

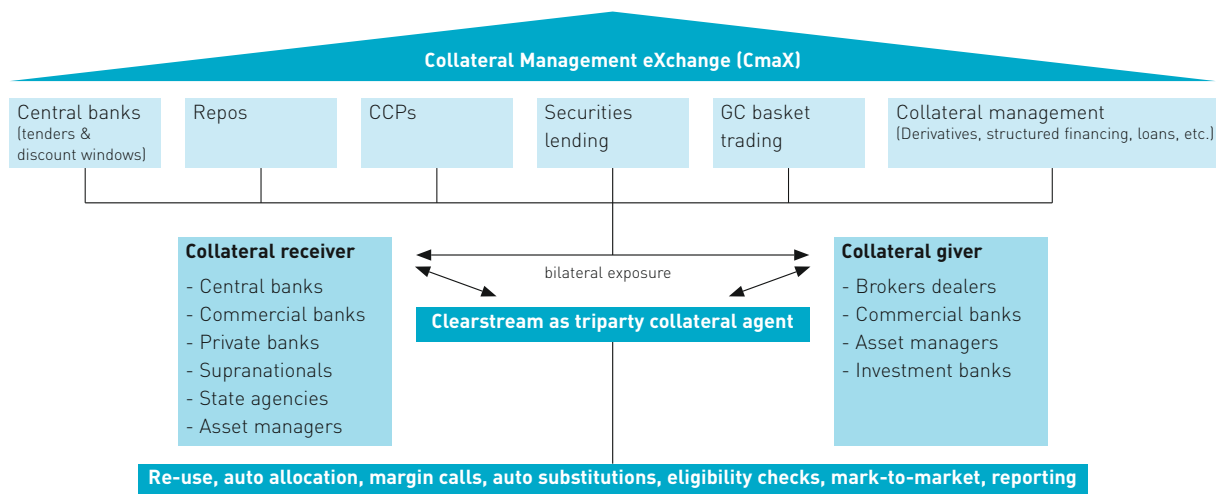
Product Information

Triparty collateral management services

Use your collateral efficiently, increase liquidity and secure your investments

We are a market leader in the creation and delivery of triparty and collateral management services within our Liquidity Hub. As risk management is increasingly more important for our participants, our products have become both more practical and sophisticated to ensure efficient and safe collateral management. We are proud that Clearstream was the first to launch a triparty repo service in Europe in 1992 and we still continue to be pioneers of innovative products.

Clearstream has continuously improved and developed its collateral management solutions to address the tremendous volume growth, to cope with product evolution and to drive innovation. Our Collateral Management eXchange (CmaX) engine is the fruit of longstanding experience and close market consultation. With significant liquidity from more than 180 different participants, you experience common collateral management features under a single umbrella:



Common core features for TCM Services

- Full administration from opening to closing
- Daily mark-to-market and margin calls
- Autoallocation and autosubstitution with unlimited right of substitution
- Unlimited right of reuse for a large variety of asset classes
- Multi-currency and multi-piece transactions
- Cross-product and cross-location collateral management ability
- Proactive counterparty introduction service
- Flexible reporting and cash management options.

Triparty repo services with or without central counterparties

- Triparty repurchase agreements
- Standardised GC baskets
- ECB baskets.

Triparty collateral management services for transfer of title or pledge agreements

- Central bank discount windows
- Tender offers
- OTC and exchange-traded derivatives
- Specialised structured finance scenarios.

Triparty securities lending services

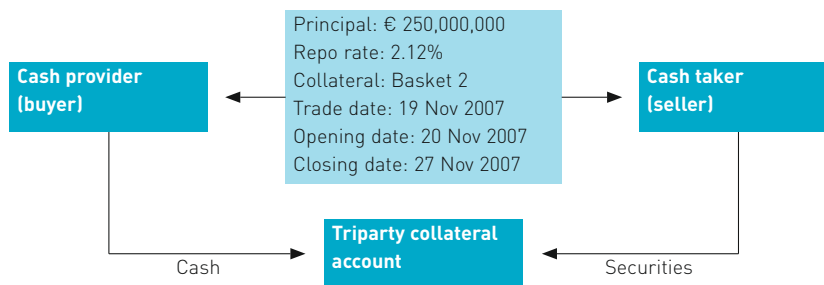
- Collateralisation of large loan books.

Maximise the use of your collateral: Triparty Repo Service

Triparty repos are different from bilateral agreements. They constitute a unique solution resulting in low-cost investments for cash providers and high return opportunities for cash takers. Clearstream as a neutral triparty agent standardises the process and relieves you from administrative tasks.

