

## **AcadiaSoft Provides Industry Progress Report Ahead of ISDA's 33rd Annual General Meeting**

### *Margin Automation Leader Reports on New Milestones and New Initiatives*

Miami, FL — Tuesday, April 24, 2018 — AcadiaSoft Inc., the leading industry provider of margin automation solutions for counterparties engaged in collateral management worldwide, today announced a number of industry milestones that have been achieved via its services through Q1 2018, as well as a new 100% Industry Margin Automation Initiative designed to automate the balance of Credit Support Annex (CSA) agreements that aren't yet margined electronically. The announcements came in conjunction with the ISDA Annual Group Meeting that begins today in Miami, FL.

#### **More Agreements, Less Exposure**

On average, AcadiaSoft MarginSphere clients electronically exchange OTC bi-lateral margin calls and agree collateral movements on more than 150,000 active Variation Margin (VM) CSA agreements each day, as well as more than 1,050 active regulatory Initial Margin (IM) CSA agreements. ISDA counted more than 136,000 active VM CSA agreements in 2015, its most recent annual survey to report such numbers. ISDA does not publish statistics on the number of active regulatory IM agreements.

"We estimate that our latest volume figures represent more than 50% of total active OTC bi-lateral VM CSAs and over 99% of total IM CSA agreements industrywide," said Chris Walsh, AcadiaSoft President & CEO.

As of March 31, 2018, regulatory IM exposure calculated from a collect perspective and reconciled on AcadiaSoft's Initial Margin Exposure Manager service exceeded US \$105BN for the 34 counterparty groups included in IM phases 1 and 2. This far surpasses the latest regulatory IM collected figure of US \$46.6 BN as of March 31, 2017, as published in the 2017 ISDA Annual Survey. AcadiaSoft also estimates that firms using its IM Optimization products have actually reduced their overall IM Exposure in the Rates and FX asset class by up to 50% while reducing Equity IM exposure by an average of 35%.

#### **100% Industry Margin Automation Initiative**

Since the March 2017 VM go-live date, margin call volumes across the AcadiaSoft Hub platform have risen more than 35%.

"Along with the Non Cleared Margin regulation itself, this has motivated firms to look to AcadiaSoft solutions to help move the remaining portion of the marketplace that still uses email to exchange margin calls and agree collateral movements in a more automated environment," said Mark Demo, Product Director of AcadiaSoft.

Through its new Industry Margin Automation (IMA) initiative, AcadiaSoft has in production a number of options to address this challenge. These include its:

- Relay Service, which uses Artificial Intelligence (AI) to read emails and convert the contents into an XML message to then feed into MarginSphere;

- Margin Manager portal, which provides firms with a single, secure web-based portal to send and receive margin calls and agree and pledge collateral movements for all products. Margin Manager is fully integrated with AcadiaSoft's MarginSphere platform as well as its IM Exposure Manager and AcadiaSoft's soon to be released Cash Interest reconciliation service;
- Collateral Manager portal, which builds upon and extends the functionality and integration capabilities of Margin Manager to include exposure and margin call calculation as well as integrated dispute resolution functionality across both VM and IM margin calls.

AcadiaSoft has also already successfully extended its MarginManager automation capabilities to support MSFTA/TBA and Repo margin agreements. On any given day, firms electronically agree margin calls and collateral movements on thousands of MSFTA/TBA and Repo collateral agreements. In addition, AcadiaSoft is currently hosting working group calls with industry participants to determine modifications required to its platform, if any, to support the automation of OTC-cleared and Securities Lending margin calls as well as Securities Collateral Payments and Substitutions.

### **About AcadiaSoft, Inc.**

AcadiaSoft, Inc. is a financial industry collaborative that is uniquely focused on delivering margin automation and standards for counterparties engaged in collateral management. AcadiaSoft allows market participants to communicate vital information on exposures, commitments and adjustments between counterparties in a complete, verifiable and secure manner.

Owned and backed by the investment of 16 major industry participants and infrastructures, the AcadiaSoft community has grown to more than 400 member firms exchanging approximately \$400B of collateral on daily basis. The Company's growth has been driven by regulatory change in the derivatives industry that is increasing the demand for automated, transparent and verifiable collateral management.

AcadiaSoft's Advisory Groups, Best Practice Forums and Working Groups provide a unique framework for integrating the thought leadership and capabilities of over 700 market participants, market infrastructures and key service providers across the industry.

AcadiaSoft is headquartered outside of Boston in Norwell, MA and has offices in London, Tokyo and New York.

For more information, see [www.acdiasoft.com](http://www.acdiasoft.com).

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