

The Depository Trust & Clearing Corporation

THE NEXT GENERATION OF TIW

DTCC is taking a leading role in creating the foundations and services to enable market participants to capitalize on the potential benefits of distributed ledger technology (DLT). Moving from a traditional mainframe system with a relational database to a distributed permissioned blockchain technology, our strategy is based on the principle that the re-platforming of DTCC's Trade Information Warehouse (TIW) will prove out the capabilities of this new technology and potentially have a transformational impact on how the industry processes credit derivatives.

As one of the industry's **largest and most complex** initiatives to date, DTCC is committed to providing the highest level of quality control by implementing this new technology in a measured, prudent and secure manner.

WHERE ARE WE NOW?

In only a few years, since the inception of this project in 2016, we've developed the platform and are in the process of conducting robust, in-depth industry-wide testing. Go-live is anticipated in mid-Q4 2019. We are coordinating closely with many industry participants to ensure that firms are 100% ready. These firms include dealers, buy-side firms, central counterparties, vendors and service providers such as custodians and middleware companies across their multiple platforms, to complete this process.

"WHY" TIW FOR DLT

The standardized nature of the process flows and data models makes credit derivatives an ideal test case for distributed ledger technology, and provides an opportunity for DTCC to test the technology with appropriate and meaningful scale while mitigating risk, enhancing efficiencies and driving cost efficiencies for market participants. Bolstered by common data standards and governance, a DLT-based TIW can enable the industry to process and report to regulators from the same data record.

Created in 2006, DTCC's Trade Information Warehouse (TIW) plays a central role in the credit derivatives market infrastructure, providing key components of asset servicing such as payment calculations, central settlement through CLS, and a wide array of event processing activities including credit event processing, restructuring events, rename events, and reorganizations.



OVER 50K ACCOUNTS

REPRESENTING DERIVATIVES COUNTERPARTIES

ACROSS 95 COUNTRIES



**APPROXIMATELY
\$10 TRILLION**

OF CLEARED AND BILATERAL
CREDIT DERIVATIVES

THE TIW DLT SUCCESS STORY

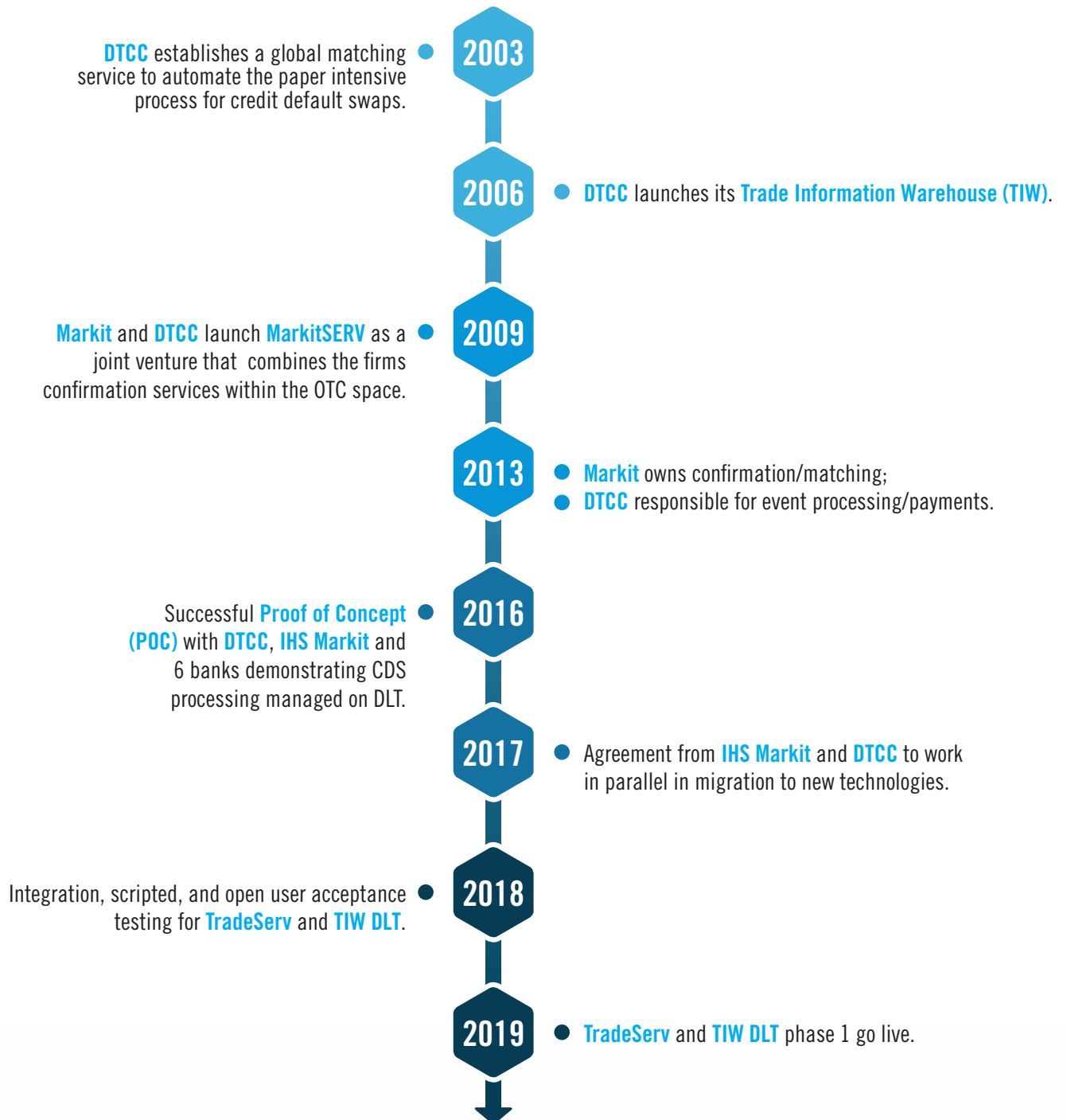
A proof-of-concept (PoC) was successfully completed in early 2016 demonstrating complex post-trade events inherent to credit default swaps can be managed efficiently with DLT in a permissioned, distributed, peer-to-peer network. DTCC, Axoni, IHS Markit, Bank of America, Citi, Credit Suisse, and JP Morgan participated in the test.

IBM, in partnership with Axoni and R3, was then selected by DTCC in the Fall of 2016 to provide the DLT framework. The framework was designed with input and guidance from market participants.

DTCC and its partners completely re-platformed TIW utilizing DLT and the cloud (for scalability, optimal performance, flexibility, and to reduce costs) in only 18 months. In July and August 2018, TIW entered into integration testing with MarkitSERV and their new confirmation system, TradeServ.

Beginning in September 2018, 15 of the world's largest global banks began conducting end-to-end, structured user acceptance tests, leveraging simulated use cases and test data and validating the interaction between systems, firms and other key market infrastructure providers.

HISTORY & TIMELINE



FOR MORE INFORMATION, PLEASE CONTACT:

For more information and updates on DTCC's TIW DLT initiative, please contact your designated DTCC Relationship Manager.

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