



## DTCC's *Loan/SERV*

An overview of challenges and solutions in the syndicated loan market

**DTCC, through its Loan/SERV suite of services, continues to build and expand the global infrastructure needed to support the syndicated loan market. By leveraging its vast experience in processing bonds, equities and OTC derivatives, DTCC, with its “at-cost” industry-owned governing structure, remains committed to delivering cost-effective solutions that reduce risk, boost efficiencies, improve transparency and enable the syndicated loan market to develop and grow in a rapidly changing financial and regulatory environment.**

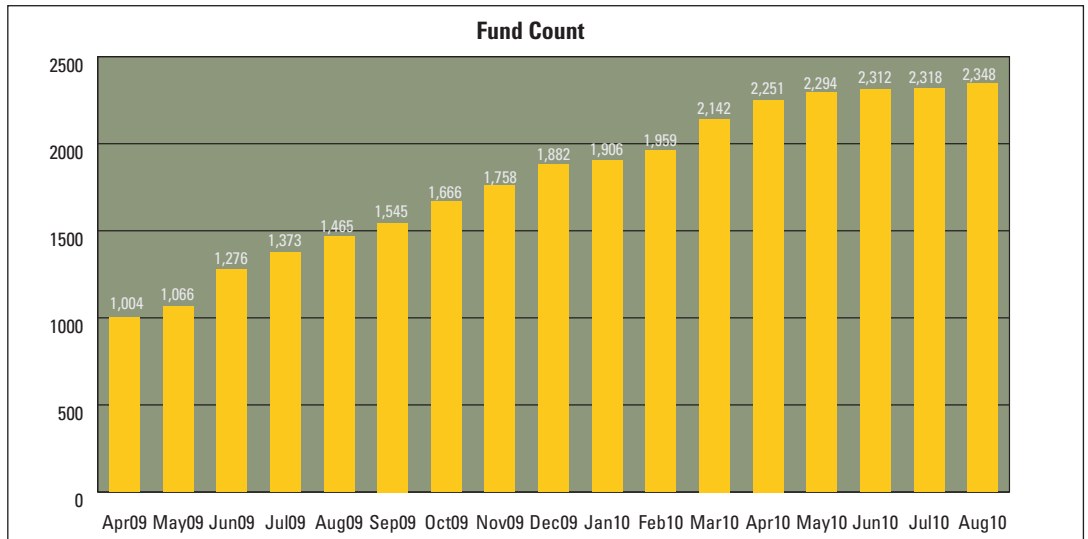
DTCC's Loan/SERV addresses important issues facing the syndicated loan market, including:

- **Reconciliation** : Position recordkeeping and “Cash Break” resolution  
Loan/SERV Reconciliation is dramatically improving position recordkeeping by providing daily reconciliation services to syndicate members at the:
  - » Committed Balance level
  - » Transaction level
  - » Contract level
  
- **Delivering Cash on Transfer** : Loan/SERV Cash on Transfer brings new found certainty to the loan market, allowing for the simultaneous movement of cash and asset. The process ensures that funds are transferred from buyer to seller at the time that legal ownership of the asset moves from seller to buyer. Loan/SERV Cash on Transfer is tightly integrated with Markit Clear, the leading loan trade processing platform.  
The service will also provide additional benefits including:
  - » Cash settlement in 50-plus currencies around the globe
  - » Netting of payments daily across the loan market
  - » The automated collection of trade related Agent Fees
  
- **Adoption of industry standard identifiers**: Loan/SERV's global platform is driving the adoption of market standard identifiers across:
  - » Facilities with the adoption of CUSIP® and ISIN
  - » Contracts with the adoption of industry standard methodology
  - » Market participants with the adoption of Markit Entity Identifiers® (MEI)
  
- **Partnerships**: Through extensive partnerships with major vendors and market data providers, Loan/SERV is looking to ensure all major aspects of loan settlement and operations are addressed in a seamless fashion. These include:
  - » Accurate identification through CUSIP / ISIN and MEI
  - » Loan reference data
  - » Counterparty reference
  - » Linking agent and lender loan administration platforms to industry solutions

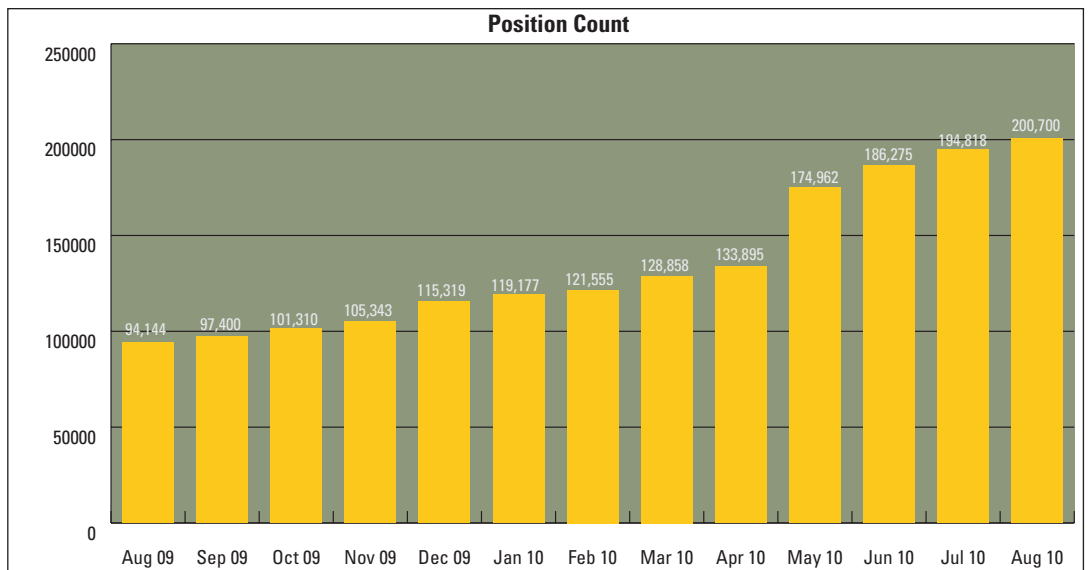
- » Trade matching and automated settlement
- » Simultaneous movement of cash and legal asset transfer
- » Position, transaction and contract level reconciliation
- » Unified messaging to lenders via FpML, fax and email for agent notices and trading

**DTCC's launch of Loan/SERV has been met with overwhelming industry interest, showing dramatic growth in the number of agents, customers and loan positions in a short period.**

**More than 2,300 funds/lenders have signed up to Loan/SERV Reconciliation**



**More than 200,000 positions are hosted from 8 global agent banks**



**For More Information on Loan/SERV**

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*Loan/SERV is a service offering of DTCC Loan/SERV, LLC, a subsidiary of DTCC.*