

Clearstream

SFTR – Regulatory Reporting Support Service

Product information

Meet your SFTR obligations while reducing the reporting burden

Key benefits

Efficiency gains

Relief from regulatory reporting burden and technical challenges of capturing securities lending and borrowing transaction data inhouse

Improved reconciliation rates

Both Securities Financing Transactions (SFTs) legs come from a common set of trade economics and reference data

The Securities Financing Transactions Regulation (SFTR) requires European counterparts to report their SFT details to a registered trade repository. As one of the reporting counterparties under SFTR, we can offer a dedicated Regulatory Reporting Support Service allowing any borrower and lender under the ASLplus, ASL and ASL principal programmes in either the SFTR-EU or SFTR-UK jurisdiction to delegate their reporting to Clearstream.



The SFTR Regulatory Reporting Support Service relieves customers from the reporting burden and removes the efforts needed to resolve reconciliation breaks. Clearstream is also providing trade repository (TR) optionality to enable customers to choose their selected TR.

Clearstream is leveraging a third-party vendor/reporting intermediary SFTR service from the joint IHS Markit/Pirum offering. This service is supporting us with our reporting flow under SFTR, as well as giving us the possibility to provide the Regulatory Reporting Support Service to all our securities lending customers. The underlying technique for this service offering is called "mirroring", which is offered by IHS Markit's functionality.

Maintaining oversight

The service allows customers to maintain a regular oversight of the reporting that Clearstream is performing on their behalf via the following suggested methods:

- Standard customer reporting that includes MT54x, MT535 and MT536 messages; the daily SLBC (Securities Lending and Borrowing Commissions) report; and (for lenders only) the daily SFCR (Securities Financing Collateral Report).
- Read-only access to a user interface provided by IHS Markit.

In addition, customers can gain access via their TRs user interface.

Key service features

As part of the SFTR Regulatory Reporting Support Service Clearstream reports the selected securities lending transactions within the product offering of ASLplus, ASL, ASL principal and the associated collateral on behalf of its customers to their selected TR. Clearstream has selected REGIS-TR as TR for its own transactions. The reports are delivered close to real time.

Customers can subscribe to the service on a per account/ product basis.

Reporting frequency

– Clearstream reports to IHS Markit at regular intervals throughout their normal operational day, starting at 07:00 CET and ending around 21:00 CET. The information

will be translated by IHS Markit into formal ISO 20022 XML messages that they will report to the selected trade repository.

- Clearstream operates Monday to Friday throughout the year, with only 1 January and 25 December being non-operational days, should these fall on a weekday.

Activity based fee structure

The pricing model is based upon the volume of mirrored messages created by IHS Markit and successfully accepted by the trade repository each month per lending product subscribed to.

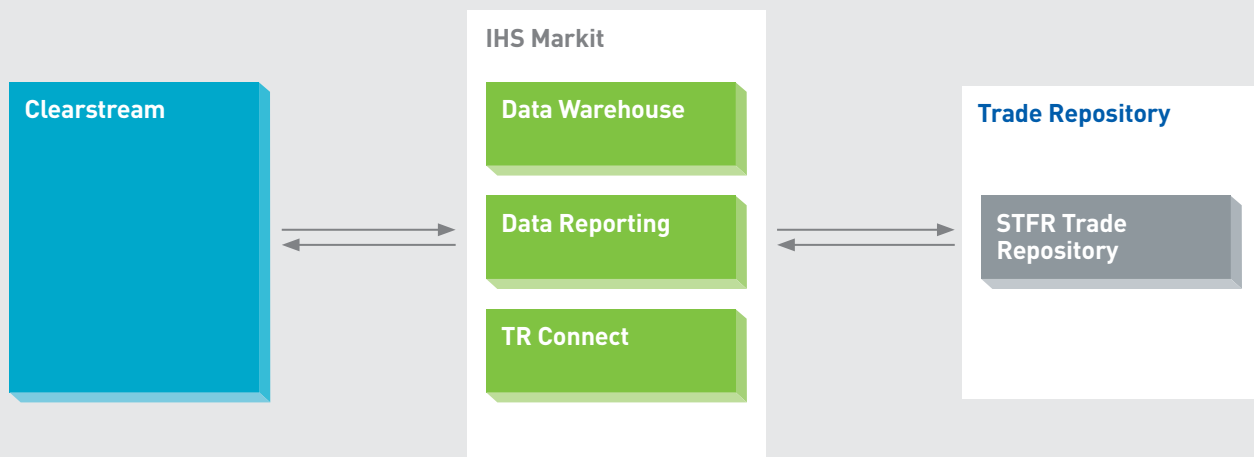
Each of such messages is charged upon a per message fee rate, plus subject to a monthly minimum fee.

If there is no activity during an entire month, no fee will be charged for that month. An additional surcharge may be applicable if TR optionality has been requested – such a surcharge is dependent upon the TR selected. Details of the “per message fee rate”, the “monthly minimum fee” and the TR surcharge can be found in Clearstream’s fee schedule.

Brexit

Clearstream’s own SFTR solution and the Regulatory Reporting Support Service are fully compatible with the split jurisdiction of SFTR-EU and SFTR-UK as a result of Brexit.

Operational flow of the SFTR Regulatory Reporting Support Service



Contact information

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

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