

EQUILEND EXPOSURE



Increased regulatory reform, combined with the requirement for financial institutions to manage collateral in a much more cost-effective manner, has meant that the usage and need for the right collateral is imperative. EquiLend Exposure is uniquely designed not only to help clients maximize their collateral but also streamline and enhance the underlying borrow/loan settlement process to provide the following:

- » Pending and actual, real-time exposure risk valuations with counterparts
- » Up-to-date transparency on inventory with options to better utilize these positions
- » Linking collateral processing directly to borrows/loans to greatly improve settlement rates and reduce latency
- » Control and governance to ensure that the collateral transactions are executed exactly how clients would expect

EquiLend Exposure will be rolled out in three phases, with iterative releases throughout the year to ensure that clients are able to maximize the functionality and help design the product to ensure they get the optimal return. The launch phases include:

PHASE 1 FEATURES

- » Exposure management dashboard, providing an instant view of exposure risk with counterparts
- » Calculate actual and forecasted exposure numbers split by counterpart and collateral type
- » Absorb counterparts' equivalent data and provide real-time reconciliation
- » Direct real-time linkage into Unified Comparison to enable instant resolution of discrepancies
- » Automatic connectivity to collateral modules, including Mark to Market and RQV (Tri-Party Connectivity) screens
- » Automatic connectivity to all tri-party agents, providing straight-through processing (STP)
- » Ability to prioritize collateral requirements, for example, independent pre-pay calculations and agreement
- » Real-time receipt of collateral allocations from tri-party agents
- » All up-to-date data absorbed and displayed on easy-to-view screen

All data will be leveraged from your OneFile submission. Phase 1 is live in production.

PHASE 2 FEATURES

- » Digitization of collateral schedules, creating a centralized, transparent repository
- » Attesting the collateral pledged against the collateral schedules
- » Independent pricing of collateral pledged
- » Real-time dashboard of inventory positions
- » Detailed MIS reporting, offering the ability to monitor counterpart performance as well as provide clearer transparency on the costs involved in process management
- » Greater STP on connecting collateral movements and reducing settlement latency, including loan release and return processing
- » Automation and validation of bilateral non-cash transaction process leveraging NGT shared trade tickets

PHASE 3 FEATURES

- » AI inventory optimization across tri-party agents

WHO WE ARE

EquiLend is a leading provider of trading, post-trade, market data and clearing services for the securities finance industry with offices in New York, Boston, Toronto, London, Dublin, Hong Kong and Tokyo. EquiLend is owned by Bank of America Merrill Lynch, BlackRock, Credit Suisse, Goldman Sachs, JP Morgan, Morgan Stanley, National Bank of Canada, Northern Trust, State Street and UBS.

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