

# **P.R.I.M.E. Finance**

## **Panel of Recognized International Market Experts in Finance**

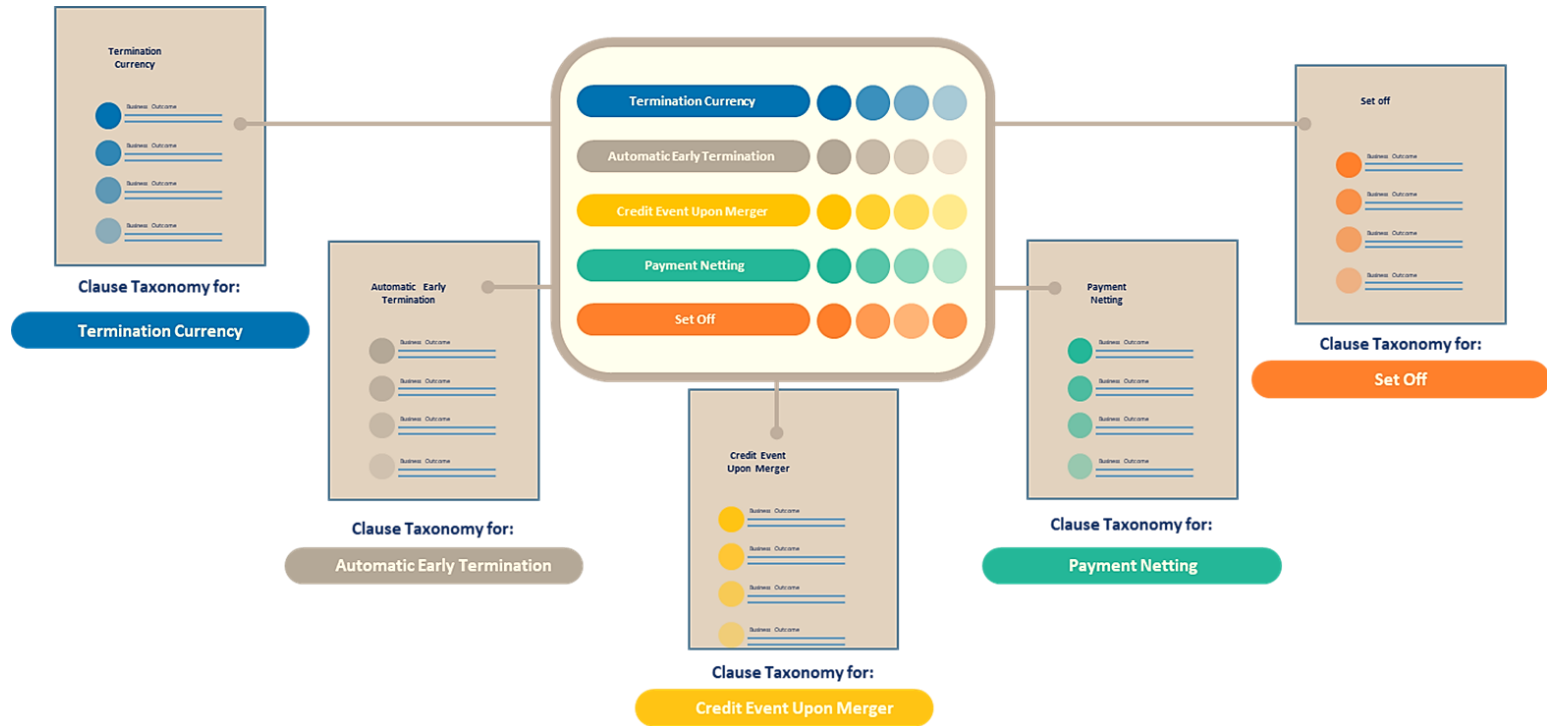


### **New Trends in Financial Disputes: Document Digitisation**

**Akber Dattoo**

**P.R.I.M.E. Finance Annual Conference 2020**  
**4 February 2020, The Hague**

# THE CLAUSE TAXONOMY ANATOMY



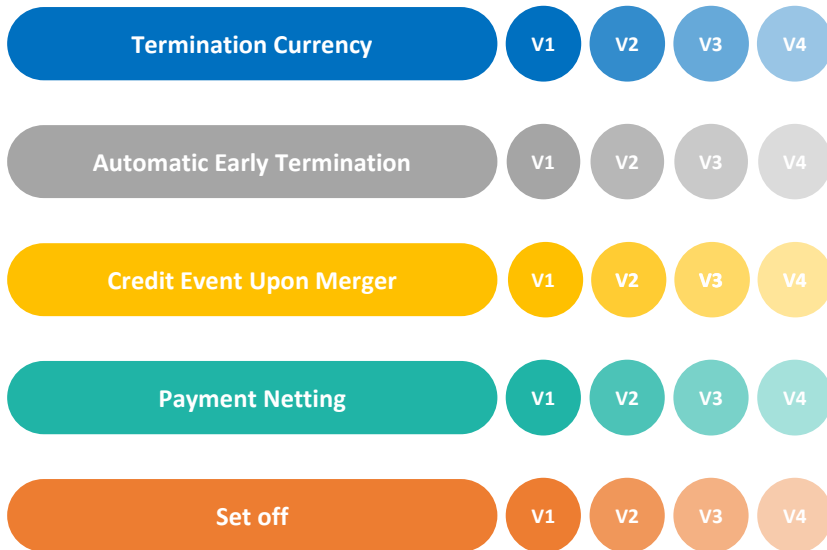
Institutions have historically negotiated ISDA Master agreements adopting their “house style”. Accordingly, language has diverged and yet in many cases the intended business outcome is the same. This programme is evaluating variants by reference to their business outcome.



