

Big Banking institution

Key resource for providing for LIBOR transition

The task

Momenta were tasked by a bank to resource a Project Manager with key LIBOR to ensure a smooth transition in accordance with key regulatory or policy requirements. One of the client's biggest challenges was that of re-papering and fallback language. As the new RPR's are calculated differently from LIBOR, contracts created under the new rates differed from those under LIBOR rates. All customers needed to understand any change incurred to their contracts, and if not done so in the appropriate manner, the bank could see several serious legal implications because of misinforming, updating, and discussing the transition with their customers.

The solution

Momenta quickly completed a detailed search and selection process and recommended one of its associates, a senior Project Manager with the regulatory experience ideally suited to the specific project requirements. With strong project management and Financial Services knowledge, the selected associate was immediately able to scope the significance and potential risks posed by the regulatory implications of the project. Reporting to the head of regulatory change, the manager highlighted the need for additional support and took on responsibility for making the agreed improvements.

Having completed a review of resource levels, they created a structured on-boarding schedule to ensure the required resources would be available as contract review activity ramped up, and communication to the end customer regarding their new rate process begun.

The additional resource allowed the client to update their customers/clients whose contracts were LIBOR indexed to ensure that that all their customers associated with any LIBOR indexed product were engaged and updated.

The outcome

The project is currently being executed smoothly and effectively owing to regulatory plans recommended and implemented by the interim manager, who remains on board through the peak of the Transition. Throughout the project, Momenta have scaled resource requirements up and down in order to meet all key requirements plus cost control whilst maintaining delivery capacity and capability.