

The background features a stylized globe composed of a grid of glowing yellow dots, with a blue and white abstract shape on the left side. The DTCC logo is positioned in the top right corner.

DTCC

Securing Today. Shaping Tomorrow.®

SECURITIES FINANCING TRANSACTIONS REGULATION (SFTR) SOLUTION

DTCC'S GLOBAL TRADE REPOSITORY (GTR)

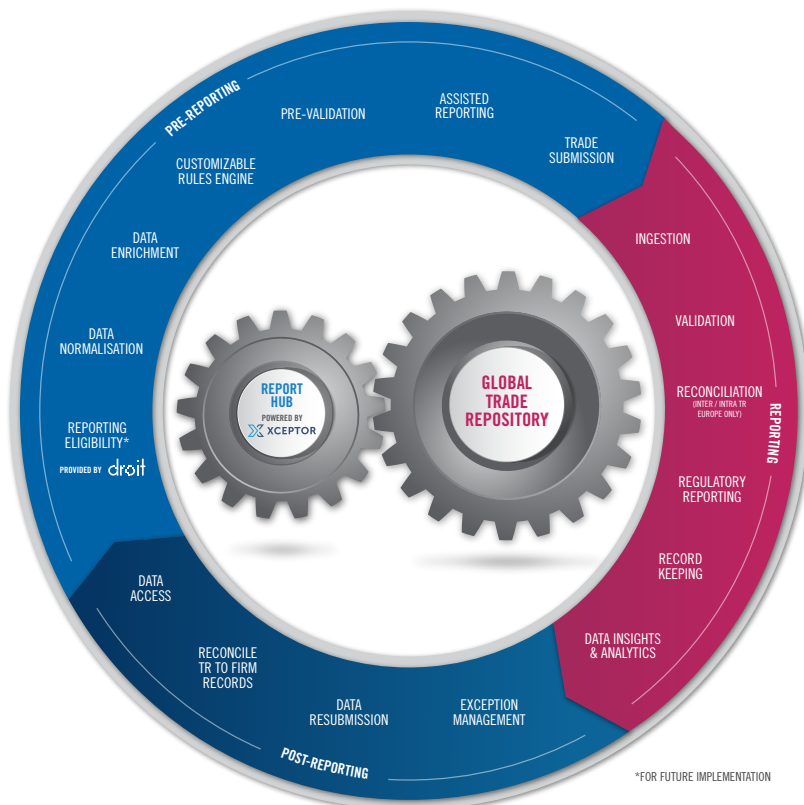
The Securities Financing & Derivatives Experts in Trade Reporting

DTCC'S END-TO-END TRADE REPORTING SOLUTION FOR SFTR

To support firms in managing the growing demands and challenges of mandatory trade reporting, DTCC offers a comprehensive, end-to-end solution for reporting securities financing transactions for compliance with the Securities Financing Transactions Regulation (SFTR) in the European Union. The solution combines trade reporting through the **DTCC Global Trade Repository** service's (GTR's) registered/licensed trade repositories with optional pre- and post-trade reporting services offered through the **DTCC Report Hub™**.

Leveraging GTR's proven infrastructure for derivatives trade reporting, DTCC's SFTR service accommodates all products to be reported under SFTR* and includes comprehensive client support from onboarding through to pre-user acceptance testing (UAT) readiness exercises, UAT and production assistance.

The DTCC Report Hub, powered by Xceptor, a leader in data-centric intelligent automation services, offers a suite of services that automate the complex data and operational requirements of securities financing transactions reporting, eliminating the need for users to build in-house data transformation, third-party access, exception management and related capabilities. Clients can create a customized package of DTCC Report Hub services, utilizing those that meet their individual firm needs. One of the DTCC Report Hub's key features is its pre-reporting eligibility service powered by the Droit platform. Droit helps reduce firms' operational burden and mitigate regulatory risk by allowing them to apply reporting eligibility logic before submitting transactions. DTCC Report Hub services will also be available soon for derivatives trade reporting globally.



BENEFITS



COST SAVINGS

Reduce the costs of internal systems and operational changes needed to comply with new and evolving regulatory mandates.



ONE-STOP SHOP

Prepare for SFTR implementation with early testing and, once the regulation takes effect, complete the necessary trade pre-submission steps, submit trades seamlessly, utilise workflow management to repair and resubmit trades, and apply reconciliation controls to ensure trades reported to regulators match internal books and records — all on a single platform.



