

X-COM

X-COM triparty collateral management

MTS Repo*, our leading electronic European repo platform, is fully integrated with X-COM, Monte Titoli's triparty collateral management platform. The service is designed to support the financing and investment strategies of market operators.

Why access X-COM via MTS Repo?

With secured funding and financing transactions now an integral part of most market participants' portfolios, the need to drive efficiency, reduce risk and enhance returns has made smart collateral management essential.

A secured triparty transaction helps to limit risk exposure, increase returns and reduce capital absorption in an environment where regulatory pressures are driving systematic changes.

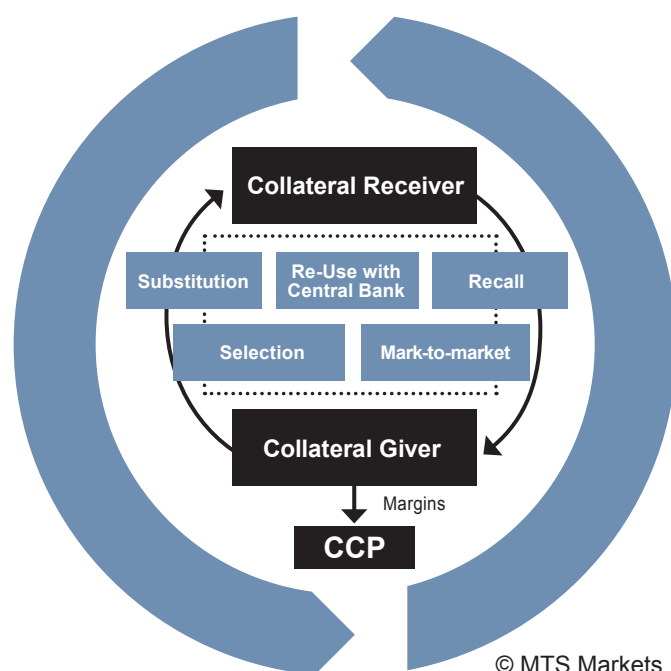
The X-COM triparty collateral management platform allows financial institutions, asset managers, insurance companies and corporations to effectively manage their financing needs via a single, integrated mechanism.

The service provides a simple yet flexible solution, with fully automated access to a broad set of collateralisation functionalities covering on-exchange and OTC repo transactions.

The platform manages all processes involved in the opening and closing of transactions, as well collateral substitution and reuse during the trade life cycle. Monte Titoli plays the role of neutral triparty agent on the platform.

Benefit from:

Operationally effortless	All activities required for the administrative management of collateralised positions are performed by Monte Titoli
Improved portfolio control	Collateral providers can access their whole portfolio, recalling and substituting securities
Enhanced risk management	Continuous and effective control of market and counterparty exposures. Mark-to-market, customised eligibility criteria, haircuts and concentration limits
Integration with TARGET2-Securities	Full compatibility with the new facilities provided by the ECB settlement platform



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Eligible securities

- Government and supranational bonds,
- Corporate regional / municipal bonds (including covered bonds),
- CMO, ABS and CMBS
- Ratings not lower than BBB- (investment grade)

Eligible countries

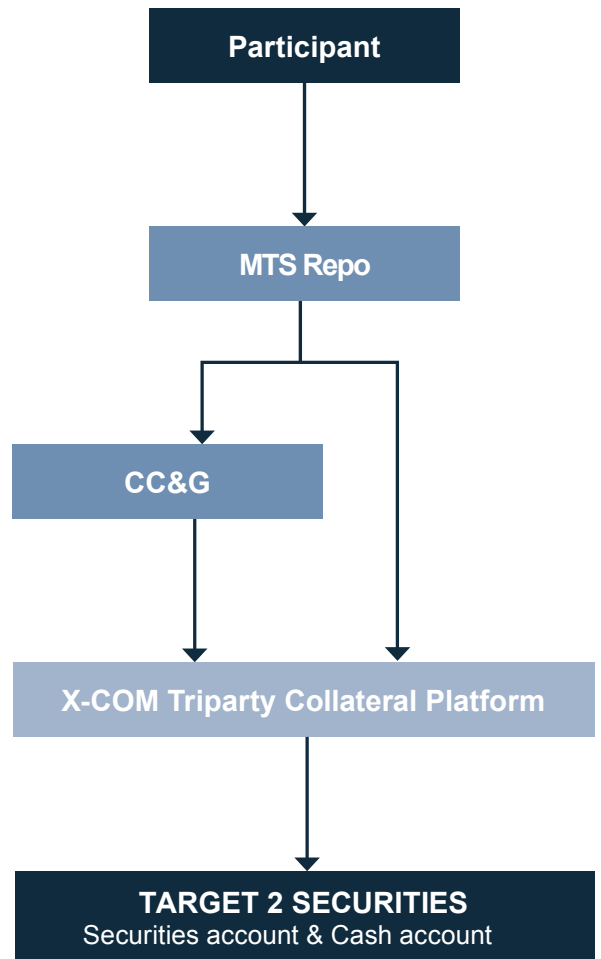


Austria, Belgium, Finland, France, Germany, Italy, Netherlands, Spain

CC&G guarantee scheme

As well as standard triparty baskets, X-COM offers the possibility to trade via a CC&G defined, centrally cleared basket of ECB eligible, euro denominated securities which includes government and corporate bonds, as well as securitised debt.

The guarantee scheme introduces a specific margining mechanism for triparty repo, while using the same default fund as the bond segments.



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