

# OTC Derivatives and Central Counterparty Clearing Solutions

**Turn short-term challenges into competitive advantage by engineering processes and technology to support ongoing dynamic changes**

**Capgemini helps you meet compliance deadlines quickly and cost-efficiently with our proven solutions**

U.S. and European financial regulations are driving radical changes in the way that OTC derivatives will be traded, cleared, and reported. While these changes seek to address systemic financial risk in the OTC derivatives market, a number of issues remain. In the U.S., near-term deadlines for compliance have placed intense demands on market participants to make far-reaching changes. Although much of the European legislation has yet to be finalized, market participants expect that it will closely follow U.S. rulings in key areas, with a similar impact to trading, clearing, and reporting.

Compliance will be challenging, but those market participants that invest to improve process and technology will not only meet

regulatory requirements, but benefit from more cost-effective and efficient processes.

Capgemini understands the operational, risk, and technology issues involved in central counterparty (CCP) clearing of swaps. We have the proven expertise, real-world domain experience, and technical specialists to untangle this multidimensional problem to implement process and technology changes to trade flow—including reconciliation, collateral management, corporate actions, and risk management—as well as meet increasingly stringent reporting requirements.

Our compliance and risk management consultants can recommend targeted solutions to efficiently meet immediate compliance deadlines based on Dodd-Frank and European Market Infrastructure Regulation (EMIR). But we can also provide the thought leadership to define strategic initiatives to turn a short-term challenge into a medium-term competitive advantage—supporting changing trade processing workflows as regulations continue to evolve; or managing the intricacies of collateral and margin management in a mixed clearing environment.

### Solutions

Capgemini provides solutions focused on the changing trade flows of OTC derivatives in addition to standard solutions for reconciliation, collateral management, and corporate actions.

#### Clearinghouse Connectivity

Complete messaging connectivity to OTC derivatives clearinghouses for [clearing](#), [novation consent](#), [termination](#), and [affirmation](#).

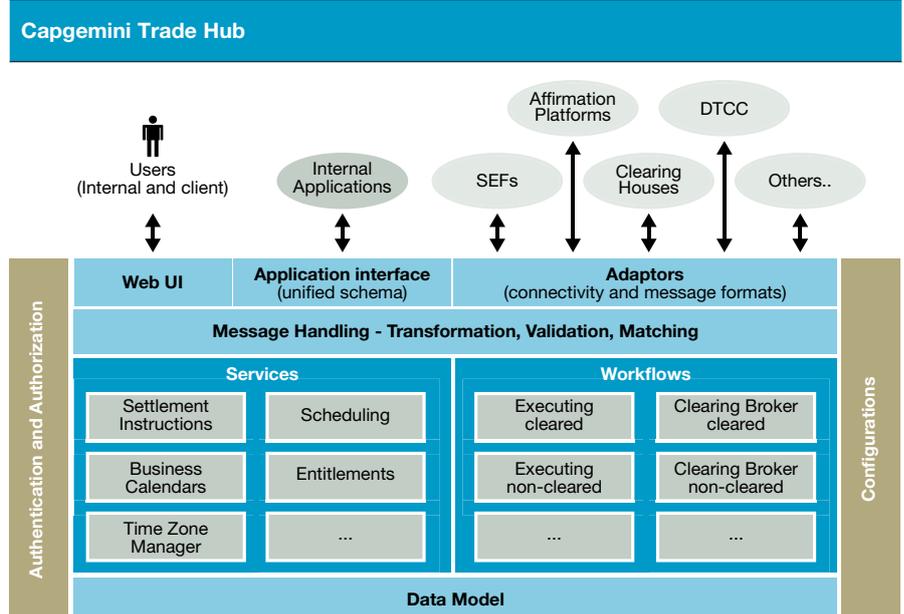
#### Trade Hub

- Transaction management framework to support evolving trade flows
- Support for tear up/take up, compression, amendment, termination, maturity, and novation
- Infrastructure and supply integrated data for new collateral models and margin calls; additional reconciliations; and models for risk, funding, and valuation
- Eligibility services for rules-based routing to preferred platform

#### Accelerators

##### Process Expertise

- Expertise in collateral management, reconciliations, and corporate actions processing
- Understanding of current and proposed trade flows—and exceptions—for both clearing and executing brokers



#### Technology Depth

- Unified FPML-based schema for all clearinghouse data
- Understanding of interface protocols and variations for each clearinghouse

#### Capgemini Trade Hub Frameworks

Our proprietary framework supports integrated, flexible connectivity and transaction management.

#### Vendor Alliances

Major alliances with Calypso, Murex, and Pegasystems.

Learn more.

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### About Capgemini and the Collaborative Business Experience

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies.

Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working, the Collaborative Business Experience™.

The Group relies on its global delivery model called Rightshore®, which aims to get the right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients.

Present in 40 countries, Capgemini reported 2010 global revenues of EUR 8.7 billion and employs around 112,000 people worldwide.

Capgemini's Global Financial Services Business Unit brings deep industry experience, innovative service offerings and next generation global delivery to serve the financial services industry.

With a network of 18,000 professionals serving over 900 clients worldwide, Capgemini collaborates with leading banks, insurers and capital market companies to deliver business and IT solutions and thought leadership which create tangible value.

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