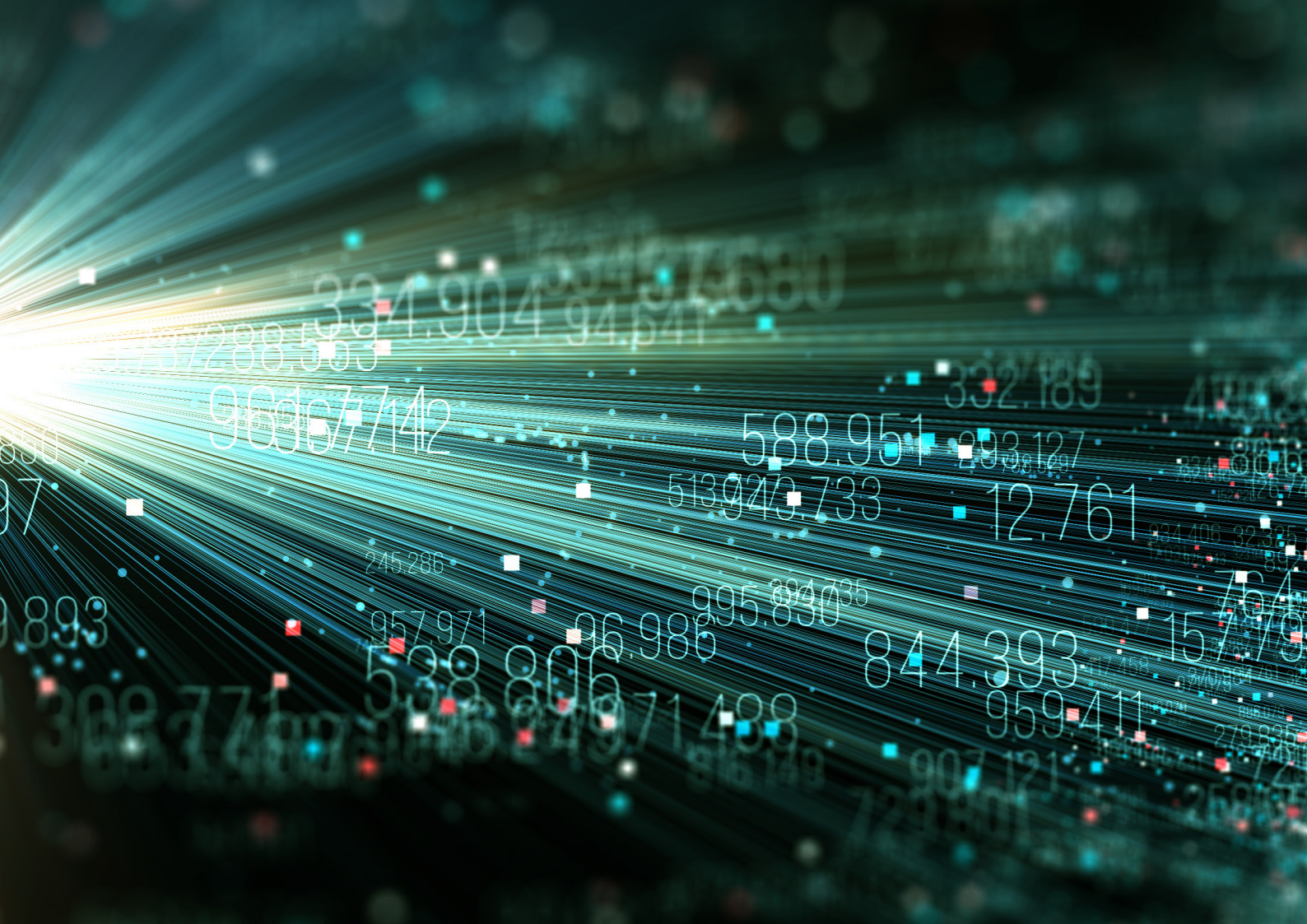


The new SCCs and Schrems II compliance

The repapering exercise



The repapering exercise

On 4 June, the European Commission published the new Standard Contractual Clauses (the new SCCs), designed to comply with the EU General Data Protection Regulation (GDPR) and address the requirements of the Schrems II judgement. Organisations have 18 months to ensure that the new SCCs are in place. Reviewing, amending and negotiating contracts on such a large scale and in such a short space of time inevitably has considerable logistical challenges. It is therefore essential that organisations carefully consider their options when determining how to approach such projects to ensure that the projects are conducted in the most efficient, compliant and cost effective manner.

Review and repapering considerations



Considerations	NRF
Identifying the volume, location and format of documents across multiple systems and jurisdictions.	Our solution is designed to achieve time and cost efficiency. We support project teams on approach and delivery of document identification, triage and sorting before any remediation begins.
Project teams with 'business as usual' roles to fulfil alongside their project responsibilities, creating time pressures.	Our delivery approach is designed to place minimal burden on internal project teams, while still ensuring complete oversight and control.
Contracts need to be legally robust and commercially operational following remediation.	Senior legal oversight is provided throughout the document, review and amendment phases to maintain the legal integrity of amended documents.
Amended contracts need to be compatible with internal systems, storage and filing protocols so they can be re-imported into existing systems. Ideally, this would retain newly created digitised information and structured data, which many institutions have historically lacked.	Remediated contracts are returned in an ordered and profiled state. The benefits of digitised contract portfolios are far reaching, equipping institutions to more easily gain other insights, or complete similar exercises in the future.

