



MarginSphere™

ACADIASOFT'S GLOBAL MARGIN CONFIRMATION COMMUNITY

What is it?

MarginSphere is a margin confirmation community where counterparties engaged in collateral management electronically confirm margin calls, substitutions, and interest statements.

MarginSphere is the result of collaboration between AcadiaSoft and several of the industry's largest financial institutions, including eight Fed 14 banks, focused on driving efficiencies and reducing risks through margin automation.

Who is it for?

MarginSphere is a smart choice for buy-and-sell-side firms of all sizes. Its flexible integration capabilities, scalable platform, and pricing options provide an effective and cost-effective solution for all classes of clients.

What does it provide?

MarginSphere provides industry standard automation of the margin process – a critical element of Dodd-Frank and Basel III risk management infrastructures. It provides ISDA compliant workflow, message delivery, and cross-referencing between the counterparties. MarginSphere also offers:

- Standards in communication
- Near real-time visibility of counterparty actions
- Partial and full dispute notifications
- Full audit trails
- Detailed management reporting
- Greater STP into applications

MARGINSPHERE DELIVERS A NEW LEVEL OF AUTOMATION FOR COLLATERAL MANAGEMENT

“In order to increase automation, allow for scalability, enhance security, and provide an audit trail the market needs tools that facilitate collateral messages to be exchanged electronically between participants...”

– ISDA, *Standards for the Electronic Exchange of OTC Derivative Margin Calls*

Leading financial institutions are using MarginSphere for the electronic management of margin calls, substitutions, and interest statement processing. In this secure community, buy-and-sell-side firms are managing risk and eliminating inefficiencies by automating collateral communications with counterparties, compliant with ISDA recommendations.

MARGINSPHERE BENEFITS

Our Unique Identifier	Valuation Date	Total Call Amount	Agreed Amount	Disputed Amount	Currency
xy vs barcap A001	Sep. 06, 2011	4,590,000.00	4,590,000.00	0.00	USD
xy vs barcap A002	Sep. 06, 2011	8,000,000.00	8,000,000.00	0.00	EUR
XY002	Sep. 06, 2011	55,000.00	55,000.00	0.00	EUR
XY003	Sep. 06, 2011	210,000.00	210,000.00	0.00	GBP
xy vs barcap A004	Sep. 06, 2011	900,000.00	700,000.00	200,000.00	AUD

- **Electronic Communications:** With MarginSphere, you confirm margin calls, substitutions, and interest statements electronically with your counterparties – reducing the cost, time, and risk associated with email

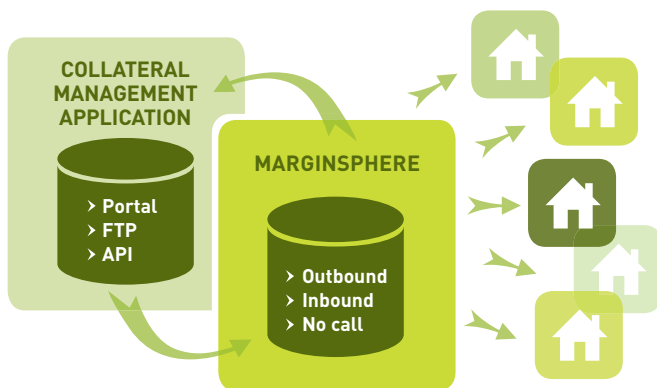


paper, phone, and fax-based processing while supporting emerging industry requirements for scalability, security, and an audit trails.

- **Exception Management:** MarginSphere applies your rules to your communications – enabling collateral managers to focus attention on time sensitive exceptions and disputes.
- **Instant Visibility:** With the click of a button, MarginSphere gives you an unprecedented window into counterparty exposure. For greater detail, drill down to the current status of each agreement and examine the details behind every dispute. You will have a full audit trail that has been designed to satisfy any internal or external audit.

- **Reach and Breadth of Service:** The AcadiaSoft community provides access to trading counterparties and spans the major financial centers throughout the world. This reach allows you to communicate electronically with most counterparties in most regions by using widely accepted messaging industry-standards.
- **Flexibility and Scalability:** MarginSphere makes the global derivatives collateral management process easier, starting with how you access the service. Online access is provided from either the AcadiaSoft or MarkitSERV portal and fully integrated access is available using MarginSphere’s integration services: Direct (API) and Exchange (File Transfer).

HOW IT WORKS



With MarginSphere’s Agreement Portal You Can:

- Create margin agreements
- Manage legal entities
- Manage users and roles
- Establish monitoring
- Enable interest statements
- Allow for multiple calls per day

With MarginSphere’s Message Portal You Can:

- Initiate/Respond to margin calls
- Initiate/Respond to interest statements
- Initiate/Respond to substitutions

MarginSphere Can Be Implemented In 3 Ways:

- Directly via AcadiaSoft’s Internet portal or through MarkitServ’s portal
- Directly from your collateral management system by importing/exporting message data
- Directly via API for integration into your collateral management system

For all implementation options, AcadiaSoft provides comprehensive support to developers integrating MarginSphere with their applications.

For Information on AcadiaSoft MarginSphere, please contact info@acadiasoft.com or call 0203 0048226.