EQUILEND

ECS LOAN MARKET

EquiLend Clearing Services (ECS) Loan Market is our option for clients requiring direct connectivity to CCPs for central clearing of securities finance trades, including over 6,000 underlying equities, ETFs and ADRs. The ECS Loan Market is provided through a FINRA-regulated broker-dealer operating an SEC-registered Alternative Trading System (ATS) with a proven track record in securities lending technology.

ECS Loan Market offers multiple functional options for firms:

- Easy integration into a firm's existing environment with powerful trading and post-trade tools which can be fully automated, to improve efficiency and mitigate risk.
- A front-to-back solution from trade execution through the lifecycle of the trade, including support for returns, recalls, rerates and corporate actions.

ECS Loan Market offers further connectivity, providing a central point for all matched transactions to flow directly to a CCP, while delivering real-time updates on settlement back to clients with large ETF, GC and Hard to Borrow activity flowing through the platform on a daily basis.

Functionality

- **Access U.S. Broker-Dealers**
  - Offers access to wide marketplace of U.S. broker-dealer counterparties active in securities lending
  - Borrowers and lenders benefit from improved trade efficiency as broker-dealers face the CCP directly, reducing balance sheet risk profile and improving overall capital footprint
- **Automated STP**
  - Delivers fully automated, real-time, straight-through settlement processing once trade is matched with near-time settlement status updates
- **Flexible Connectivity**
  - Enables flexible connectivity solutions, including API system-to-system services or browser-based screen access
- **Synchronized Records**
  - Improves operational efficiency through trading and post-trade tools that ensure synchronization of lender, borrower and CCP recordkeeping while eliminating contract comparison breaks
- **CCP Guarantees**
  - Enhances risk mitigation for both borrowers and lenders via CCP guarantees

How It Works

- Access all market services via an API connection or our Web-based application
- Identify market liquidity including the depth of the market, last traded rate and floating rate versus OBFR overnight published rates
- Upload a spreadsheet with borrow needs or loan supply
- Execute trades on our proprietary trading screens, custom built for securities lending market participants
- Lender supply and borrower demand are automatically matched and immediately sent to OCC for clearance and settlement
- Transact with all OCC Market Loan Program-approved counterparties
- Supports lifecycle events, including returns, recalls, rerates, marks and corporate actions
- Participants in the ECS Loan Market face the OCC on an anonymized basis; OCC is the counterparty, no MSLA required
- Create list of securities to track your needs vs. liquidity posted on the platform. Use order features such as good until cancelled, price ranges you're willing to accept on securities, etc.
- Initiate rate changes & recalls through the API or the GUI front end; automated email messages are generated for each of these new activities