Saying Goodbye to LIBOR: What your firm needs to know about potential risks and solutions

And how dTrax – Deloitte’s artificial intelligence (AI)-enabled contract lifecycle management platform – can help address those risks and facilitate a smooth transition

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Saying Goodbye to LIBOR: What your firm needs to know

The transition away from LIBOR will require thoughtful preparation, so now is the time for action. Organizations that invest in productivity improvements today will be far better prepared for the repapering to come. Those that don’t may find themselves overwhelmed by the transition.

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2. https://www.sifma.org/resources/research/sofr-primer/

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Though the transition should help alleviate the inadequacies of LIBOR, it also presents potential risks, including:

- Establishing governance to manage the transition
- Identifying and managing exposure
- Developing a new product strategy
- Assessing effects across functional areas, including risk, finance, accounting, and tax
- Assessing effects on operations and technology
- Developing a client communications strategy
- Assessing effects on contracts supporting products and positions:

In a time of so much change, many organizations may not have the resources to understand, arrange, negotiate, and manage contract portfolios manually.

Deloitte dTrax, our proprietary, modular, AI-enabled contract lifecycle management platform, can help. dTrax is designed to smooth and simplify the transition away from LIBOR through improved contracting efficiency, visibility, and compliance, enabled by advanced analytics.

By consolidating repapering activities within a single platform like dTrax, organizations can be better positioned to:

- Reduce risk
- Navigate the changes faster
- Lessen the demands on in-house counsel
- Unlock additional value
- Conformed to the needs of each organization, dTrax uses deep machine learning and advanced analytics to provide near real-time reporting and track repapering processes.

When it comes to repapering, Deloitte can help organizations with:

- Identifying the locations, status, and quality of in-scope agreements and begin aggregating for segmentation
- Configuring dTrax in alignment with deliverables created in earlier phases (e.g., scoping file, workflow diagrams, and standardization)
- Implementing a customized signature process and other activities to drive governance requirements, reporting needs, and resource management
- Designing a new contract lifecycle management platform, Deloitte dTrax
- Technology

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