

# Harmony Equities Matching & Settlement Netting

Tri-party matching and netting service, creating visibility and efficiencies in the settlement process

Harmony Equities Matching & Settlement service has been designed with industry input to create efficiencies and cost reduction in OTC equities Post-Trade process. The service provides a centralized hub for Executing Brokers (EB) and Prime Brokers (PB) to match their clients' affirmed trades to ensure certainty of settlement, thereby avoiding potential settlement fines by highlighting exceptions on trade date. Further cost efficiencies are gained by aggregating or netting ready to settle trades at the Omnibus account level, significantly reducing the cost of settling trades on a bi-lateral transactional basis.

## KEY BENEFITS

### Provide tri-party matching environment for buy-side, Executing Broker & Prime Broker

- Identify and resolve breaks on T0
- Provide visibility and transparency into ready to settle trades
- Increase certainty of settlement – avoid potential settlement fines, inventory issues, interest claims and reduce impact of CSDR regulation

### Trade Aggregation/Netting

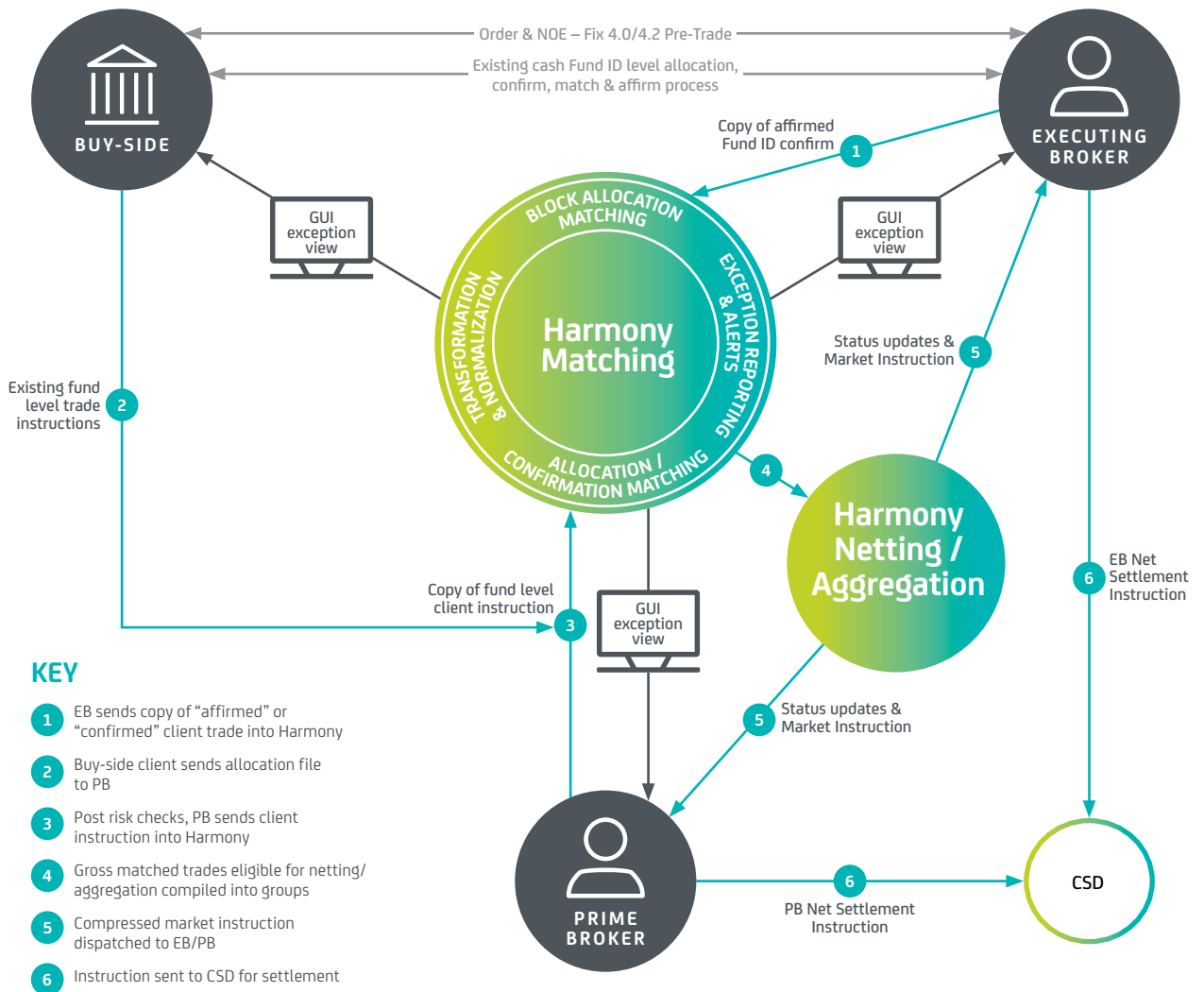
- Reduce number of gross settlements on matched transactions
- Reduce settlement cost for Cash Equity Prime trades. Currently all trades settle OTC on a Trade-by-Trade bilateral basis:
  - Bilateral aggregation/netting (Omnibus Blocking – grouping trades to re-shape into one settlement)
- Improve efficiency of settlement teams – fewer transactions to settle
- Reduce regulatory capital requirements – less funds locked up during processing

## KEY FEATURES

- Customisable web-based user interface for tri-party view into exceptions, matched trades and aggregated/netted trades
- Configurable workflow to manage aggregation/netting rules and timing on counterparty basis
- MIS statistics online and scheduled reports into matching rates, aggregation/netting rates
- Deploy in modular components – matching can occur without trade aggregation/netting
- Multi-PB view for buy-side clients and EB's
- Multi-client view for Prime Brokers
- System generated market instruction of new settlement shapes

## WORKFLOW

### HARMONY EQUITIES MATCHING & SETTLEMENT NETTING SERVICE



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