

Brevan Howard Engages AcadiaSoft for Initial Margin Management

One of the first in-scope buy-side firms under Phase 3 of Non-Cleared Margin Rules Using AcadiaSoft Hub

Norwell, MA, November 7, 2018 – AcadiaSoft Inc., the leading industry provider of risk and collateral management services for the non-cleared derivatives market, today announced that Brevan Howard has joined the network of market participants using the AcadiaSoft Hub’s Initial Margin Exposure Manager (IMEM). As one of the first buy-side firms that falls within the scope of Phase 3 of the non-cleared margin rules that went into effect on September 1, Brevan Howard is now reconciling two-way initial margin (IM) with its derivatives trading counterparties under the non-cleared margin rules via IMEM.

“The continued expansion and enhancement of the AcadiaSoft Hub is central to our commitment to helping firms that fall within any of the five phases of the non-cleared margin rules achieve compliance,” said Chris Walsh, AcadiaSoft CEO. “We are pleased to be able to provide Brevan Howard with the services needed to address these requirements and to be able to draw upon their insights and experience as one of the first buy-side firms subject to the rules.”

IMEM is an end-to-end IM reconciliation and calculation service that was developed to bring firms into compliance with the new regulatory requirement to collect and post IM held in a segregated account. The service reduces complexity in agreeing margin amounts on a two-way basis by reconciling initial margin exposure calculations. Available through the AcadiaSoft Hub, IMEM allows firms to streamline the investment management process by implementing a fully-automated, straight-through processing solution.

“The AcadiaSoft Hub and IMEM service are the industry standard for margin management. Regulatory initial margin is calculated using a standardized but complex portfolio risk sensitivity model. For daily reconciliation of this data across multiple counterparties it is therefore essential to use a common platform,” said Gilles Marion, Head of Risk Services for Brevan Howard. “Counterparties are already using the AcadiaSoft Hub on a widespread basis, and our integration of IMEM will allow us to further streamline our trading operations”

Access to IMEM and the applications on the AcadiaSoft Hub gives firms the ability to share data and to collaborate with a significant majority of firms affected by Phase 1, Phase 2, and now Phase 3 of the un-cleared margin rules. The standardization of margin calculation and the verification process help firms avoid disputes, and the IMEM service enables firms to maintain full control and visibility throughout the process.

The margin framework established by the Basel Committee on Banking Supervision (BCBS) and the International Organization of Securities Commissions (IOSCO) requires that firms post and collect IM and variation margin (VM). The AcadiaSoft Hub is the only industry-wide solution to directly address the operational and compliance challenges firms face in meeting the new IM requirements that were implemented beginning in 2016 and VM requirements that became effective in 2017. The regulations will continue to expand to additional sell-side and buy-side firms through 2020.

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About AcadiaSoft, Inc.

AcadiaSoft, Inc. is the leading industry provider of risk and collateral management services for the non-cleared derivatives community. The AcadiaSoft Hub encompasses a suite of applications and analytics that enable and measure the complete STP workflow from CSA agreement management, risk services, margin and collateral management through to settlement. Backed by 17 major industry participants and market infrastructures, AcadiaSoft is used by a community of more than 650 firms exchanging approximately \$400B of collateral on daily basis via its margin automation services. AcadiaSoft is headquartered in Norwell, MA and has offices in London, New York and Tokyo.

For more information visit [acdiasoft.com](https://www.acdiasoft.com). Follow us on Twitter: <https://twitter.com/AcadiaSoft> and LinkedIn: <https://www.linkedin.com/company/acdiasoft-inc/>.

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Press Contacts:

Christina Kim
Intermarket
+1 212-754-5437
ckim@intermarket.com

Laura Craft
AcadiaSoft
+44 20 3954 0196
Laura.craft@acdiasoft.com