REDUCE OPERATIONAL BURDENS

Solve for the challenges of retrieving relevant data and enriching it with reference data, with functionality delivered by a leading data extraction and enhancement provider.



EARLY DETERMINATION OF TRADE SUBMISSION ELIGIBILITY

Droit's eligibility platform allows clients to determine the full global cross-asset, cross-regulatory reporting implications and obligations associated with a transaction in real time. For every reporting decision, the Droit platform will provide complete auditability and traceability through to fully digitised regulatory text.



IMPROVED DATA QUALITY

Ensure formats are standardized, trade submission data is validated, and records are reconciled.



SUBJECT MATTER EXPERTISE

Access a premier source of trade-reporting and trade repository experience globally.

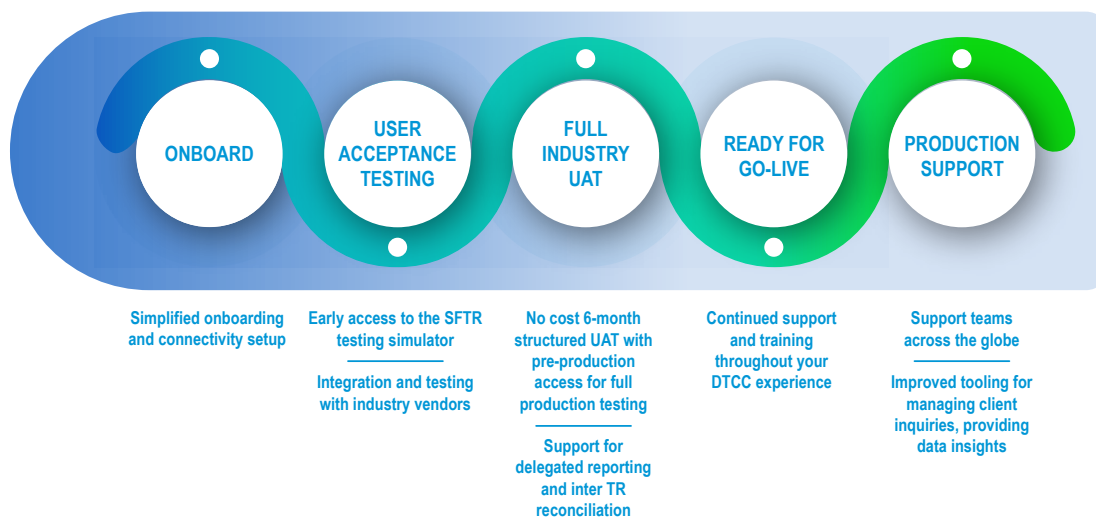
*Including repo and reverse repo, securities and commodities lending and borrowing, sell/buy-back, buy/sell-back and margin lending and borrowing

SFTR SOLUTION

GTR is extending its functionality to enable firms to meet their securities financing transactions reporting obligations once SFTR starts to take effect in April 2020. Subject to regulatory approval, GTR's London- and Dublin-based repositories will be authorized for SFTR reporting in the United Kingdom (UK) and European Union (EU), respectively.

GTR's SFTR solution will give the many EU- and non-EU-based firms subject to this new reporting obligation the same data security and transparency, robust infrastructure, and streamlined reporting functionality GTR has established for derivatives reporting.

GTR performs all of the functions necessary for SFTR compliance: ingestion of client trade reports, validation of the report data, inter- and intra-trade repository data reconciliation, regulatory reporting, and record keeping for client reports.



ONBOARDING

Onboarding is delivered via Manage Services, a new self-service application that gives new and existing GTR clients control over their legal entity identifier (LEI) data and reporting permissions. With Manage Services, users can view and edit their account information and reporting permissions, add new services, sign additional documentation and, where necessary, upload relevant supporting documentation. Existing GTR clients can validate their existing setup and view and update their existing billing information, including billing address, purchase order and billing contacts.

USER-ACCEPTANCE TESTING

Among the service's most valuable features is its SFTR Simulator, a pre-UAT tool that helps clients evaluate their readiness for SFTR by alerting them to inaccuracies in their data submissions. Via an easy-to-use, web-based application, clients receive instant validation that allows them to conduct data accuracy and gap analysis ahead of formal industry UAT and compliance go-live dates.

