

SECURITIES FINANCE

In a demanding, low-yield market context, fully-secured securities finance activities represent a performance driver for investors. CACEIS designs bespoke securities lending, liquidity and collateral management services for its clients. Capitalising on our core asset servicing business as well as our regulatory expertise, we are able to design tailor-made programs that meet our clients' specific risk/return requirements.

ACTING AS PRINCIPAL OR AGENT, CACEIS PROVIDES A COMPREHENSIVE SECURITIES FINANCE OFFER, IN ACCORDANCE WITH THE RULES APPLICABLE TO EACH CATEGORY OF CLIENT.

CACEIS, YOUR PARTNER IN ABSOLUTE PERFORMANCE

The securities lending market is a well-established, regulated business activity which plays a central role in maintaining efficiency and liquidity in financial markets. From an investor's point of view, securities lending is a way to enhance the return on assets that would otherwise be sitting idle.

Joining a securities lending program allows you to increase fund performance without modifying its investment policy.

Our Securities Lending program enables our clients to access the securities lending market via our dedicated securities lending desk and its specialised operational team. CACEIS is a secure partner for its clients, offering a fully-integrated, lending service to earn additional revenues.

WHAT YOU NEED TO KNOW

- Securities lending is a highly-regulated activity and transactions are fully-collateralised to ensure the value of the asset lent.
- Operational risk is managed by CACEIS through a Master Agreement which defines procedures in case of default. Credit exposure is minimized by a haircut on the collateral and a daily margin call on the security lent.
- Participants must fully understand the regulatory framework, and their profile in order to clearly define the limits on asset lending within their portfolio.

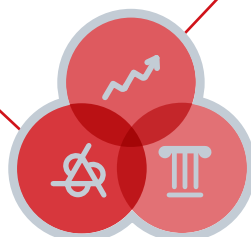
Securities lending has no impact on portfolio management. Beneficial owners can terminate transactions at any time, any material changes or proceeds resulting from corporate actions being effected on the relevant account.

THE BENEFITS OF CACEIS SECURITIES FINANCE OFFER



FLEXIBILITY

Our lending programs do not affect your ability to manage your portfolio and sell your securities



PROFITABILITY

Immediate regular income through innovative solutions. With CACEIS as custodian, the transfer of securities and collateral is free of charge

SECURITY

Transactions collateralised with CACEIS ensuring legal compliance
When acting as Principal, CACEIS takes on all counterparty risk

A FLEXIBLE WAY OF LENDING SECURITIES



CACEIS offers both Principal and Agency lending programs, with a full range of services, from front to back office.

- **Acting as Agent**, CACEIS arranges deals between the client and eligible counterparties: market risk is borne by the lender.
- **Acting as Principal**, CACEIS is your direct and only counterparty: our dealing room bears the market risk. CACEIS acts within parameters established with the lender, who retains complete daily control over the lending activity with its web-based tools.
- **Continuous Product Innovation**: In addition to the securities lending activity, CACEIS's team of experts continuously identify new market opportunities and enhance existing services thereby increasing revenue potential for clients (e.g collateral optimisation).

TAILOR-MADE APPROACHED



Whatever assets you hold and however you decide to access the securities lending market, CACEIS can set up a programme that is best suited to your Risk/Return expectations.

- Assets: Government bonds, Corporate bonds, Convertible bonds, Equities, ETF, Cash
- Adjustable limitations at any time and organised by a matrix of collateral
- Open and/or term transactions
- Full reporting as part of the offer

SETTING-UP THE ADDITIONAL REVENUE GENERATION PROCESS IN 5 STEPS

1. Define the risk-adjusted return profile
2. On-board asset portfolio to CACEIS
3. Analyse lendable securities' gross return potential
4. Following approval, set-up programme under a Global Master Securities Lending Agreement (GMSLA) with an Operating Memorandum
5. CACEIS handles all dealing, operational and accounting processes

For a quote or any further information please contact CACEIS's Securities Finance desk on **+33 1 57 78 10 29** or seclending@caceis.com



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