

**CGI**

Experience the commitment®

# CGI Trade360

## Collateral Management

Meeting Emerging Collateral Management Needs



## BENEFITS

### Customer

- Totally seamless process
- More responsive turnaround on collateral and related transactions
- Added compliance protection provided by the bank
- Custom global reporting
- Integrated with trade finance solutions
- Portal access to traditional and structured trade finance, open account or supply chain financing

### Bank

- Manage collateral and commodity finance on an integrated platform with traditional trade, payables, receivables, financing and cash management
- Moves collateral management from fragmented manual deal data to an integrated global database
- Enhanced risk management and regulatory compliance capabilities
- Obtain a high degree of straight-through processing (STP)
- Gain flexibility in operations and customer service
- Provide a truly global service
- Realize significant operational efficiencies
- Facilitates stronger customer relationships
- Flexibility to easily deploy commodity finance processes globally
- Create capacity to scale the business
- Full global visibility of the business and its customers

### CGI Trade360 by the numbers

- Service in 18<sup>th</sup> year of operation
- Supports over 100 countries
- 55,000 users
- 250+ bank locations globally
- 2.4+ million transaction annual run rate

When a customer says, “I need the bank to provide structured/commodity financing based on complex collateral structures.”

**With CGI Trade360, the bank is able to provide end-to-end structured/commodity finance deals to support trade and finance products using complex collateral structures.**

Deal types:

- Repurchase agreements
- Borrowing base
- Warehouse financing exchange

When a bank says, “How can I more effectively manage the regulatory compliance and market risks of my structured/commodity finance business?”

**With CGI Trade360 Collateral Management, the bank has real-time visibility of its entire collateral portfolio, including:**

- Deal and portfolio market valuation
- Portfolio concentration exposure
- Loan to collateral value ratios
- Reconciliation to physical stock
- Denied party screening
- KYC/AML support

When the bank needs to take its collateral processing to a new level...

**CGI Trade360 provides a global collateral platform with robust capabilities and streamlined processing, including:**

- Full deal lifecycle support
- Traditional trade and open account support
- Global database for all collateral
- Customer onboarding
- Manages required documents and related events
- Flexible definition of collateral data and types
- Real-time reporting
- Rule-driven mark-to-market
- Rule-driven commodity pricing
- Allocation of collateral to members of syndicated/participated facilities
- Local and global workflow and imaging support
- Denied party screening and exception processing

Commodity trade finance is an important growth market for banks globally. Emerging market economies in Latin America, Asia and Africa, combined with a revitalization of infrastructure needs in developed countries, and the ever increasing worldwide need for agricultural commodities, continues to fuel the need for bank financing on a global basis. The ability of energy and commodity companies to monetize their commodity assets by pledging them to banks will continue to make this market segment a vital growth opportunity for banks.

As global trade in commodities reaches new peaks, banks have greater opportunities to offer structured commodity trade finance. However, tougher regulations governing collateralized lending mean they also face new challenges.