READY FOR GO-LIVE & PRODUCTION SUPPORT

GTR's team of SFTR subject matter experts supports clients through every step of their SFTR compliance. The solution leverages proven implementation methodologies and testing structures to deliver an all-inclusive service package that provides self-service onboarding, pre-UAT, access to a fully functional user acceptance environment, and 24/7 production support.

DTCC REPORT HUB

The **DTCC Report Hub**, operated by DTCC Solutions LLC, is a suite of "a la carte" pre- and post-reporting services designed to simplify the numerous activities needed to prepare trade data for submission to a trade repository, repair rejected submissions and facilitate data sharing with key third-parties. Xceptor, a leader in data-centric intelligent automation services, automates these functions and performs them within the DTCC environment, eliminating the need for users to build these data capabilities in-house. All DTCC Report Hub services are optional and clients can choose the ones that meet their needs.

Pre-Reporting Services

Pre-Reporting services are designed to help clients minimize the complexities of preparing their securities financing trade data, typically spread across a myriad of disparate sources and presented in varying formats, for submission to a GTR trade repository.

REPORTING ELIGIBILITY POWERED BY DROIT*: Allows clients, before submitting a transaction to the relevant registered trade repository, to apply reporting eligibility logic and determine in real time the global, cross-regulatory reporting implications and obligations associated with that transaction. For every reporting decision, the Droit platform provides complete auditability and traceability through to fully digitised regulatory text. Droit is utilized by many large institutions.

DATA NORMALISATION: Enables the configuration of data files in any format, standardises them to the required regulated fields, and maps them to the ISO 20022 XML for SFTR submissions.

DATA ENRICHMENT: Enriches, automatically and in a standardized way, the data from defined reference data sources to populate key fields. These data sources include a firm's own data such as internal client master files, which can be configured uniquely; publicly available data from GLEIF and ANNA; and DTCC's own proprietary client reference data to support delegated reporting.

CUSTOMIZABLE RULES ENGINE: Allows configuration of bespoke client rules, such as checking for outliers, at a field level.

PRE-VALIDATION: Pre-validates the data against GTR rules to ensure in advance that the submission will be accepted by GTR.

ASSISTED REPORTING: Reduces client touch points by providing specialized workflows to support submissions into a GTR trade repository, such as delegation of reporting from one counterparty to another.

TRADE SUBMISSION: Provides seamless connectivity from DTCC Report Hub to a GTR trade repository for trade submissions in the required format.
**For future implementation*

Post-Reporting Services

Post-Reporting services simplify the activities that follow submission of transaction data to a GTR trade repository, including third-party data access, reconciliation to firm records, trade resubmission and exception management.

EXCEPTION MANAGEMENT: Manages the identification and sorting of rejected trade submissions. The service enables clients to use dashboards to examine UTIs and submitted trade data to easily identify rejections and make resubmissions, individually or in bulk, via the user interface.

DATA RESUBMISSION: Provides workflows that enable firms to partially update trade data to override previously submitted values and resubmit it to a GTR trade repository directly from the DTCC Report Hub.

RECONCILE TRADE REPOSITORY TO FIRM RECORDS: Supports clients' checks on reporting completeness, accuracy, and timeliness by providing a reconciliation of GTR end-of-day reports against the data submitted from a client's internal books and records and data submitted to the GTR trade repository.

DATA ACCESS: Enables fund managers to authorize designated third-parties, including fund administrators, trustees and custodians, to access all or a portion of the information contained in the trade reports they have instructed a trade repository to send to the DTCC Report Hub.

WHO WE ARE

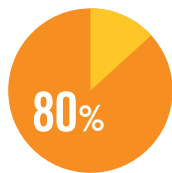
DTCC IN THE FINANCIAL MARKETS



EVERY 4.2 DAYS DTCC PROCESSES THE EQUIVALENT OF THE U.S. GDP

\$2.8 TRILLION

GLOBAL TRADE REPOSITORY (GTR)



ESTIMATED GTR GLOBAL MARKET SHARE

13+ billion
MESSAGES ANNUALLY

60+ REGULATORS ACROSS THE GLOBE
HAVE ACCESS TO OUR DATA ACROSS
35 COUNTRIES



150
PARTNERS

5,000+
CLIENTS

CONTACT US

FOR MORE INFORMATION: Visit dtcc.com/sftr or email sftr@dtcc.com

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