Norton Rose Fulbright’s approach to review and repapering

Overcoming the logistical challenges of this type of project requires:

- A robust project plan
- A trusted partner, who understands the nuances of your business and industry, and who can work appropriately with your counterparties, handling the process in a way that will be frictionless and support ongoing relationships; and
- Clear visibility on the status of the project throughout its progress, in its entirety and down to each document, to provide effective management and project team information, and to manage risk.

To achieve this, our approach is supported by a range of the best available technologies which we select after rigorous testing. These tools are applied in a variety of combinations depending on the nature of the project.

Where appropriate, this may be by using machine learning models to significantly speed up the process.










Re-papering

We can use technology to automatically generate templates, conduct negotiations and execute agreements. For example, when requesting amendments to contracts, templates are drafted and tailored for each underlying contract type. Individual documents are then generated automatically from these templates together with the structured data already gathered during the document review phase. The amendment process can proceed in two ways: either an execution version is sent to the counterparty via DocuSign for electronic signature; or, where some negotiation is anticipated, an online negotiation platform is used to share the contract. By keeping the contract on a central platform, comments and mark-ups made to the documents by both parties are easy to track and manage for reporting. Once agreed, the contract is sent for signature through DocuSign.

In every case, a playbook guides paralegals and junior lawyers through the approaches and responses to clients. Escalation points are built into the process for final checks on documents, to raise queries, and to develop new responses as unanticipated scenarios come up or policies change.

Process Advantages

We offer a complete solution, designed to support project teams and stakeholders through a transition project. Our approach is always collaborative and open, and produces a tailored solution based on specific needs.

	Pre-developed solution, individually adapted	We can adapt a solution built over an 18 month product development cycle, road tested with early movers, designed to be adapted to each institution's individual needs.
	Multidisciplinary team	Lawyers from a leading global firm recognised for its industry focus work seamlessly with a market leading delivery team to create an innovative and flexible solution, designed around needs.
	Full tech stack / tool agnostic	AI and decision-based technology is utilised following extensive testing and assessment of all market-leading and established tools.
	Fully mapped process	Each stage in the end-to-end process has been fully mapped and is supported with appropriate workflow-creating efficiencies, by having the right people and technology doing the right tasks at the right time in the right location.
	Complete PMO support	A central PMO is set up to support every project, with a dedicated project manager assigned to manage the project alongside the client project team.
	Transparent & flexible pricing	A flexible pricing structure based on fixed prices for agreed outputs to aid budgeting and provide cost certainty.
	Modular structure	Modules include: Project set-up; Solution design (institution specific); Document review; Remediation, to allow project teams to access as much or as little external support as required.
	Fully scalable / flexible delivery timing	Flexible and scalable resourcing model, offering complete global coverage and delivery timing.
	Live online reporting	Real time reporting to provide project teams with high level or detailed data on project status and completion levels, reducing email traffic and reporting delays.

Case Studies

We are market leaders in large scale review and amendment projects.

- As part of IBOR transition, we have reviewed, amended and negotiated complete loan and derivative portfolios for numerous global banks. The largest of these review projects included over 50,000 agreements. These projects are managed in an internally developed and configured, end-to-end technology “production line”, including machine learning assisted document review and automated amendments. Staffed principally by the Newcastle legal process team, directed by NRF project managers liaising directly with in-house project managers and overseen by senior NRF lawyers in most global financial centres.
- A banking document review for a US headquartered global investment bank, completing a major asset sale including derivatives, asset finance and project finance loans. The review covered over 100,000 documents, and was staffed by c.30 paralegals, and c.20 associates (covering the range of contract types and jurisdictions – this does not reflect leverage). The project was completed on time and budget. This did not precede a repapering, but by using extensive automation, we were able to accelerate the portfolio sale closing mechanics across a wider range of instruments.
- In one project, a moving deadline meant we had to review over 100,000 documents in a week. We set up a team of 72 paralegals and over 30 associates, and completed the review in five days.
- Conducting a bulk review of over 2,000 lending and associated documents for a leading US investment bank. This project was supported by a team of around 20 associates in London, New York and other international offices, and around 40 reviewers in our Newcastle Hub.

2020 NRF Transform Accolades and Awards

Most Innovative Use of Technology

The Lawyer Awards – NT Analyzer

Innovation of the Year (International Law Firm)

Global Legal Awards, Legal Week – Claim Control, flight delay claims

Standout Response to Covid

FT Legal Awards – Covid Resolve

FT Innovative Lawyers Report

NRF Transform programme, IBOR Transition, Business & Legal Operations graduate scheme

Norton Rose Fulbright has extensive experience reviewing and repapering contracts for a wide range of clients and has been engaged on some of the largest and most complex projects in recent years. For more information or support, please contact us.

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NRF Transform

NRF Transform is our global change and innovation programme. It aims to make how we deliver traditional services more effective and efficient, and to provide entirely new solutions to our client's most pressing business problems. It has over 150 staff in offices around the world, as well as 3 dedicated Hubs, and includes teams focusing on Applied Technology, Innovation, Legal Design, Legal Project Management, Legal Operations Consulting, Resource Management, and Commercial Management.

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