

Trading & Derivative Contract Discovery

True Derivative Agreement Insight and Compliance Oversight and Regulation Management

On Monday morning Moody's has downgraded bank ABC's credit rating. ABC has thousands of derivative agreements, but does not know which ones have trigger events based on their new credit rating. Unsure of the consequences that could occur or actions ABC is contractually obliged to perform, ABC needs answers.

Seal Contract Discovery & Analytics helps organizations answer these types of questions on a daily basis. Organizations can leverage Seal in order to navigate the fast moving business environment and ever increasing regulatory requirements.

So Why is This Oversight Important?

- American International Group (AIG) lost more than US \$18 billion through a subsidiary over the preceding three quarters on credit default swaps (CDSs).
- The United States Federal Reserve Bank announced the creation of a secured credit facility of up to US \$85 billion, to prevent the company's collapse by enabling AIG to meet its obligations to deliver additional collateral to its credit default swap trading partners.

So What Does This Mean?

It means that the traditional or shall we say archaic way of managing these agreements, addendums and reference data within no longer represent the complexity and granularity needed. Organizations today need to be able to respond to Risk Weighted Asset calculations, liquidity reporting, collateral management as well as compliance with Dodd-Frank, EMIR, CASS, MiFID, etc.

Financial and other trading institutions have a plethora of derivative agreements (ISDA, CSA, GMRA, GMSLA) with a rapidly increasing number of counterparties – up to tens or even hundreds of thousands in a single institution. It has become increasingly necessary to quickly find the specific provisions within thousands of derivative agreements.

How Can Seal Help?

Seal works alongside in-house legal departments. Seal's advanced classification and search technology allows organizations to quickly classify contracts. The result is a fully searchable, cleansed derivative agreement repository that is continually improving and proactive analysis that alerts you to revenue opportunities and risks.

Using advanced technology, capable of learning as it goes, Seal extracts over 100 prebuilt contractual extraction policies. Users can easily create additional extraction policies using an easy step by step wizard.

Your organization will teach and improve Seal based on your own organization's specific derivative agreement provisions which improves the accuracy and relevancy as it relates to your specific needs.

Using this technology organizations have the ability to define advanced policies that can detect clause groups that alter the meaning of the actual contract and immediately present this to review for confirmation.

How Seal Contract Discovery Works for You

- Discovers contract documents stored on hard drives, network drives, software solutions, file shares, etc.
- Recognizes contract documents stored as text, DOC, PDF, image and other formats.
- Copies the discovered files to a secure, protected location.
- Ensures the discovered contractual documents as well as terms/clauses within those documents can be easily searched.
- Enables revisers to quickly extract tabular data from contracts and import into excel.
- Identifies high risk and high value clauses.
- Can load the contract documents it discovers into new or existing CLM, CRM and other systems.
- Metadata Extraction Policy creation via an intuitive wizard multi step process.

Contact Seal

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