Key features

- Principal trading relationship remains between the parties
- Negotiation only refers to the cash side of the trade (amount, currency, rate, term)
- Collateral baskets are pre-defined in the CMSA Appendix A (eligibility criteria).



Pre-requisites for the trade between cash provider and cash taker:

- Sign a bilateral master repurchase agreement
- Select Clearstream as triparty agent
- Execute the CMSA Appendix A.

The ease of an interbank deposit and the safety of a repo. One of the safest, no nuisance money market instruments around.

Key benefits for you as a cash provider

Manage risk

- Security of holding
- CAD oriented diversification in money market instruments
- No securities fails.

Reduce complexity

- Outsourcing of collateral management and valuation to a neutral agent with back-office scale
- Ease of use.

Key benefits for you as a cash taker

Maximise financing

- Financing of broader range of asset classes
- Maximise financing of dormant securities, e.g. through basket trading
- Cross-currency securities financing in large amounts.

Optimise collateral

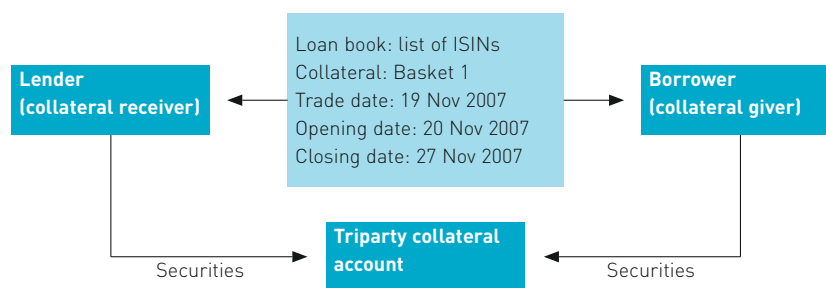
- Outsource collateral management and valuation to neutral agent
- Efficient collateral optimisation cross-product and cross-location.

Efficient collateral management to cover your loan books: Triparty Securities Lending Service

While being one of the most flexible and cost-effective methods to secure loan exposures, a comprehensive Triparty Securities Lending Service also puts high challenges on systems and operations. As a neutral triparty collateral agent, Clearstream relieves you from this burden with its proven core collateral management features complemented by loan book valuation.

Key features

- Solution 1: settlement, loan valuation and collateral management
- Solution 2: loan valuation and collateral management
- Solution 3: collateral management only.



Pre-requisites for the trade between lender and borrower:

- Sign a bilateral securities lending agreement (GMSA, OSLA, EMA, etc)
- Select Clearstream as triparty agent
- Execute the CMSA Appendix A.

Outsource the management of collateral and concentrate on your lending activity maximising your overall volumes.

Key benefits for you as a lender (collateral receiver)

Increase flexibility

- Economies of scale from outsourcing of settlement and loan valuation together with collateral management
- Modular approach according to your needs.

Improve quality

- Elimination of loan and collateral valuation disputes by using a professional third party agent
- Efficient and precise daily exposure valuation reports.

Key benefits for you as a borrower (collateral giver)

Increase borrowing

- Increased borrowing from the same counterparties driven by more efficient collateral allocation
- Centralised collateralisation for borrowing from counterparties at different locations
- Efficient collateral optimisation cross-product and cross-location.

Cover every type of exposure: Triparty Collateral Management Service

Financial transactions of almost any kind require some form of collateral – cash or securities. Consequently, efficient collateral management has become essential for every market participant. Clearstream's triparty collateral management solution offers safekeeping and monitoring of your securities held as collateral to cover exposures of any bilateral principal agreement.

Key features

- Principal relationship remains between the parties
- Exposures are sent to the triparty agent by both parties
- Use of the neutral triparty agent for collateral valuation.



Pre-requisites for the trade between collateral receiver and collateral giver:

- Sign a bilateral agreement (principal agreement)
- Select Clearstream as triparty agent
- Execute the CMSA Appendix A.

Maximise security and full flexibility by outsourcing the coverage of your exposures to a neutral collateral agent.

Key benefits for you as a collateral receiver

Manage risk

- Efficient and accurate monitoring of credit exposure
- Reduction of operational risk.

Increase flexibility

- Business growth by outsourcing collateral management to an efficient agent
- One collateral management service for any kind of exposure.

Key benefits for you as a collateral giver

Optimise collateral

- Efficient use of collateral compared to expensive use of cash margins
- Reduction of operational risk.

Gain efficiency

- Back-office efficiency from outsourcing to a collateral agent
- Efficient collateral optimisation cross-product and cross-location.

Contact

If you are interested in further information about our services, please contact our dedicated GSF team

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