

Acadia and Transcend Form Joint Collateral Validation Service to Mitigate UMR Challenges for the Buy-Side and Broker-Dealers

January 11, 2022 - Transcend, a leading provider of collateral, liquidity, and funding solutions, and Acadia, a leading provider of integrated risk management services, have partnered to deliver an automated, comprehensive and independent Collateral Validation Service. This service allows the buy-side and broker-dealers to confidently manage the growing complexity and volume of margin activity driven by Uncleared Margin Rules (UMR). Transcend and Acadia's Collateral Validation Service is designed to ensure that all end of day collateral balances held at third-party and tri-party custodians meet the required criteria, including collateral eligibility, sufficiency, concentration, and wrong-way risk according to the requirements defined in their related collateral agreements.

This service integrates Transcend's tri-party and custodian connectivity and collateral validation analytics with Acadia's margin, collateral, and agreement management products. Delivered together, the combination provides sophisticated validation capabilities in accordance with client agreements and transparently communicates results daily.

By ensuring clients' collateral portfolios effectively mitigate their derivatives exposures, the Collateral Validation Service will help firms comply with UMR Phase 6 requirements and address the manual challenges that clients in earlier phases of UMR are still looking to resolve. The service will be hosted on Acadia's platform independent of a client's existing collateral management workflow, ensuring flexibility.

"With increased pressure from UMR, asset managers and broker-dealers alike are challenged with creating efficient and scalable processes for new compliance requirements. Our Collateral Validation Service empowers firms to confidently and seamlessly respond to the new and existing margin requirements," said Bimal Kadikar, CEO, Transcend. "As we formally extend Transcend's offerings to the buy-side, we are excited for the many opportunities ahead with Acadia and look forward to expanding our capabilities in new, transformational ways."

"Acadia provides a range of services that assist firms with their regulatory requirements. By partnering with Transcend, we continue to ensure that our clients benefit from a more streamlined and automated approach to UMR compliance," says Mark Demo, Head of Business Development, Acadia. "Our overarching goal is to deliver value and reduce risk for our clients and we are excited by this partnership since it firmly delivers on this objective."

The connectivity, interoperability, and automation powered by Transcend and Acadia's joint Collateral Validation Service delivers a seamless validation workflow for buy-side and sell-side participants on a global-scale. As Transcend and Acadia kick off their partnership, the Companies are already exploring a number of other collaborative opportunities to meet increasing demand.



ABOUT TRANSCEND

Transcend is a leading provider of analytics, optimization, and automation solutions for collateralized businesses. With a growing roster of world-class banks and other financial institutions as clients, the firm is quickly becoming the gold standard for the real-time, firm-wide management of inventory, funding and liquidity. With more than 120 global employees possessing deep domain expertise in collateral, securities finance, derivatives, operations, and more, Transcend is uniquely positioned to strategically solve some of the industry's greatest regulatory and capital challenges. For more information, visit transcendstreet.com.



ABOUT ACADIA

Acadia is the leading industry provider of integrated risk management services for the derivatives community. Its central industry standard platform enables a network of banks and other derivatives firms to improve efficiency and mitigate costs across the entire trade life cycle.

Acadia's suite of analytics solutions and services helps firms manage risk better, smarter and faster. Through an open-access model, Acadia brings together the top derivatives banks and asset managers, along with several market infrastructures and innovative vendors.

Backed by 16 major industry participants and market infrastructures, Acadia is used by a community of over 1600 firms exchanging more than \$1 trillion of collateral on daily basis via its margin automation services. Acadia is headquartered in Norwell, MA and has offices in Boston, Dublin, Düsseldorf, London, New York, and Tokyo. Acadia® is a registered trademark of AcadiaSoft, Inc. For more information, visit acadia.inc. Follow us on Twitter and LinkedIn.

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