

## PwC and HSBC will advise NAMA a loans

Dail vote on new agency is now expected in September

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By Joe Brennan  
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BANKING giant [HSBC](#) and consultant [PricewaterhouseCoopers](#) have landed two lucrative roles advising the [National Asset Management Agency \(NAMA\)](#) as the Government races to get legislation in place to set up the 'bad bank'.

NAMA will be set up to take over up to €90bn of risky property loans from the country's banks in a bid to free up lenders to provide credit.

### Advanced

The NAMA steering committee is at an advanced stage of preparing legislation which will give rise to the agency, and is expected to have an outline of proposals -- or Heads of Bill -- ready for the Cabinet by Tuesday week.

The committee comprises the [National Treasury Management Agency](#), under whose auspices NAMA is being set up, the [Department of Finance](#) and the Attorney General's office.

NAMA's interim managing director [Brendan McDonagh](#) and [Kevin Cardiff](#), second secretary in the financial services division of the Department, are heavily involved in drafting the proposals. The [Attorney General Paul Gallagher](#) is getting daily updates on progress.

It is envisaged that legislation will be published in the second half of July and the Dail will be called back from its long recess in early September to vote on the ambitious plan.

The HSBC team, led by [Mark Stadler](#), global head of its financial institutions group, will get down to work on Monday providing banking and financial advice to the agency.

## PRESS CUTTING

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The five other candidates on the shortlist included: AgFe, a [London](#)-based firm specialising in structured finance; [Alvarez & Marsal](#), a [US](#) specialist in financial restructuring; [US](#) corporate advisor [FTI Consulting](#); the [UK](#) arm of consultants Deloitte; and Crown Westfalen, a German bank which is an expert in restructuring large property portfolios.

The job went out to tender in the middle of last month, and yielded 600 initial expressions of interest. However, only 72 parties managed to put together a pitch within the tight, 13-day tender period.

### **Tax advice**

The NTMA has also appointed PricewaterhouseCoopers to provide tax advice to NAMA.

It is also looking for external legal advisors and expects to make an appointment by next Wednesday.

As reported in the [Irish Independent](#) last week, some of [Ireland's](#) biggest foreign-owned banks have indicated a willingness to work closely with NAMA on some projects to which both are exposed.

This lowers the risk of either NAMA or the major foreign player moving on struggling developers in a way that would negatively affect the other. "A coherent approach is seen as the best way of delivering the best outcome for both sides," according to a senior banking executive.

The Department of Finance confirmed yesterday that NAMA had no intention of buying loans from the foreign-owned banks with major property portfolios, including [Ulster Bank](#), [Halifax-Bank of Scotland](#) (Ireland), and [National Irish Bank](#).

High-ranking [UK Treasury](#) officials have been in contact with their Irish counterparts about how NAMA will proceed.

UK Financial Services Secretary [Paul Myners](#) met with [Finance Minister Brian Lenihan](#) and NTMA officials to discuss areas of common interest in the project. The UK government owns 70pc of Ulster Bank's parent, [Royal Bank of Scotland](#), and 43pc of Lloyds, parent of Halifax-BoSI.

- Joe Brennan