

Condor

IBORSolve Solution

In response to the ever-increasing financial regulatory and non-regulatory requirements imposed on market participants and corporates, the Condor Alternative Legal Solutions platform was established by Fieldfisher LLP in January 2017 as the first hybrid model of its kind, combining a traditional law firm with the efficiencies and enhanced services of a managed legal services provider.

Condor is a unique alternative legal solutions platform that offers clients a flexible and customisable range of price-efficient legal services. Going well beyond the scope of a traditional law firm offering, Condor partners with best-in-class organisations for the delivery of near-shore legal services, offshore process expertise, access to cutting edge legal technology and quantitative analytics expertise. Fieldfisher legal advice is a critical component of our solutions too, providing oversight and quality-assurance on all engagements meaning that we deliver tightly managed projects to the highest quality, on time and at an attractive pricing point.

Key Benefits

- Solutions are tailor-made for each client and we understand that no two projects are the same
- Clients sign a single contract, but have access to a wide array of service offerings
- Project management is handled by Condor, so clients can maintain focus on their daily responsibilities
- Fixed, unit-cost pricing structures ensure that clients know the cost of the engagement up front, removing the risk of traditional time and materials basis
- Quality assurance and oversight from experienced, respected professionals on all

Interbank Offer Rates ("IBORS") have been under the spotlight since the LIBOR rigging scandal and, following both the Wheatley review in 2012 and the Financial Stability Boards report on reforming major interest rate benchmarks in 2014, Andrew Bailey, Chief Executive of the Financial Conduct Authority (FCA), stated in July 2017 that the FCA would no longer encourage or compel banks to make LIBOR submissions after 2021. The clock is ticking...

Work continues at all levels to reform the major interbank offer rates such as the London Interbank Offer Rate ("LIBOR"), the Euro Interbank Offer Rate ("EURIBOR") and other rates such as the Tokyo Interbank Offer Rate ("TIBOR") amongst others. Regulators world-wide have already begun reaching out to market participants asking how they are managing the risk associated with the expected transition, the starting point to that being a clear understanding of what impacted instruments those firms currently have on their books, and their plans to stop issuing new financial instruments maturing after the transition date and that reference IBORs. The impacted product types include OTC derivative contracts, Bonds, Asset-Backed Securities and Loans, and given the prevalence of these products in today's markets, this is no small task.

Solution

Step 1– Document Digitisation

- ◇ Designing data models for each applicable document type to ensure that all relevant data is captured, including not just IBOR definitions (and fall-backs if they exist) but also currencies, calculation amounts, reset dates, calculation periods, day counts and maturities which are needed to establish the economic impact
- ◇ Utilise automatic extraction technology with a manual quality control function is used to populate the data models with digitised documents or provisions.

Step 2– Data extraction and reconciliation

- ◇ The extracted data is reviewed and scrubbed for quality
- ◇ Data can then be reconciled against the firm's systems and records, identifying both contractual and operational areas for remediation

Step 3– Data analytics

- ◇ Design customised, dynamic analytics that visualise and aggregate net economic outputs across products and markets on a continuous basis from now until after the transition date
- ◇ Deliver dashboards for c-suite and desk heads, as well as facilitating regulatory reporting

Step 4– Document remediation strategy

- ◇ Working with you to agree the relevant replacement RFRs to be included in each in-scope document where no protocol fixes are available or can be implemented with counterparties
- ◇ Agreeing the procedures for amending all in-scope documentation bilaterally or using available technology based solutions
- ◇ Preparing template amendment documentation, bond/noteholder resolutions, etc.

Step 5– Document remediation implementation

- ◇ Using automated contract generation tools to generate necessary amendment documentation
- ◇ Using email outreach technology to allow for industrial scale outreach and response monitoring
- ◇ Using state-of-the-art metrics and dashboard reporting to allow project teams to analyse and eliminate bottlenecks and ensure timely delivery
- ◇ Fully managed negotiation and escalation process

Contacts

If you would like to know more about our services and solutions, please get in touch with us now.



Stephen Ingle
 Head of Condor
 Fieldfisher LLP
 +44 (0)20 7861 4958
 stephen.ingle@fieldfisher.com



Guy Usher
 Partner and Head of Derivatives
 & Structured Finance,
 Fieldfisher LLP
 +44 (0)20 7861 4209
 guy.usher@fieldfisher.com