

OTC-Connect

Enabling capital markets
message integration and
automation in changing times

OTC-Connect provides a cross asset class interface environment for swaps, FX and CDS asset classes in the OTC (over-the-counter) market and traditional exchange traded instruments. OTC-Connect transforms messages and routes to front, middle and back office destination applications and departments.



V-MarkETconnect offers an easy-to-implement, highly flexible approach to handling financial messages and insulates customers from future regulatory requirements, such as Dodd Frank and EMIR.

Who and how it connects

In changing times successful organisations have to be agile; they need to adapt and adjust to the evolving financial climate of regulations and cross market trade life cycle processes; take advantage of growth and new business opportunities and find ways to achieve greater operational efficiency.

Messaging is the medium through which financial services interoperate – OTC-Connect uses off-the-shelf plug-in for connection which improves business process efficiency and offers a quick connection methodology for the evolving cross asset e-infrastructure class. Adaptors are available for popular packages such as Murex, Calypso and Sophis, with each systems business processes being accommodated in specialist libraries and the Volante dash board which illuminates messaging traffic

Across the trading lifecycle OTC-Connect eases interparty communication amongst venues such as:

- | | | |
|----------------|--------------|-------------------|
| » ICE | » SDR/TR | » MarkitServ with |
| » LCH.Clearnet | » SEFs | FIX 4.4, FpML |
| » Eurex | » ICAP | 5.4, backward |
| » CME | » Triana | compatible and |
| » DTCC | » MarketWire | proprietary |

With the framework and productivity tools new venues and interfaces can be added quickly and easily, saving cost, enabling faster time to compliant trading and reducing exposure to disruption and therefore minimizing the operational risks of accommodating change. This flexibility insulates firms' technology from change.

Volante's OTC-Connect creates an intelligent communication layer between back office systems, networks and the external counterparty world whether you are a trading firm, clearing house or other centralised market body or service provider.

Technology vendor proposition

OTC-Connect helps remove the complexity of keeping pace with changing message standards and allows firms to commit to integration and market compatibility while focussing on their core capability of business processes. It enhances responsiveness to your existing client base and reduces internal costs by removing the exposure to on-going change.

Volante's v-Derivatives program is based on partnering for go to market. Volante's dedicated focus on standards watching and its impact on message flows is augmented by detailed collaboration with adjacent partners in the technology environment. This allows solutions which encompass the business flow from processing system, through data handling environments such as ESB (enterprise service bus) and ETL (enterprise translation language) to import and export of messages to the counterparty.

For software vendors and service providers, OTC-Connect adds messaging intelligence and fills a space in partner programs.

Trading Firm proposition

OTC-Connect offers seamless integration with your middle and back office systems – e.g. from Murex, Calypso to other in-house systems and provides the flexibility, should you wish, to switch between execution venues, clearers and other intermediaries with no lock in. It reduces the operational risk associated with changes in systems and increases response times to changing market practice.

One single connection environment to complete OTC Market Infrastructure accommodating heterogeneous output from individual asset class siloes.

Through OTC-Connect's foundation of Volante Designer – access is achieved to the majority of message formats and technologies being used across the market – eg FIX, FpML, SWIFT. Mapped to the trade life cycle, this allows one technology environment in which to build for STP (straight through processing) – insulating the firm from incompatibilities in message format and definition across a multi asset class front to back office cycle.

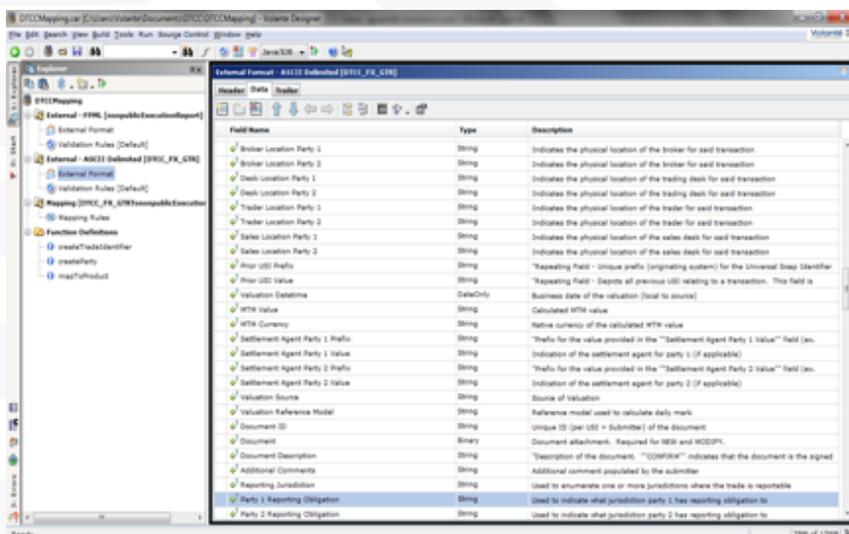
Clearing House – central service provider proposition

