



## Collateral management for OTC derivatives

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is a software company that has developed a “financial platform” and has been providing solutions for over twenty years in the back office of banks, asset management companies and corporates.

## inside riskart

### Back Office software – OTC Derivatives

- Management of OTC and Exchange-traded derivatives
- Cash-flow calculations for all types of derivatives
- Easily parametrized for the insertion of new types of derivatives
- Management of derivatives life-cycle
- Management of settlement process
- Creation of accounting entries
- Compliance with IAS/IFRS accounting principles
- “Multi-entity” management
- Reporting
- Front Office deal capture

### Back Office software – Collateral Management

- Under development.....



## Why a software for collateral management?

- Post-Lehman lessons
- Counterparty risk
- Optimization of liquidity
- A more efficient use of capital
- Automatizing back office processes
- Management reporting



## What does riskart offer?



## Functionality

- Management of Credit Support Annex (ISDA) contract details
  - Thresholds, Evaluation Agent, Assets ecc.
- Calculation of net exposure per counterparty
  - Netting per product
  - Cross-product netting per counterparty
- Management of market events
  - Credit events ecc.
- Mark-to-Market of portfolio
- Reconciliation management per counterparty
  - Import/Export of XML files
- Margin calculation
- Automatic creation of Margin Call/Recall messages
  - SWIFT messages or
  - Letter/e-mail/fax
- Interest calculations
- Creation of notification messages/payment instructions
- Dispute management
  - Formal notification, monitoring etc.
- Management Reporting
  - Market positions, interest, break-down assets etc.

## Characteristics of software

### Independent software module

- Easily integrated into client's environment

### Standard Technology

- Client/Server architecture
- Pure HTML client (Explorer, Firefox ecc.)
- Database SQL/Oracle/DB2
- Programming language C++
- Import/Export XML files

### Local support

- Italian language support
- Team of financial analysts

### Software customization

- Rapid realization
- Software integrity maintained

### Reporting

- Integration with MicroStrategy
- Other reporting packages may be used (e.g. Business Objects etc.)



## Strengths of Collateral management software

### Automatization of Middle/Back Office processes

- Automatization Margin Call/Recall
- Elimination of manual errors

### Pro-active management of collateral

- Counterparty risk
- Credit risk
- Portfolio risk

### More diligent liquidity management

### Optimization in management of capital

### Automatic reconciliation

- Netting of positions
- Reduction in errors





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