

News

Smith Quoted in *American Banker* Story Titled “Core Systems Contract Negotiators Expand into Fintech Assistance”

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Jeff Smith, a partner in the Vorys Columbus office a member of the corporate group, was quoted in an *American Banker* story titled “Core Systems Contract Negotiators Expand into Fintech Assistance.” The story highlighted the expanding role of a group that was initially created to help community banks negotiate contracts with systems vendors. According to the article, the organization is expanding its mission and will also assist smaller banks with fintech purchases.

The story states:

“Early termination and severance fees are typically very high and difficult to avoid in agreements with vendors. They are so onerous, in fact, that they can add to the complexity of bank M&A deals, which are expected to be on the rise, said Jeffery Smith, an attorney at Vorys, Sater, Seymour & Pease who specializes in financial institution regulatory and corporate matters.

‘The termination fee in leaving a system often is a significant consideration in the pricing [of a deal] and the timing of when it gets done,’ he said.

‘Somebody’s losing a client,’ when an M&A deal occurs between two banks using different core systems, he added, which is why ‘the contracts tend to be pretty strong when it comes to severance.’”

To read the entire story, visit the *American Banker* [website](http://www.americanbanker.com).