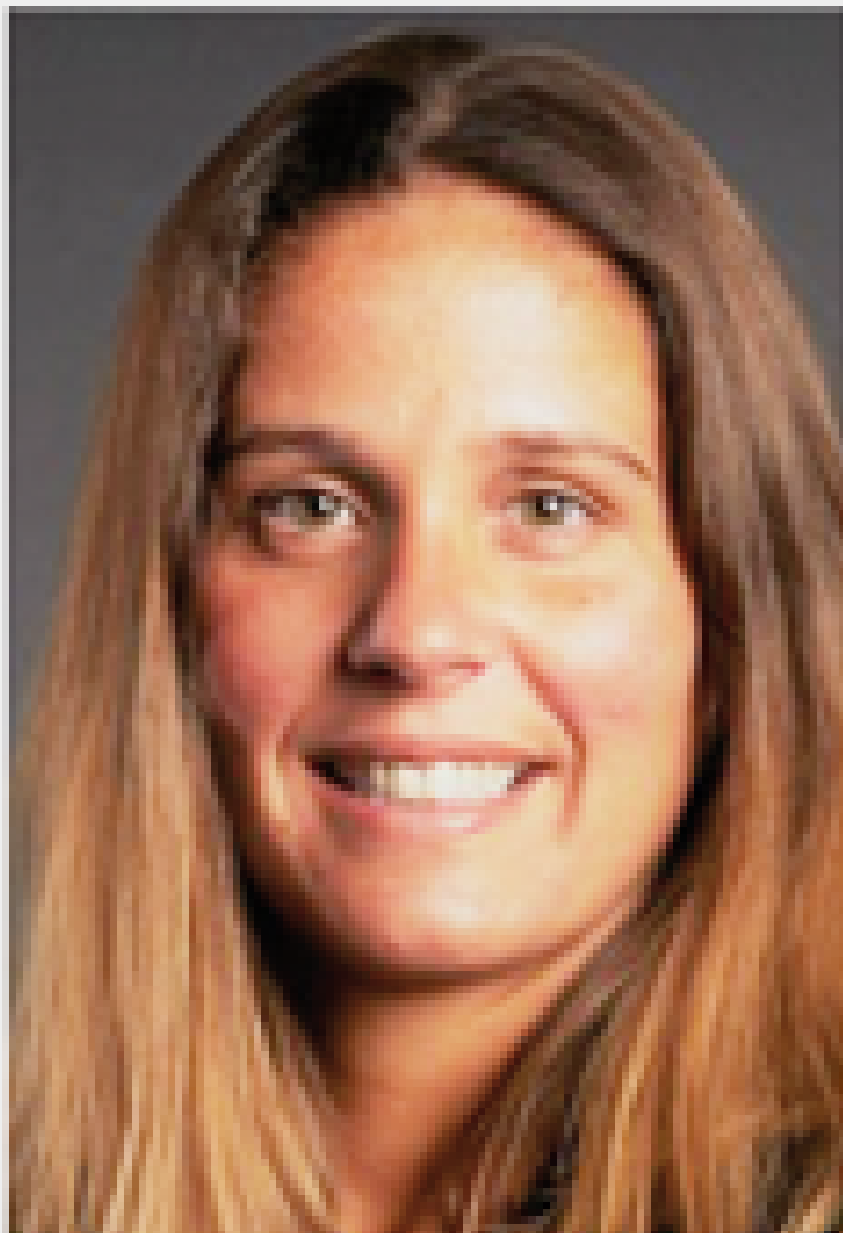


# **'WE MUST NOT LOSE CONTROL OF COSTS WHEN WORKING WITH LAW FIRMS'**

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**BNI Europa's Mariana Abreu says that, when working with external legal advisers, it is vital that**

## **fees are closely monitored and an hourly rate is agreed at the outset**

Mariana Abreu, legal director at Portuguese bank BNI Europa, says that having previously been a senior associate at a law firm gives her a dual perspective that enables her to better utilise the expertise an external lawyer can offer. She adds that this enables her to fully appreciate all the benefits external counsel can provide. "Because I have been on both sides, I know that an external lawyer has to be someone who can provide support," she says.

Licensed as a bank in 2014, BNI Europa claims to be the fastest growing digital bank in Portugal, and is aiming to generate growth – and expand its product offering – through partnerships with the fintech sector. Abreu assumed the leadership of the organisation's legal team in February of this year and, since then, a number of significant changes have been implemented.

"BNI Europa is a recently-created bank and has some peculiarities as a result," she says. "When I first started, the legal team was outsourced to a medium-sized law firm, but a relationship with external law firms was not yet fully established."

The organisation decided it wanted to bring the majority of its legal work in-house, says Abreu. "Our idea was to create a legal department that operated as a law firm within the bank, with a number of lawyers needed to attend to the bank's necessities, and with each lawyer focusing on a particular area of expertise, which allows us to internalise almost 100 per cent of the legal work," she explains.

### **Partnering, not delegating**

Abreu says the bank usually outsources work to law firms when a case may create a conflict of interest, but it also externalises cases when the in-house team has time constraints that would result in the resolution of the case being delayed.

However, Abreu argues using legal services does not merely involve passing full responsibility to a law firm, but working in partnership with the external lawyers. "Outsourcing legal work to a law firm must imply cooperation and not just delegation of the work to them," she explains. "Our aim is to maximise efficiency in our relationship with law firms – we choose law firms according to the lawyers' areas of expertise, such as retail banking, data protection, capital markets or tax." Abreu adds: "The choice of a law firm and a lawyer always depends on the activity on which the legal issue is focused on."

### **Close ally**

She says that the relationship with an external law firm must be one of close cooperation in which the bank's interests are safeguarded and the law firm acts as an ally.

"An external law firm is a like an extension of my own department, and what we take advantage of is their availability, and the fact that they are driven by our business, and that they understand it,"

Abreu explains. "As a bank, we have to provide solutions, and the law firms that we work with must have in-depth knowledge of our activity and therefore must work in partnership with us."

### **Fixing an hourly rate**

Abreu says that, when cultivating a close relationship with a law firm and creating a relationship of cooperation, it is also vitally important that the bank is in control of the legal fees it incurs.

"We must not lose control of costs, and that is something that can easily happen with law firms," she says. Abreu adds that, in order to ensure that costs are closely controlled, the bank chooses a law firm and agrees how the relationship will work for the duration of the case. "We fix an hourly rate, and that will be maintained throughout our partnership," Abreu says. "The law firm will provide us with an estimate of how long the case will last in terms of how much work will be carried out."

Abreu adds that it is important for the law firm to have knowledge of every aspect of the bank's products in order to ensure the relationship with the law firm is as efficient as possible. She also says that, in addition to working with the same law firms on a regular basis, the bank also seeks to work with the same lawyer, knowing that they have the appropriate background and experience in terms of understanding the bank's legal needs.

Mariana Abreu is legal director at BNI Europa