OTC-Connect enables clearing houses and central bodies to address the world of ever-changing messages, standards, protocols and interfaces off-the-shelf from the vendor market.

This assists data import and export from internal systems and supports the rapid on-boarding of new customers by enabling any message formats to be accommodated and eradicating the need to prescribe specific formats and APIs, therefore enhancing the service level proposition.

When service upgrades become due, cutover of multiple customers in a single change window can be achieved by embracing the issue of heterogeneity in communication styles.

By focusing on the task of messaging and counterparty interaction, OTC-Connect provides a single framework for all asset classes and functions across the trading life cycle. Volante's dedicated team of standards watchers track real and de facto standards as they come to market across the globe, and build into the ever-growing library of available plug-ins – accelerating project times and reducing costs through economies of scale.



Field Name	Type	Description
Buyer Location Party 1	String	Indicates the physical location of the buyer for said transaction
Buyer Location Party 2	String	Indicates the physical location of the buyer for said transaction
Desk Location Party 1	String	Indicates the physical location of the trading desk for said transaction
Desk Location Party 2	String	Indicates the physical location of the trading desk for said transaction
Trader Location Party 1	String	Indicates the physical location of the trader for said transaction
Trader Location Party 2	String	Indicates the physical location of the trader for said transaction
Sales Location Party 1	String	Indicates the physical location of the sales desk for said transaction
Sales Location Party 2	String	Indicates the physical location of the sales desk for said transaction
Repeating Field - Unique prefix (originating system)	String	"Repeating Field - Unique prefix (originating system) for the Universal Group Identifier"
Repeating Field - Deposits all previous USI relating to a transaction. This field is	String	"Repeating Field - Deposits all previous USI relating to a transaction. This field is
Valuation Settlement	DateOnly	Business date of the valuation (local to source)
WTR value	String	Calculated WTR value
WTR Currency	String	Native currency of the calculated WTR value
Settlement Agent Party 1 (Info)	String	"Info for the value provided in the "Settlement Agent Party 1 Value" field (as
Settlement Agent Party 1 Value	String	Indication of the settlement agent for party 1 (if applicable)
Settlement Agent Party 2 (Info)	String	"Info for the value provided in the "Settlement Agent Party 2 Value" field (as
Settlement Agent Party 2 Value	String	Indication of the settlement agent for party 2 (if applicable)
Valuation Source	String	Source of Valuation
Valuation Reference Model	String	Reference model used to calculate daily mark
Document ID	String	Unique ID (per USI = Submitter) of the document
Document	Binary	Document attachment. Required for ISDA and MCOBIP.
Document Description	String	Description of the document. "CONFIRM" indicates that the document is the signed
Additional Comments	String	Additional comment populated by the submitter
Reporting Jurisdiction	String	Used to enumerate one or more jurisdictions where the trade is reportable
Party 1 Reporting Obligation	String	Used to indicate what jurisdiction party 1 has reporting obligation to
Party 2 Reporting Obligation	String	Used to indicate what jurisdiction party 2 has reporting obligation to

The out-of-the-box message definition, validations and business flow modelling covers all message-based actions required by inter party communication – trading firm to SEF – SEF to CCP to SDR and more. Integration with business processes is done by partnering with the market’s experts in each asset class domain – creating a mix of technical, business and implementation skillsets and resources.

OTC-Connect’s use of the established Volante Designer foundation enables data mapping, enrichment, business rule setting with alerts and exception/failure reports, routing for integrating and interoperation with existing in-house systems – be these home-grown or popular off-the-shelf packages.

In-built testing facility ensures comprehensive unit testing coverage reducing subsequent test cycles as new systems come on stream. Together with automatic documentation, project risk is minimized contributing to the overall accommodation of operational risk by firms as they face periods on on-going change in market structure, processes and compliance.

