

Selena Samale Provides Guidance to Banks Prior to the Sunset of LIBOR

In the News

06.01.2023

Stinson LLP attorney [Selena Samale](#) authored an article for *Colorado Banker* magazine, "Is Your Bank Ready for LIBOR Fallback?"

The article, written as a reference guide for banking and financial services professionals, provides an overview of action items to be completed prior to the sunset of the London Interbank Offered Rate (LIBOR).

"[LIBOR] has been the dominant interest rate benchmark used in financial contracts in recent decades and is used as a reference rate in over \$200 trillion worth of contracts worldwide," Samale writes. "With the remaining tenors of USD LIBOR going away on June 30, 2023, it is crucial for banks to ensure all outstanding action items for the transition have been addressed. These new rules will automatically apply a board-selected benchmark replacement to LIBOR contracts subject to the Act after June 30, 2023."

Samale provides background on market players manipulating the LIBOR index during the 2008 financial crisis, causing the market's confidence in LIBOR to wane. She details key milestones financial regulators and market participants developed to transition away from LIBOR, including the identification of the Secured Overnight Financing Rate (SOFR), the recommended replacement for USD LIBOR.

Samale also details what the termination of LIBOR means for banks, including how the LIBOR Act applies to contracts and insight into the board-selected benchmark replacement, and highlights additional matters to consider, including technology systems and analytics models, and provides insight on loans that are subject to hedging arrangements.

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Samale handles mergers and acquisitions, secured lending transactions and general corporate matters. She assists clients in assessing opportunities, structuring investments and financial products, and managing both strategic partnerships and customer relationships. Her clients operate in a diverse range of industries, including banking, financial services, health care, mining and energy, construction and technology.

[Read](#) the full article.

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