

MarginTrac

THE INDUSTRY-LEADING MARGIN TRADING SOLUTION

- **Real-Time Collateral and Credit Limit Monitoring**
- **Pre-Trade Margin and Limit Checks**
- **Flexible and Comprehensive Collateral Management**
- **Full Client Account Support**
- **Multi-Lingual Client Statements, Margin Calls and Transaction Confirmations**
- **Scalable Architecture for Robust Performance and Very High Transaction Volumes**
- **Integrated Web Publishing of Positions, Risk, Trades and Account Summaries**

Overview

MarginTrac provides a total solution for managing margin trading for foreign exchange contracts. MarginTrac incorporates collateral tracking, position tracking, real-time data-feeds for collateral and position revaluation, and real-time calculation of margin requirements. MarginTrac enables users to conduct real-time on-line checks against the current value of a client's collateral. Upon trade execution, positions are instantly updated to provide real-time data to all traders across a network. The turn-key MarginTrac solution provides a highly functional web-portal which can be easily integrated into any technical environment. MarginTrac provides a high performance solution to facilitate substantial trading volumes.

Instrument Coverage

MarginTrac allows users to easily process and manage the following financial instruments:

- Spot-Forward-Swap FX Contracts
- Vanilla and Exotic FX OTC Options
- Money Markets
- Bonds
- Floating Rate Notes
- Common Stock- Preferred Stock and Equity Mutual Funds

Collateral Types

MarginTrac can be used to manage margin collateral consisting of the following instruments:

- Cash
- Money Markets, such as T-Bills and CDs
- Bonds
- Floating Rate Notes
- Letters of Credit & Letters of Guarantee
- Equities
- Physical Assets

Margin Calculation Engine

At the heart of MarginTrac is a unique, multi-threaded middle-tier engine that dynamically assimilates transaction data, client profiles, client collateral data, and market rates, and calculates margin requirements and margin calls in real-time. The Margin Engine will pre-check transactions for adequate collateral and will instantly reflect changes in clients' collateral, clients' positions, the value of clients' collateral, and the value of clients' positions.

Margin Profiles

MarginTrac supports all of the industry-standard margining methodologies, including Gross Risk Margining and Currency Risk Margining.

MarginTrac

MarginTrac allows margin profiles to be established based on the following parameters:

- Financial product
- Currency or currency pair
- Client or groups of clients
- Tenor of contract

Adjustments can also be made for each client. By maintaining flexibility in setting up margin requirements, MarginTrac allows users to take precise control of margin risk for each client.

Margin Call Management

Margin calls may be issued in bulk or individually. The status of clients' margin calls is continuously updated by the margin engine, and may be viewed on-line at any time. Margin calls may be automatically sent via email, fax or SMS.

Real-Time Limit Checking

In addition to monitoring collateralized trading, MarginTrac also allows client risks, market risks, and trader risks to be closely monitored with MarginTrac's flexible Limits Module. Users can define a variety of limits, such as exposure limits, credit limits, settlement limits, and cash flow limits for each trading client, financial product, or for an aggregation of products. Limits may be weighted by financial product and are updated in real-time. The Limit Browser provides a convenient screen to view all limits and their utilization with flexible filtering to drill-down to specific clients, products, and currencies.

Desktop and External Alerts

Any transaction or market change that results in a breached collateral or credit limit can generate a desktop alert. The issued alert must be acknowledged or cleared by authorized personnel in order to de-activate the alert. Additionally, a SMS and/or email alert of a collateral or credit breach may be sent to any interested person inside the bank or outside the bank.

Multi-Lingual Messaging & Online Statements

MarginTrac fully supports multi-lingual communications with full language and character

support. Clients can be provided the "local" support they desire with user-defined messaging capabilities. Whether the language is English, Arabic, French, Spanish, Chinese, or any other business language, MarginTrac will produce highly professional Confirmations, Statements, Notices and Margin Calls for clients around the corner or around the world.

Client Account Management

MarginTrac incorporates a complete Client Account Management capability to allow users to manage profitability not only from the standpoint of trading, but also from the standpoint of client activity. Users can create a wide variety of client activities (such as incoming and outgoing wires, preparation of drafts, and receipt of drafts) and fees associated with those activities. Account maintenance fees can also be defined and applied to client accounts. Additional Client Account Management functions include:

- An on-line account monitor to view clients' cash balances and activity
- The ability to extend credit facilities to specific clients
- Payment of interest on clients' credit balances and charging of interest on clients' debit balances

Client Position and Risk Monitoring

MarginTrac features a range of advanced, real-time analytical tools which facilitate the management of complex positions. MarginTrac's risk management capabilities feature a number of analytic blotters which can display the complete sensitivity profiles of a portfolio on a single screen. The blotter technology delivers flexibility and speed in analyzing complex portfolios, meeting the business needs of both traders and risk managers. The Analytic Blotters display data in real-time, refreshing position, P&L and sensitivity information as quickly as trades are entered into MarginTrac.

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