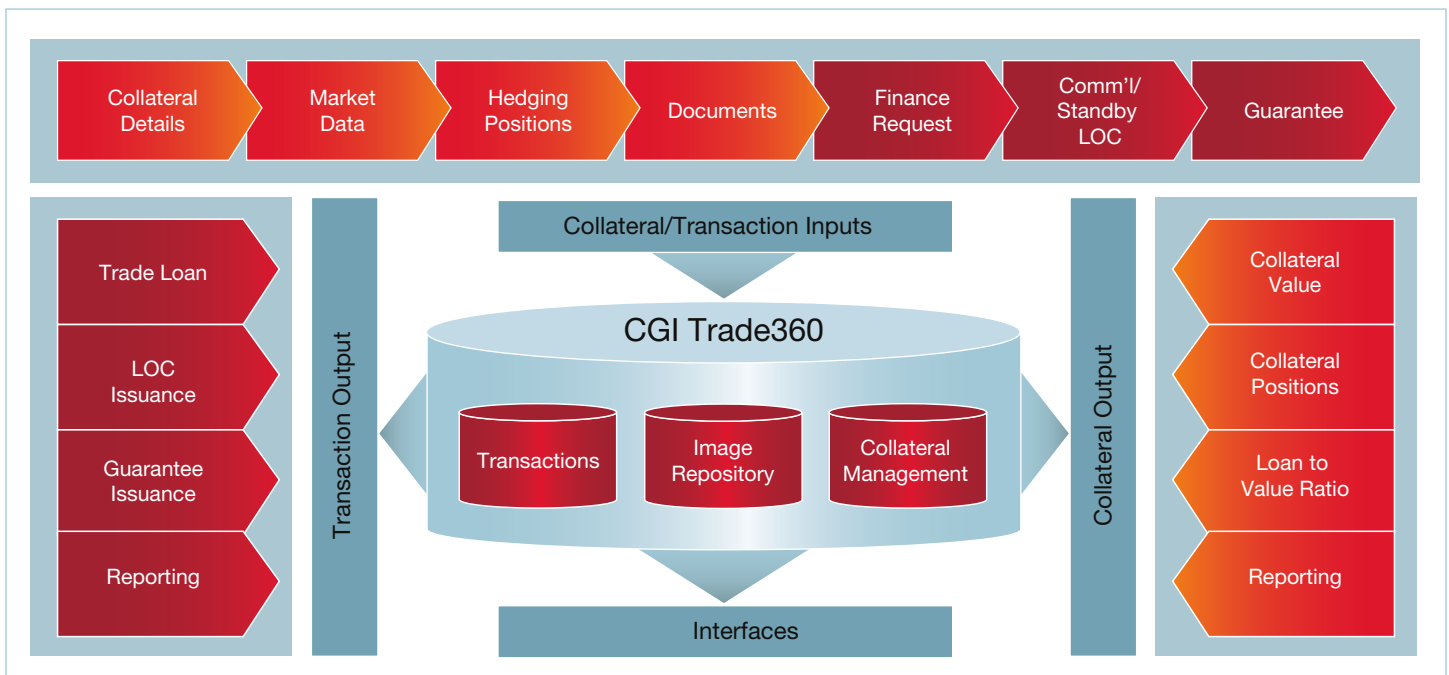
Regulatory and internal pressures place particularly unique requirements on bank commodity and trade finance lending, the middle office, and operations transaction processing areas. As a result, they need to manage the complex commodity finance credit structures that are put in place to provide their clients with these important and profitable facilities.

CGI provides collateral management functionality that is fully integrated with CGI Trade360's current global transaction processing platform. CGI Trade360 Collateral Management leverages a global workflow infrastructure, reference data structure and transaction processing functionality. The Collateral Management component of CGI Trade360 is comprised of the following:

- **Deal (collateral)**—the total collateral types assigned to a particular facility, e.g., borrowing base, repurchase agreement, warehouse exchange finance, etc.
- **Collateral types**—the bank-defined definitions that describe the underlying assets being pledged as collateral
- **Collateral details**—the bank-defined attributes that define individual collateral types and provide the basis for defining how the bank recognizes an asset as eligible collateral
- **Collateral functionality**—the rules and parameters that drive the manipulation of the underlying collateral details and marketdriven events that define how the system will manage the underlying assets in accordance with the bank's collateral management business model
- **Reporting**—allows the bank to create deal and portfolio reports in real time
- **Documentation**—ability to create and historically store required documentation and correspondence related to collateral positions, margin calls and collateral agreements. Ability to receive and store customer and third-party documentation related to the management of customer collateral positions

## Collateral Management High Level Overview

CGI Trade360's Collateral Management spans the entire commodity trade finance and related transaction process, from the preparation of deals and their capture, to the monitoring and control of the underlying collateral and the execution of the related financing and contingent instruments.

