

The Depository Trust & Clearing Corporation

ALERT®

The industry's largest and most compliant web-based global database for the maintenance and communication of account and standing settlement instructions (SSI)

OVERVIEW

To reduce risk and associated operational costs associated with trade failure, it is vital to have a complete and standardized process for storing, updating and communicating account and settlement details. In fact, the industry estimates that 30 percent of trade failures are a direct result of inaccurate settlement instructions. This number is largely fueled by firms using manual processes for the management of settlement instructions.

ALERT® is the industry's largest and most compliant web-based global database for the maintenance and communication of account and standing settlement instructions (SSI). The solution significantly reduces trade failure by enabling a community of investment managers, broker/dealers and custodian banks to share accurate account and SSI data automatically worldwide.

ALERT FOR INVESTMENT MANAGERS

With tighter validation of market specific SSIs, the ALERT platform enables an improvement of data quality to broker/dealers. In addition, users are enabled to set up or edit accounts and either link these accounts to a set of existing instructions or create a new set of instructions. These arrangements can be saved as "models". With thousands of accounts attached to a single settlement model, users can significantly reduce the effort required to maintain individual accounts.

Users can then notify all broker/dealers affected by the change via the electronic Alerting process and account access can be restricted to only those broker/dealers with whom each user trades. Users can also retrieve broker/dealer SSIs online when needed.

ALERT FOR BROKER/DEALERS

The ALERT platform helps to facilitate communication of a wider range of settlement instructions. Users can electronically receive updates to settlement instructions from investment managers via the electronic Alerting process and can also retrieve settlement instructions on a trade-by-trade basis through enrichment. To further expedite processing, broker internal account numbers (BIAs) can be cross referenced with investment manager account

names so that users retrieve only those alerts that pertain to their specific accounts. BIA cross references can be established from multiple places within the ALERT platform including the Account Search Results page, the Home Page and the Alerts Summary page.

ALERT FOR CUSTODIAN BANKS AND PRIME BROKERS

With the ALERT platform, users can enter and update settlement arrangements and notify those affected by a change via the electronic Alerting process. Settlement models are entered based on country, security type and depository or settlement location. The ALERT Client Data report enables you to look up all accounts by investment manager using your ALERT settlement model and, more specifically, which instructions are being used within that model. In addition, broker/dealer standing settlement instructions can be retrieved to ensure accurate communications and the most up-to-date information.

KEY BENEFITS

- Most compliant settlement rules engine on a market-by-market basis, in alignment with the Securities Market Practice Group's (SMPG) country specific market practices
- Provide broad market coverage supporting all the depositories across the globe (150+ as published by SMPG) and more than 30 derivatives exchanges
- Support for multiple asset classes such as Equity, Fixed Income, FX/CASH and Derivatives (Exchange Traded and OTC)
- Reduce trade failure by enabling a community of users to share accurate settlement instructions globally
- Connect your firm to the world's largest community of SSI database subscribers
- Provide timely transmission and receipt of updates to investment manager and broker/dealer settlement instructions and global custodian settlement models
- Lower costs by reducing manual errors, administrative overhead and processing expenses from trade repair

KEY FEATURES

- Automated enrichment of SSI and account information in Central Trade Manager® (CTM) and OASYS™
- Intuitive interface validates new data entered against industry standard rules to ensure accurate SSI data. The ALERT platform is continually enhanced to keep pace with ISO15022/MT54X fields for securities, and ISO7775/MT304, MT210 and MT202 messages for cash / FX trading
- Fields that are in need of an update are highlighted to comply with the latest validation rules, with click-on links to accelerate data entry
- Market settlement instructions can be set to become effective for settlement at a future date (Future Effective Settlement Date), saving Investment Managers time and adding efficiency to data maintenance
- Two types of access to choose from for each user: full read-write or read-only, which provides control of which users can change the data

FOR MORE INFORMATION

For more information, please visit www.dtcc.com/alert.

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