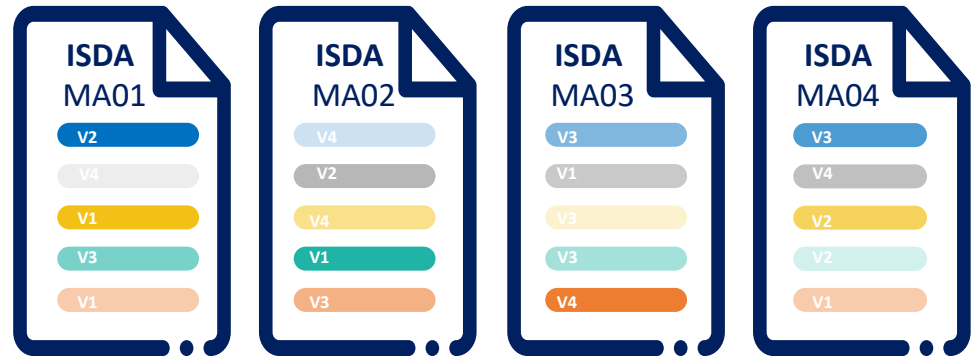
# CLAUSE TAXONOMY

## Clauses

## Clause Variants (by Business Outcome)



## ISDA Master Agreements

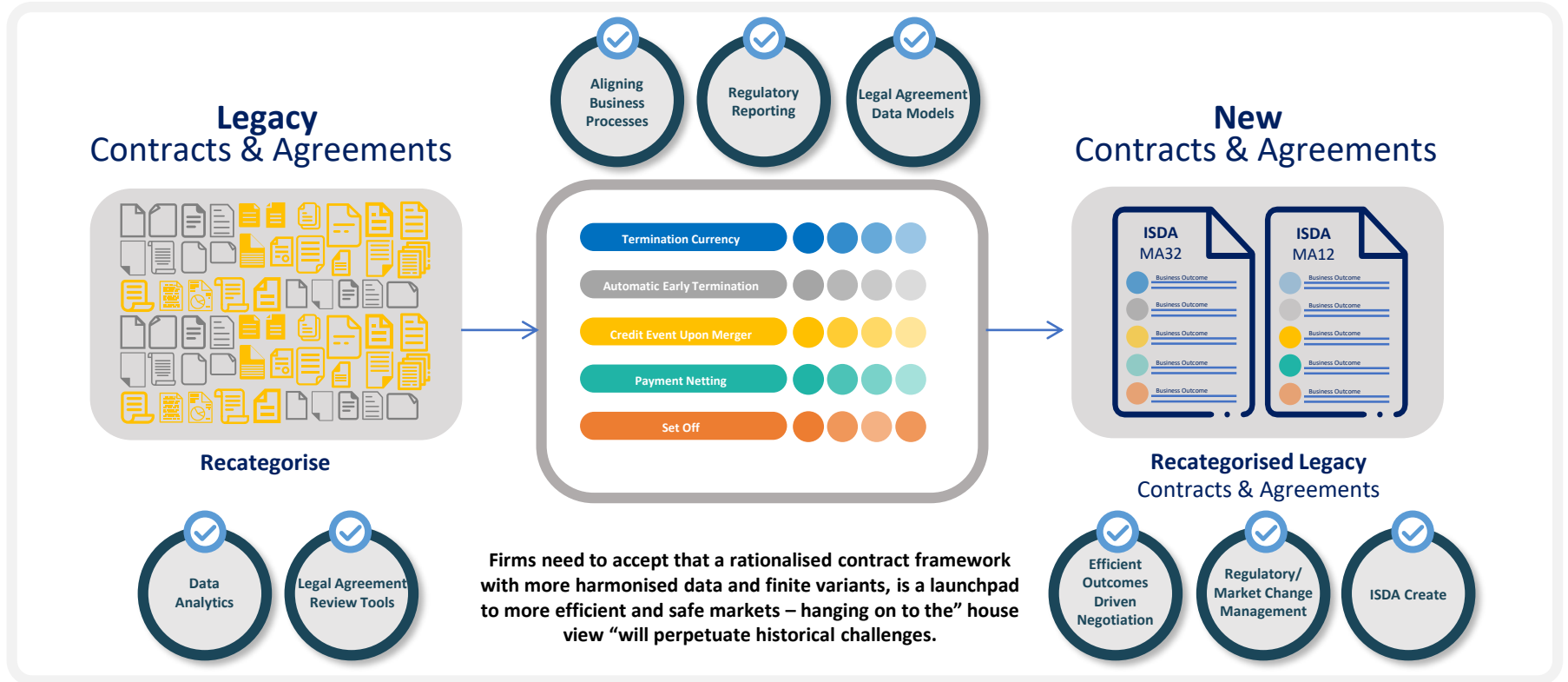


• This process should enable you to derive the component parts of the ISDA Master Agreements:

