

DATASHEET

A Seal-Software Insight Accelerator

Actionable Insights. Incredible Savings.

SEAL'S INSIGHT ACCELERATORS:

- Pre-built collections of richly detailed analytic policies.
- Designed to address specific subject matter in a variety of frequent business use cases.
- Easily deployed on the Seal platform.
- Provide detailed insight into business, compliance, legal and regulatory challenges
- Generate actionable information for critical topics to accelerate contract analysis, review and remediation efforts.

REPRESENTATIVE TOPICS INCLUDE:

- Presence of LIBOR /IBOR-based rate
- Identification of each LIBOR/ IBOR-based rate
- Currency
- Governing Law
- Commitment Amount
- Expiration Date
- Identification of LIBOR Successor Language
- Change in Law
- Amendment Approval Process

LIBOR Insight™

RESOLUTION PREPAREDNESS

1. The Challenge

LIBOR is the most commonly used interest rate benchmark in global financial relationships, from credit agreements, to derivatives, to mortgages. LIBOR is currently published in five currencies: US Dollars, Euros, Pound Sterling, Swiss Francs and Japanese Yen. The Financial Conduct Authority (FCA) in the UK announced plans to retire LIBOR by 2021 because of LIBOR's structural weakness, much of which was exposed in the 2008 financial crisis. This issue is larger than just LIBOR. All of the IBORS (collectively, Interbank Offered Rates, which include, among others, EUIBOR (Euro Interbank Offered Rate), SIBOR (Singapore Interbank Offered Rate) and CH LIBOR (Switzerland Interbank Offered Rate)) will be replaced with alternate reference rates.

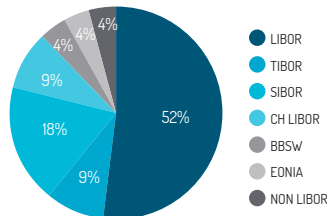
The LIBOR/IBOR phaseout is set to begin in 2019. LIBOR's retirement has the potential to impact over US\$ 350 trillion of contracts and will require all LIBOR financing transactions (estimated at over 100 million documents) to be examined and most likely repapered. Financial services institutions face the daunting task of assessing every aspect of their business that has a link to any LIBOR benchmark. The LIBOR remediation process will begin with the determination of which agreements are LIBOR-based, when those agreements expire, what interest rate adjustment options, if any, are available and, if the affected agreement must be amended, what approvals are required. Several factors will pose significant challenges to identifying impacted contracts, including lack of clear line of sight into multiple divisions within organizations, time and expense.

2. The Solution

LIBOR Insight™ is Seal's solution that will allow institutions to triage their critical financial transactions and identify those legal documents that present risk or require remediation based on the presence of LIBOR-related terms. LIBOR Insight will streamline the initial review process and allow for more focused time on the other remediation tasks. Combining Seal's powerful AI capabilities with its proven models for the analysis of LIBOR-related issues, LIBOR Insight delivers an unprecedented level of insight and automation into virtually every common form of LIBOR-based contract.

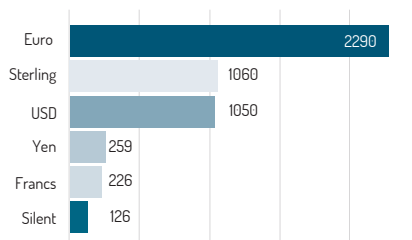
Does the agreement use LIBOR (or any other IBOR) as benchmark interest rate?

Interest Rate Benchmark
(Non all-inclusive / representative sample)



What currencies are addressed in the agreement?

Implicated Currencies



Looking for more insight?

Seal Insight Accelerators are designed and built by legal AI-literate industry experts to address the specific requirements for individual industry and regulatory requirements.

Seal Insight Accelerators are available for a range of common use cases, including the following:

- Brexit
- GDPR - Data Privacy and Security
- M&A
- NDA
- Procurement
- Qualified Financial Contracts

Custom accelerators are available through Seal Professional Services.

3. Topics Addressed

LIBOR Insight identifies and extracts key LIBOR-related topics from a wide range of financial transactions, including commercial credit agreements, derivatives and trading instruments, mortgages and bonds.

Seal also has the ability to recognize the use or variance of standard contracting language. This capability not only expedites the triage process, but also feeds directly into and can automate the decision-making process for the generation of replacement documents. Beyond the “triage” topics, Seal can deliver additional critical insight with respect to the contents of financial contracts. Representative topics include the identification of lender approval, veto and super-voting rights. As such, Seal is able to pair LIBOR Insight with other strategies to provide a tailor-made solution based on your institution’s needs and unique LIBOR remediation review.

4. Insights & Answers

The topics included in LIBOR Insight are specifically designed to support your risk management and remediation decision-making process for your critical financial transactions. Identifying whether the agreement contemplates a LIBOR successor rate will allow management to quickly determine whether existing rate adjustment provisions provide sufficient guidance for determining a replacement rate or whether the contract must undergo an amendment or repapering process. Identifying the applicable IBOR benchmark rate will indicate the likely replacement reference rate and allow management to begin assessment of the financial impact of the rate change. The identification of contract expiration dates will allow management to quickly segregate those contracts that expire prior to LIBOR phaseout and prioritize efforts for those contracts with later expiration dates.

5. Components

- **Comprehensive Analytics Set** – easy to install on the Seal platform, tested in most strenuous environments against tens of thousands of contracts
- **Rule Book** – a user guide to know what to expect from each analytic
- **Playbook** – recommended view with analytics and corresponding answer fields with pick list of answers
- **Topical Updates** – analytic updates to correspond to evolving business and regulatory requirements

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