

Exari for Initial Margin Compliance

Comply with regulatory Initial Margin (IM) requirements by streamlining and controlling the client and custodian communications, automating documents, data and negotiation processes on a secure robust platform.

The phases of regulatory compliance are based on the size of an institution's derivatives portfolio as measured by aggregate average notional amount (AANA).

Phase One applied to global broker-dealers, while Phase Two impacted additional large banking institutions. Phase Three, in September 2018, will primarily affect regional banks. In September 2019 the margin rules will cover the Buy-side, whose operational structures differ significantly from the Sell-side. The majority of Buy-side entities covered by IM rules will be impacted in 2020.

Many legal entities will be impacted by the IM rules in 2019 and 2020 as buy-side institutions manage hundreds, and in some cases thousands of legal entities, one for each of their client accounts and each of these trades with multiple brokers. This multiplies to thousands of collateral agreements per firm and potentially thousands of Initial Margin calls, collateral moves into segregated accounts, and other follow-on processing steps per day.

Exari's IM Solution for Control & Flexibility


Building upon Exari's successful projects in the earlier phases of IM, Exari's contract management platform provides Institutions with the ability to control a series of "outreach" communications, that invites clients/ counterparties to confirm or provide information that assists with the communication and negotiation in one secure and automated platform.

Through Exari DocGen™, which is already deployed and running into many of the leading sell-side institutes today, will empower users to generate reliable and accurate documentation faster than before with user-defined templates.

Exari's contract management platform has the flexibility that enables parties to collaborate right within the platform digitally or negotiate in a more traditional bilateral way. Regardless of which approach, the process and internal/external communications is fully tracked and audit trailed for compliance purposes. To provide further security and risk management, Exari's AI-engine can quickly and accurately compare any discrepancies between all documentation, and at any stage, identifying material and immaterial differences.

Comprehensive search, analytics and reporting capabilities, along with a set of easy-to-use APIs, allow users (and clients if permitted) to gain full visibility into the documentation and all data, and re-use the data to populate downstream collateral, trading, other systems, and Custodian platforms.

Exari's contract management platform makes the entire lifecycle of IM that much simpler. From custom built workflows, to the final stages of negotiation and approval, Exari's document automation and contract management technology can suit any firm's needs and provide a future-proofed platform for all contracting and regulatory programmes.


ISDA DEMO Group for Glacier Technologies Limited - 441810 in progress...

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Topic Progress...

General

The Bank

The Counterparty

Bank Specified Entities

Counterparty Specified Entities

Bank Cross Default

Counterparty Cross Default

Credit Event Upon Merger

Automatic Early Termination

Termination Currency

CSA Collateral - Government Bonds

US-TBILL Valuation Percentage 0-1 Year

US-TBILLS deliverable by Select All | Select None

Counterparty

Bank

US-TNOTE Valuation Percentage 0-1 Year

US-TNOTE Valuation Percentage 1-5 Years

Transfer Amounts to Them	Applicable to Us
On NAV	Tiered Based On Rating
100,000 Above \$200000000	<ul style="list-style-type: none"> USD 1,000,000 Above All Of Fitch Long Not Sure, Fitch Short Not Sure, Moody's Long Baa3, Moody's Short Not Sure, S&P Long BBB, S&P Short Not Sure and Other Rating Not Applicable
10,000 At or Below \$200000000	<ul style="list-style-type: none"> USD 0 At or Below Any Of Fitch Long Not Sure, Fitch Short Not Sure, Moody's Long Baa3, Moody's Short Not Sure, S&P Long BBB, S&P Short Not Sure and Other Rating Not Applicable
At or Below \$100000000	
	Fixed Amount
	USD 175,000

Eligible Collateral & Haircuts				
Collateral Asset (Remaining Maturity)	Valuation %	Who Can Post	Can Use For	Details
US-CASH	100%	Them And Us	Initial And Variation Margin	
US-TBOND	100%	Them And Us	Initial And Variation Margin	
GB-CASH	100%	Us	Initial And Variation Margin	
JP-CASH	99%	Them And Us	Initial Margin	
CA-BOND (One Year Or Under)	98%	Them And Us	Variation Margin	
ES-BOND (More Than One Year Up To Five Years)	90%	Them And Us	Variation Margin	

Holding & Use of Collateral	
Custodian Requirements	Not Specified
Segregation Requirements	Yes On Them
Rehypothecation Allowed	Yes By Them - Qualified
Substitution Allowed	Yes By Them
Interest Paid on Cash Collateral	Not Specified

ABOUT EXARI

Exari delivers the most complete Enterprise Contract Lifecycle Management platform, used every day by market-leading companies to understand all aspects of their contract ecosystem worldwide. With Exari, customers can reduce contract risk and improve operating efficiency with 100% Contract Certainty™.

