

Clearstream

Collateral Management – Triparty Repo Service

Product information

Maximise operational efficiency for repos

Key benefits

Fully integrated solution

- Technical workflows and operational automation across trading, clearing and post-trade services
- Synergies for participants leveraging single access and one platform across Eurex Repo GC Pooling® and other Eurex solutions next to triparty repo
- Innovative legal documentation facilitating access to trading with multi-counterparty through a single Clearstream Repurchase Conditions (CRCs) document

Efficiency gains

- Outsourcing of back-office tasks to Clearstream as a neutral collateral management agent and market infrastructure
- Increased efficiency and mobilisation of collateral across locations and exposures, including reuse facility in line with overarching legal framework

Single point of access

- Access to a wide range of diverse counterparts acting as cash provider or taker
- Ease of access to pool of various service users through common set-up and documentation

Secure and transparent

- Full control over your asset portfolio with efficient use of cash, securities and funds as collateral
- Compliance with most recent regulations, such as SFTR, through reporting services

As a market leader, Clearstream is driving the innovation and delivery of triparty collateral management solutions. With risk and liquidity management being a key element of our participants' business model, our products have become both more practical and sophisticated to ensure efficient and safe collateral management, from execution to continuous delivery.



Clearstream was the first to launch a triparty repo service in Europe in 1992 and continues to be the key driver of innovative products. Recognition of advanced solution delivery coupled with high quality customer service positions Clearstream as industry leader. To best address the demand for scalable solutions and the requirements of a fast-paced product evolution, we have consistently improved and developed our collateral management service suite.

The collateral management exchange (CmaX) is our leading market solution, leveraging Clearstream's close market interaction and longstanding experience.

With significant liquidity from more than 600 different participants for both non-CCP and CCP-cleared activity, our customers experience common collateral management features under a single umbrella.

Unique solution

Triparty repos are different from bilateral agreements. They constitute a unique solution resulting in low-cost investments for cash providers and high operational efficiency for cash takers.

Clearstream as a neutral triparty agent standardises the process and relieves customers from administrative tasks.

Easy and transparent set-up

Our triparty repo service enables customers to benefit from various sources of funding, combined with outsourced settlement and administrative functions as well as value-added services.

While cash providers have traditionally included central banks, sovereign institutions, commercial and supranational banks, triparty repos are also increasingly attractive for

buy side customers such as corporates and asset managers. Clearstream acts as a neutral triparty agent for both parties and offers a full range of services from trade opening to closing.

Key product features

- Principal trading relationship remains between the parties
- Single signature of the Collateral Management Service Agreement

- (CMSA) with Clearstream as agent
- Collateral profiles (customised OTC or industry standard) are predefined in the CMSA Appendix
 - Bilateral negotiation of trade details
 - Unlimited right of substitution
 - Reuse of collateral received further in other Clearstream services such as Uncleared Margin Requirements (UMR), securities lending
 - Automated allocation and margin calls
 - Daily valuation reporting



Why use Clearstream's triparty repo service?

Clearstream's triparty repo service delivers advantages for both collateral givers and receivers.

Collateral givers

- Finance a broader basket of assets
- Tap into new sources of financing
- Automatic asset allocation and unlimited substitutions
- Optimal collateral allocation across product and across location

Collateral receivers

- Security of holding
- Allocation of collateral in line with pre-defined risk profile
- Low cost and maintenance
- Ease of use
- Full re-hypothecation options across services

One of the reasons the buy side is increasingly using Clearstream's

triparty repo service is the reduction of the administrative burden previously associated with repos. The master agreement for triparty repo transactions, Clearstream Repurchase Conditions (CRC) gives the buy side instant access to a wide range of counterparties that have also signed under the same agreement.

Contact

For further information, please contact your Relationship Manager or our Collateral Management team.

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