

LIBOR Transition and Document Remediation Services

The clock is ticking on the LIBOR sunset. Have you reviewed your loan portfolios? Do you know where your risks are? Chapman can help. Using our team of finance lawyers and technology tools, we can help assess and implement documentation solutions for your LIBOR transition.

HOW WE CAN HELP

Combining financial transaction and technological experience, Chapman offers a pragmatic and cost-effective approach to LIBOR due diligence and transition.

Chapman's financial services clients span banking, capital markets, insurance, and asset management. With industry-leading practices in commercial lending, insurance company private placements, lease finance, public finance, bank direct placements, registered investment companies, and structured finance and securitization, our finance and derivatives teams are advising clients on new floating rate instruments and outstanding LIBOR-based financings and other contracts.

Our firm is also on the leading edge of legal services innovation. Chapman's Practice Innovations team designs and develops platforms for automating contract drafting and analysis, builds custom client-facing dashboards and applications, and connects systems as needed to deliver solutions for transaction management and client collaboration.

LIBOR PROJECT HIGHLIGHTS

- Assisting a UK-based global bank in conducting due diligence in connection with the bank's LIBOR transition project. We assisted in preparing and completing due diligence questionnaires for various lending facilities, derivatives and ISDA-based documents, and other financing products (trade finance, receivable purchase, supply chain finance).
- Representing a US commercial bank in connection with diligencing, summarizing, drafting, and negotiating LIBOR replacement language on a \$3.2 billion portfolio of preferred stock investments across transactions referencing LIBOR.
- Representing another US commercial bank in connection with diligencing and summarizing LIBOR language and amendment mechanics on a \$533 million portfolio of preferred stock investments across transactions referencing LIBOR.
- Working with captive finance subsidiaries and other small dollar commercial lenders, Chapman developed a short, simplified form of amendment that includes basic triggers for transition along with lender authorization to unilaterally implement a replacement benchmark and related adjustments once tripped.
- Working with an investment fund active in the middle market commercial lending space, Chapman created a review template for both the portfolio of loan assets and funding arrangements. We also assisted in the creation of a form of amendment for loan assets that implements hardwired transition triggers and related authorizations paired with a form of unilateral notice for use when implementing the replacement rate and adjustments. This structure allows the option to delay selecting the preferred benchmark alternative until later in 2021.

BUDGET IN MIND

Chapman's LIBOR remediation services are designed with budget in mind. We offer fixed fee or per-document pricing for projects with a specific scope of work and document volume outlined.

TOOLS WE USE

Chapman attorneys collaborate with our Practice Innovations team to design and deploy tech-enabled workflows to automate and/or expedite manual tasks and eliminate inefficiencies associated with the LIBOR transition process. Tools we use include:

AI-Powered Contract Analysis

Chapman has significant experience using artificial intelligence systems to automate the identification and extraction of contractual provisions and deal data. Leveraging these systems to automatically identify LIBOR-related provisions and other relevant terms (e.g., parties, maturity dates, notice provisions, etc.) in the underlying documents can significantly accelerate the contract analysis process.



Document Assembly Technology

Chapman is a recognized market leader in document assembly technology. We have coded hundreds of document templates and have engineered sophisticated document assembly systems that automate the drafting of over 50,000 documents annually. For transactions requiring amendments or notices, we can create custom-coded document templates to automate and standardize the drafting process.



Proprietary Contract Review Platform

Chapman has developed a custom platform of integrated technologies (including artificial intelligence, workflow automation, and data analytics) to enable fast, accurate, and consistent contract reviews and negotiations. The platform was named as a finalist for Innovative Project of the Year at the 2018 International Legal Technology Association awards. Chapman uses the platform to review and negotiate thousands of contracts for multiple financial institutions annually. We leverage this platform to streamline and manage project assignment, enhance and standardize review of documents with embedded guidance and instructions, and capture insights.



Secure Client Portal with Custom Dashboards

Chapman provides access to our secure ChapmanCollaborate extranet portal. For LIBOR projects, we create a customized site for delivery and organization of files, ongoing project management, and information sharing. Insightful analytics dashboards are also custom built to give real-time updates on project status and key metrics.



CONTACT US

We welcome an opportunity to be of assistance. Please reach out to your primary Chapman attorney or:

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