

AcadiaSoft Exposure Manager for Initial Margin

Regulatory Compliant Initial Margin Processing

AcadiaSoft Exposure Manager for IM is an end to end Initial Margin (IM) reconciliation, calculation and dispute resolution service offered by AcadiaSoft in collaboration with TriOptima. AcadiaSoft Exposure Manager for IM is a one-stop solution to help bring firms into compliance with the new regulatory requirement to collect and post IM held in a segregated account.

NEW RULES DRIVING DEMAND FOR CENTRAL MARGINING SOLUTION

Significant changes are coming to the global OTC non-cleared derivative marketplace in the form of new rules for variation and initial margin starting in September 2016*.

- Initial margin required to be collected between parties on a gross basis and held in a segregated account
- Margin calculations performed based on approved models (e.g. ISDA SIMM) or pre-defined schedule
- Increased regulatory scrutiny, reporting requirements and penalties for disputes

An industry utility is needed to comply with regulations, prevent disputes and increase operational efficiency by providing standard calculation, reconciliation and straight through margin processes.

AcadiaSoft Exposure Manager for IM introduces a new dispute prevention workflow uniquely designed to avoid disputes by reconciling calculations and sensitivities prior to the exchange of margin calls.

AcadiaSoft Exposure Manager for IM Dispute Prevention Workflow

Capture Inputs

Receive sensitivities daily
Capture in a secure store with "need-to-know" reveal and information protection logic

Calculate Margin

Calculate Initial Margin requirement using ISDA SIMM and/or schedule based calculation models

Reconcile Inputs

Reconcile the inputs to an internally or centrally calculated Initial Margin Requirement

Attribute differences to specific root causes

Resolve Differences

Create workflow cases to manage differences identified in the Initial margin reconciliation process

Where disputes exist, suggest options to resolve differences

Generate Margin Calls

Applies the results of accepted resolutions to a margin call to reduce or eliminate the margin dispute

FEATURES

- Reconciliation of exposures, trades & sensitivities
- Standard calculations (ISDA SIMM and Schedule)
- IM call generation for issuance or validation
- Full audit trail and reporting/analysis
- Integrated with MarginSphere for automated call workflows and Disputes Manager for exceptions
- Secure data platform with maximum client control
- Accessible through Portal, API, or File-Based interfaces

BENEFITS

- Comply with Uncleared Margin Rules
- Standardize margin calculation and verification process to avoid disputes
- Maximize straight through processing
- Maintain full control and visibility across process
- Share data as necessary and under your controls
- Collaborate with a significant majority of firms impacted by Phase 1 of the new regulations