

# Clearstream

## Collateral Management – Securities Lending

Product information

### Efficient loan and collateral management for securities lending

#### Key benefits

##### Maximised opportunities

- Borrowers, agent and principal lenders use our services
- Marriage broking service available to lenders and borrowers
- Clearstream also helps custodians set-up a modular and flexible triparty offering for their custody customers

##### Fully integrated solution

- Triparty loan and collateral services
- Integral part of our Collateral Management Service Agreement
- Safekeeping, monitoring and settlement
- Collateral pledge or transfer of title
- Technology vendor connectivity

##### Efficiency gains

Customers save time and resources as operational tasks are delegated

##### Optimised asset allocation

Optimal (re-)use of collateral (cash, bonds, equities and funds) across products, counterparties and locations

##### Risk mitigation

Clearstream acts as a neutral and independent agent ensuring robust, secure and automated processes

##### Secure and transparent

- Automated real-time reports and tools available to customers facilitate oversight and controls
- Unique (sub-)fund reporting e.g. for Asset Managers

Securities lending places great challenges on systems and operations for both lenders and borrowers. Clearstream's triparty services manage the post-trade complexities for securities lending. Acting as neutral agent, Clearstream offers modular triparty loan and collateral management services supporting our customers to manage risks and liquidity more efficiently.



Clearstream's triparty securities lending services are part of a comprehensive offering for collateral management.

As market leader in the banking, funding and financing space, Clearstream manages collateral to cover all types of exposures in real-time, across currencies, asset classes and time zones while offering cash re-investment and collateral transformation services. This helps our customers to overcome fragmentation and manage their collateral from a single pool across cleared and uncleared repo, securities

lending, derivatives, central bank activities and HQLAx tokenised baskets amongst others.

Standardised and customised collateral baskets are offered to customers. The data underpinning the automated collateral screening process leverages leading market sources and enables customers to best reflect their risk, liquidity and ESG preferences.

In addition, Clearstream also arranges loans for customers through Automated Securities Lending (ASL) to prevent settlement failures and actively-managed strategic securities lending.

# Collateralising securities lending

Clearstream takes care of all administrative functions to collateralise the customers loan book. These include exposure matching, collateral screening and valuation, collateral movements, settlement, corporate action handling (and trigger collateral substitutions ahead of record dates), income processing on collateral securities and reporting solutions via multiple channels.

## Services tailored to your needs

Customers can choose between three different models of loan and collateral services:

**Model 1:** Loan valuation and settlement coupled with collateral management

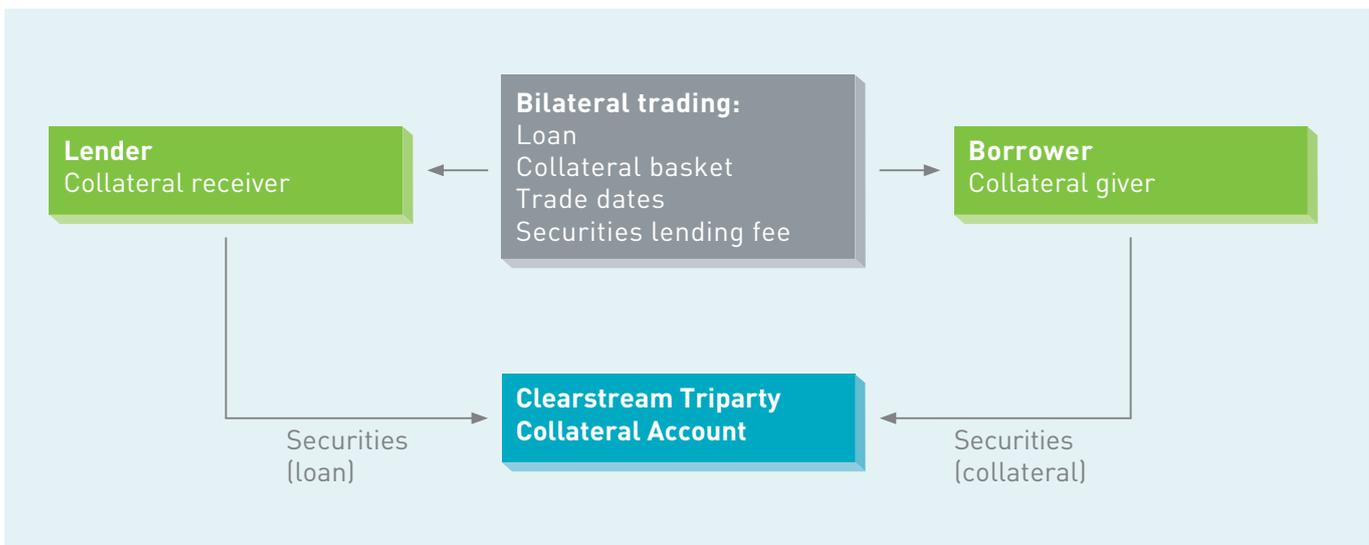
**Model 2:** Loan valuation coupled with collateral management

**Model 3:** Collateral management service only

## Features and benefits

- Economies of scale through outsourced loan and collateral functions
- Elimination of valuation disputes by using a well-respected third party agent
- Efficient and precise daily exposure valuation reports
- Centralised collateralisation allows borrowing from counterparties at different locations
- Efficient collateral optimisation across products, asset classes, counterparties and locations

## Process flow – Collateralising the customers loan book



## Contact Information

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

[www.clearstream.com](http://www.clearstream.com)