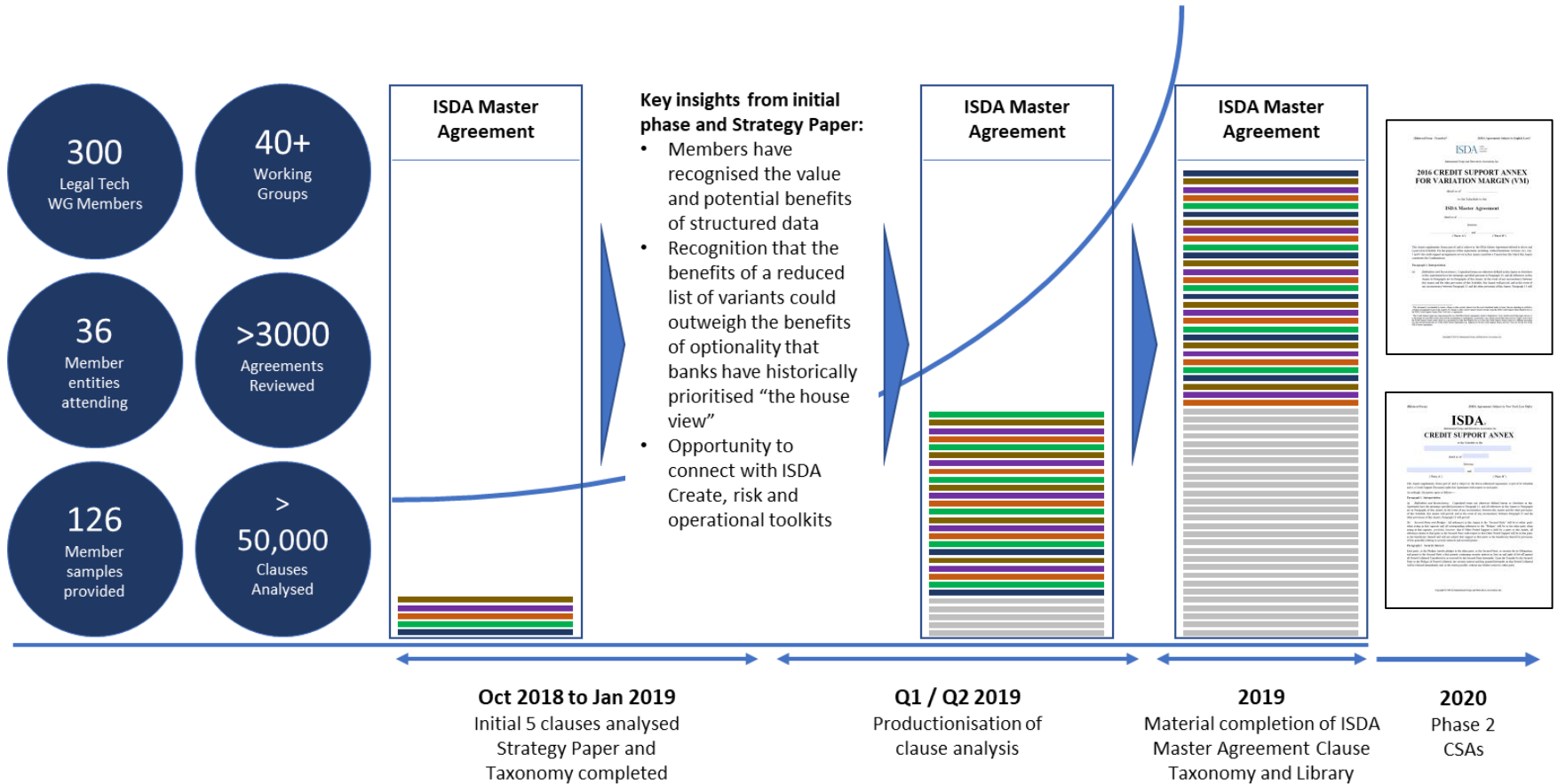
- V1 Termination Currency + V4 Automatic Early Termination + V3 Payment Netting, etc.