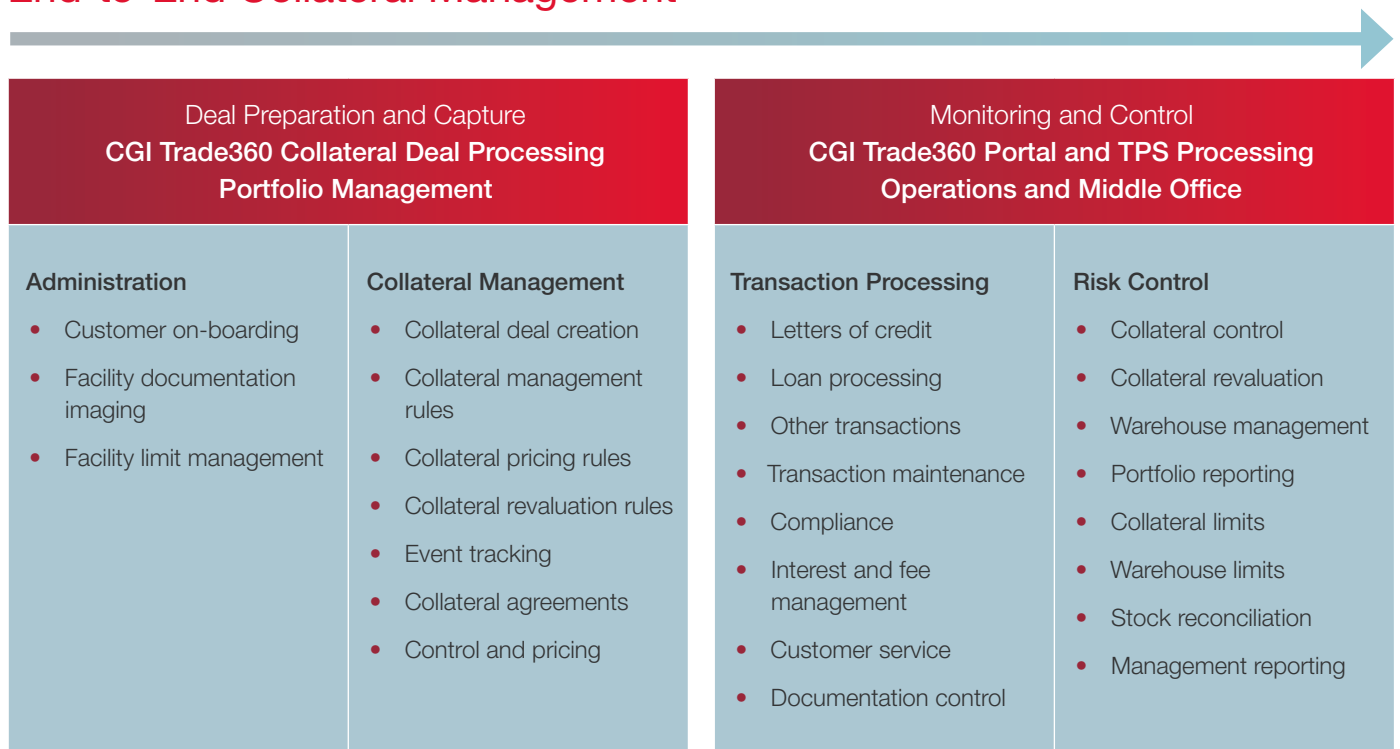


## KEY FEATURES

The new collateral management key features being integrated into CGI Trade360 include the following:

- Capture and tracking of all collateral management documentation
- Capture of deal data and details of collateral being financed
- Activities to manage the collateral
- Automatic revaluation using market feeds
- Automatic reconciliation to collateral manager feeds
- Powerful reporting capabilities, including the ability to assemble profiles and ratios in relation to the aggregated collateral being financed

## End-to-End Collateral Management



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Founded in 1976, CGI is among the largest IT and business consulting services firms in the world. Operating across the globe, CGI delivers end-to-end capabilities, from IT and business consulting to systems integration, outsourcing services and intellectual property solutions, helping clients achieve their goals, including becoming customer-centric digital enterprises.

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