of the issuer, a $1 billion securitization of construction loans
- On behalf of a large commercial bank, revised foreign exchange trading documentation
- On behalf of the agent and swingline lender, a $500 million combined bank loan and municipal bond financing for a prominent beef packing concern
- On behalf of portable-alpha funds, facilities to gain synthetic exposure to various market segments through derivatives secured by underlying hedge fund interests
- On behalf of the financing source, a $9 billion short-term loan financing program
- On behalf of the agent and arranger, a $76 million secured, cross-border acquisition facility
- On behalf of one of the agents, several successful rounds of refinancing involving both secured loans to the parent and various securitization tranches for a prominent sub-prime credit card

issuer, involving several hundred million dollars

- On behalf of portable-alpha funds, secured bank facilities to provide liquidity for margin calls
- On behalf of the issuer, a $400 million securitization of timeshare receivables
- On behalf of end-users, several credit derivatives embedded into securitization and repurchase agreement structures
- On behalf of the agent, three successful rounds of workout financing for a publicly-traded agricultural input finance company in the midst of a total amortization of a longstanding commercial loan securitization. All syndicate members were paid out in full and, ultimately, the lead lender acquired the borrower
- On behalf of the issuer, two separate multi-conduit financing transactions for mortgages and for warehouse loans to third-party mortgage lenders, totaling $8 billion
- On behalf of the agent, successful multi-year workouts of troubled LBO transactions with a common equity sponsor involving financing in excess of $150 million
- On behalf of issuers, several securitizations of insurance premium finance loans involving over $1 billion of commercial paper and medium-term notes
- On behalf of end users, numerous interest rate and currency derivatives
- On behalf of the agent, a $60 million automobile lease financing facility utilizing a titling trust
- On behalf of a life insurance company separate account, a $500 million commercial paper conduit-funded GIC transaction
- On behalf of the borrower, a $65 million loan to the real estate separate account of a life insurance company
- On behalf of a mutual fund distributor and its bank holding company parent, three facilities to securitize 12b-1 fees and contingent deferred sales charges
- On behalf of the agent, a $65 million facility for the purchase of insured export receivables generated by a minerals consortium
- On behalf of the arranger, a $30 million securitization of automobile warranty premium loans
- On behalf of the arranger, a $15 million facility to discount time drafts arising out of a letter of credit relating to an industrial project in the Middle East

- On behalf of the arranger, a $230 million grain inventory securitization
- On behalf of a life insurance company, an approximately $200 million securitization of appreciated equity securities
- On behalf of a major hospital system, a $150 million issuance of floating rate notes with a 30-year, multiple-rate interest rate swap
- On behalf of the agent for the senior lenders, a $150 million project financing of an ethanol and wheat gluten plant
- On behalf of the agent, a $123 million bank-funded securitization of agricultural input and equipment loans
- On behalf of an international car rental concern, the issuance of $1.075 billion of variable funding notes and the restructuring of a related rental car fleet lease-backed commercial paper program
- On behalf of the arranger and liquidity provider, a $135 million securitization of agricultural loan receivables
- On behalf of a life insurance company, a structured divestiture of a greater than $100 million equity position in a former subsidiary
- On behalf of a European bank, a securitization of substantially all of the bank's US corporate loans
- On behalf of the originator, a Canadian $35 million trade receivables securitization
- On behalf of a U.S. retailer, several hundred million dollars of variable funding certificates backed by private label credit card receivables
- On behalf of an individual entrepreneur, a $50 million acquisition financing facility secured by margin stock

Doug has advised on securitizations involving commercial and agricultural loans (in the US), grain inventories (in the US), securities (in the US and Europe), trade receivables (in the US, Canada, the UK, Germany, France, the Netherlands, Switzerland, Belgium, Spain, Portugal and Australia), retail auto loan receivables, both prime (in the US, the UK and Japan) and non-prime (in the US), aircraft leases (with worldwide lessees), commercial property leases (in the UK) and mortgages (in the US), insurance premium finance loans (in the U.S.), personal loans and mortgages, including home equity loans (in the US and in France), private-label and conventional credit card receivables (in the US and in Switzerland), dealer floor planning loans (in the US,

Canada, and Germany), equipment leases (in the US), commodity contracts (with worldwide obligors) and rental car fleet leases (in the US and in Europe).

Presentations

- "Financial Meltdown Update: New Adventures in Counterparty Risk", "Representing Trustees in Connection with Troubled Mortgage Loans: Nuisance Law Meets Trust Law", and "Panel Discussion: Ethical Mortgage Lending Practices" — Lorman Conference on Complying with Federal and State Mortgage Lending Laws and Other Developments in the Mortgage Market (Minneapolis) (2009)
- "Financial Meltdown Update: New Adventures in Counterparty Risk" — CFA Society of Minnesota (Minneapolis) (2008)
- "The Future of the Sub-Prime Lending Crisis" — North American South Asian Bar Association Annual Convention (Chicago) (2008)
- Faculty Member, Civil Air Patrol National Legal Officers' College (Boston) (2007)
- "2005/2006 Derivatives Update" 26th Annual "Super CLE Week," University of Minnesota (Minneapolis) (2006)
- Director, Civil Air Patrol National Legal Officers' College (San Francisco) (2005)
- Project Officer and Faculty Member, Civil Air Patrol National Legal Officers' College (Minneapolis) (2003)
- "Impact of New UCC Article 9" and "Increasing Importance of Credit Derivatives" — Sixth Annual Securitization and Structured Finance Institute (Minneapolis) (2000)
- "New Uses of Securitization: M&A, Project Finance and Inventory Finance" — International Bar Association Business Law Section Annual Meeting (Barcelona) (1999)
- "Current Developments in Ag Sector Securitization" and "Overview of Revised UCC Article 9's Impact on Securitization" — Fifth Annual Securitization and Structured Finance Institute (Minneapolis) (1999)
- "Securitization and Structured Finance Basics" and "Accounting Changes and New Structures" — Fourth Annual Securitization and Structured Finance Institute (Minneapolis) (1998)
- "Cross-Border Transactions: How to Capture the Value in Foreign Subsidiaries (and Foreign Investors)" —

Third Annual Securitization and Structured Finance Institute (Minneapolis) (1997)

- "Securitization and Belgian Coordination Centres" and "Term Securitization of International Assets Using U.S. Master Trusts" Structuring Access to the Capital and Money Markets via Securitization (Paris) (1995)
- "Transforming a Bank into a Securitization Conduit: The European Legal Dimension" — The Architecture of Capital and Money Market Transactions (Paris) (1994)

Publications

- Chapter 6, "Uniform Commercial Code," in "Securitization of Financial Assets" (updated regularly), Aspen Law and Business

Professional Affiliations

- University of Minnesota Law School, Annual Structured Finance Class, Instructor

Community Involvement

- Civil Air Patrol (U.S. Air Force Auxiliary), Lieutenant Colonel and Assistant National Legal Officer

Honors

- Selected for Legal 500 US under Finance/Structured Finance/ Derivatives and Structured Products, 2008-2009