# UNLOCKING BUSINESS VALUE THROUGH THE CLAUSE TAXONOMY AND LIBRARY



# PROGRESS SO FAR: PHASE 1 (2018/2019) AND PHASE 2 (2020)

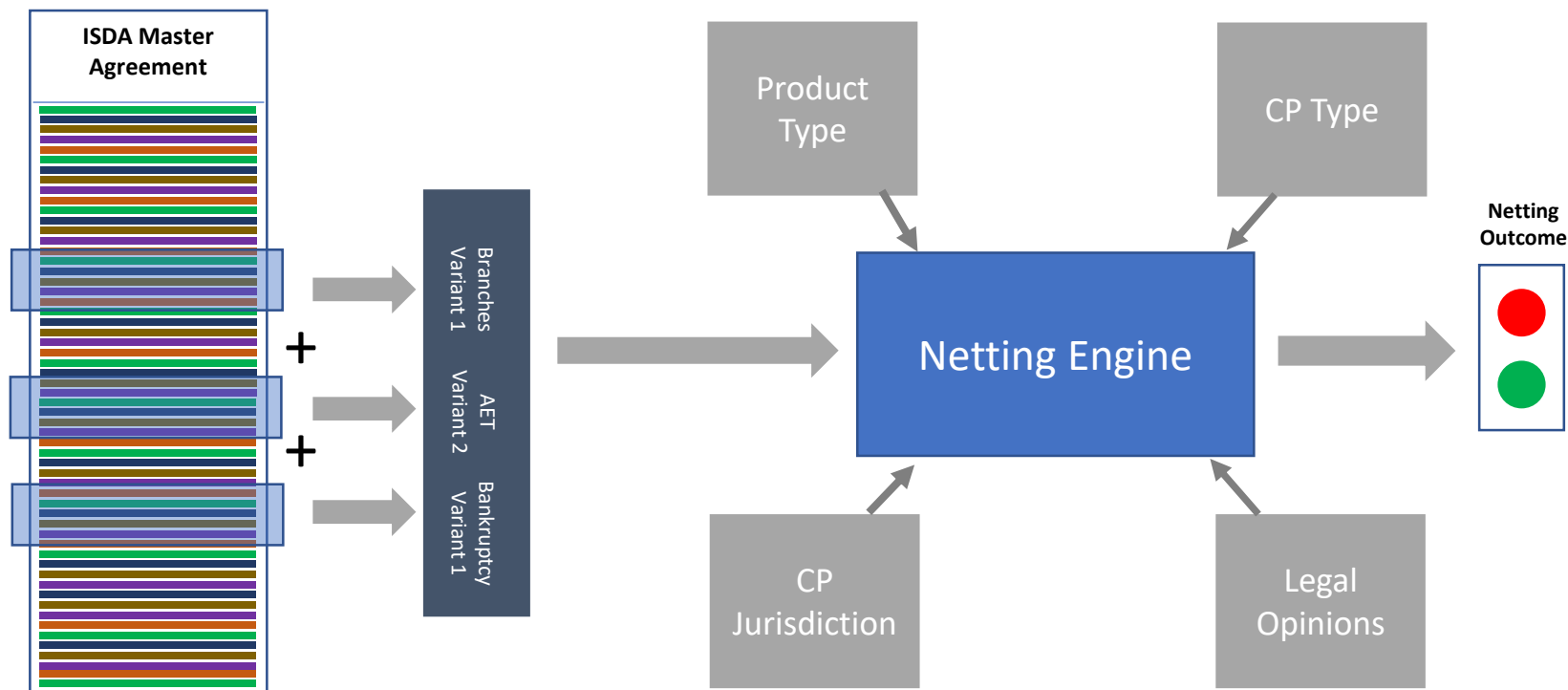


**FT INTELLIGENT BUSINESS 2019**  
FINANCIAL TIMES AWARD WINNER



**P.R.I.M.E. FINANCE**  
Panel of Recognised International Market Experts in Finance

# CLAUSE TAXONOMY AND LIBRARY – NETTING DETERMINATION



## Documentation certainty provided by Clause Taxonomy

- For a netting determination, a combination of clauses such as Branches, Automatic Early Termination and Bankruptcy need to be evaluated
- Provided that key components of the agreement are in a predetermined format, then this aspect of netting analysis can be streamlined

## Simplifying netting analysis

- Netting analysis relies on a number of relevant components.
- The Clause Taxonomy will help to provide documentation certainty
- In future, it is reasonable to assume that a local legal opinion could provide an opinion based on ISDA 92 that has Variant 1/2 etc. language

## Why bother?

- Organizations are often inefficient in their netting analysis
- This approach can avoid analysis of each contract
- Reduces operational risk
- If variables change, you can potentially analyse implications more effectively



# D2LT CONTACT US



**Akber Datto**  
Managing Director  
+44 (0)203 070 2266  
[akber@d2legaltech.com](mailto:akber@d2legaltech.com)



**Rachel Scanlon**  
APAC Lead  
+61 449 955 044  
[rachel.scanlon@d2legaltech.com](mailto:rachel.scanlon@d2legaltech.com)



**Jason Pugh**  
Managing Director  
+44 (0)7792 006740  
[jason.pugh@d2legaltech.com](mailto:jason.pugh@d2legaltech.com)



**Larry Dobosh**  
US Lead  
+914 525 5605  
[larry.dobosh@d2legaltech.com](mailto:larry.dobosh@d2legaltech.com)



**Peter Newton**  
Chief Operating Officer  
+44 (0)7879 873899  
[peter.newton@d2legaltech.com](mailto:peter.newton@d2legaltech.com)



**Thank you**



**P.R.I.M.E. FINANCE**  
Panel of Recognised International Market Experts in Finance