

EXPOSURE MANAGEMENT

EquiLend's Exposure Management provides a centralized way to highlight intra-day exposure risk and identify, investigate and resolve discrepancies in collateral requirements between counterparties based on real-time information.

Exposure Management is supported by Unified Comparison, our leading post-trade solution. EquiLend's Unified Comparison was built to be future proof. The solution has proven that the ability to manage the reconciliation process efficiently from point of trade through post-trade and across the trade lifecycle to encompass fails, recalls and reallocations can be managed seamlessly.

Additionally, Exposure Management facilitates STP connectivity to triparty agents whilst enhancing control and governance to ensure that collateral transactions are executed exactly as clients would expect.

Client



- Incrementals (CIF)
- Price Data
- FX Data

OneFile

EquiLend Post-Trade Suite

Unified Comparison

Exposure Management

Triparty Agents

Counterparty



OneFile

Benefits

- **One System** to manage exposure and reconcile breaks
- **Customizable Single View** highlighting intra-day exposure risk and over-collateralized lending
- **Increased Accuracy:** Actual and forecasted exposure numbers are calculated and split by counterpart and collateral type
- **Real-Time Monitoring:** Track changes in collateral requirements based on intraday activity
- **Real-Time Reconciliation** highlighting exposure discrepancies
- **Simplified Returns:** Streamline the returns process with returns not recognized shown separately from settled and prepaid trades
- **STP Connectivity to Tri-party Agents** allows real-time receipt of collateral allocations from tri-party agents and the ability to pre-match RQVs before submission
- **Enhanced Control and Governance** ensures that collateral transactions are executed as expected
- **Loan Release:** Consume our RQV outbound protocol within your internal system to receive real time updates of when accounts are confirmed by Tri-party, which can then trigger loan release in your system

Exposure Management is available in three user-friendly modules, each of which can stand alone or be combined depending on a client's needs.

Modules are as follows



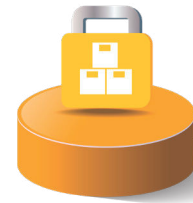
MARGIN/EXPOSURE

Provides visibility to collateral coverage, facilitates market value reconciliations for settled, pending and prepay activity, simplifies dispute management and enables faster agreement of collateral.



TRIPARTY DETAIL RECONCILIATION

Facilitates an RQV value reconciliation, enables triparty account level contract reconciliation, providing visibility to triparty account misbookings.



TRIPARTY CONNECTIVITY

Facilitates connectivity to BNY, JPM and Euroclear. Enables RQV pre-matching to streamline RQV agreement leading to faster collateral coverage. Supports one-sided or two-sided RQV submissions, supports unilateral and dual matching at JPM Triparty. Consume the RQV protocol within your internal system to receive real time updates of when accounts are confirmed by Tri-party, which can then trigger loan release.

Features

	Function	One-Sided	Two-Sided
Margin/Exposure	Exposure/Margin Calculations	✓	✓
	Collateral Coverage Status		
	Discrepancy Identification		✓
	Market Value Reconciliation		✓
	Prepay Activity Reconciliation		✓
Triparty Reconciliation	RQV Account		✓
	Triparty Agent		✓
	RQV calculation	✓	✓
	RQV Value		
Triparty Connectivity	RQV pre-matching	✓	
	On-Screen RQV matching		
	RQV submission		
	RQV Workflow Management		
	RQV Status Outbound messaging		
	Visibility to Collateral Allocations (intra-day)		✓

Regulatory Drivers

Increased regulatory reform such as CSDR & SFTR, moves to T+1 and impending Basel III regulation have necessitated the introduction of collateral management efficiencies, streamlining of post-trade functions, increased reporting accuracy and reconciliation of trade instructions.

Speak to our team at AccountManagement@equilend.com for more information on our suite of interoperable product solutions which can position your firm for the future.