

Thomson Reuters, Clifford Chance Deliver OTC Derivatives Documentation Solutions

Thomson Reuters and Clifford Chance have joined forces to help global financial institutions deal in a more cost-effective manner with regulatory obligations relating to margin rules for uncleared over-the-counter (OTC) derivatives, Thomson Reuters announced.

“Using an innovative approach to contract negotiation and documentation, the partnership offers a flexible, rapidly scalable, technology-enabled solution that will empower these financial institutions to meet their current multi-jurisdictional regulatory obligations and as they continue to evolve in the future,” the company says in a release.

The release continues:

Pressure on both buy-side and sell-side financial institutions is growing as new regulatory deadlines relating to margin for uncleared OTC derivatives loom large and the volume and complexity of contract work needed to meet compliance obligations increases. In addition, the internal challenge within all financial institutions to find further cost-efficient ways to operate has caused many to look again at their own internal processes, specifically their existing documentation and negotiation processes.

The collaboration between Thomson Reuters, one of the world’s most innovative providers of intelligent information and solutions, with Clifford Chance, one of the world’s pre-eminent international law firms, offers deep legal acumen and financial industry experience powered by highly

efficient processes and advanced technology. Thomson Reuters is applying its proprietary contract automation software, Contract Express, and abstraction technology built specifically for OTC documentation. This Thomson Reuters technology platform enables its teams to rapidly generate compliant and consistent documentation to clients' specifications, easily extract key terms from existing documentation and enable advanced analytics of the clients' agreements, which ultimately results in cost and time savings.

"By working with Thomson Reuters we can combine our deep understanding of the difficult challenges financial institutions face with a powerful, scalable delivery platform to offer clients the best of both worlds," said Paul Landless of Clifford Chance Singapore. "The fact that we can fully support from Clifford Chance teams across New York, London, Europe and Asia Pacific to work with Thomson Reuters places us perfectly to tackle both the local regulatory issues and the complex, international challenges our clients face."

David Felsenthal of Clifford Chance New York said, "At Clifford Chance we are always exploring new ways of working to ensure we deliver our legal expertise in the best possible way for our clients across the globe, considering everything from deploying artificial intelligence to working with carefully chosen partners. This is particularly relevant for the complicated, multi-jurisdictional regulatory and documentation remediation challenges now facing the financial services sector."

"Thomson Reuters supports financial institutions with their ongoing master documentation needs by leveraging a global team comprised of OTC derivatives documentation lawyers and professionals with direct experience working in major financial institutions," said Gregory McPolin, chief operating officer of Thomson Reuters Legal Managed Services.

“Plus we have developed an industry-leading approach to tackling the time sensitive documentation needs driven by new and changing regulations for financial institutions and other heavily regulated industries.”

Maria Garcia, head of Financial Documentation Services for Thomson Reuters Legal Managed Services explained that “combining those knowledgeable resources with advanced technology, such as Contract Express, uniform processes and efficient project management allows us to handle high volumes of work in tight timeframes. As a result, our clients have found their negotiations are propelled forward faster and at a lower cost. We believe this technology-enabled service model coupled with the derivatives-related legal knowledge and counsel from Clifford Chance presents a powerful and exciting proposition to the financial services industry.”