WHAT IS MARGINCALCULATOR.COM?

IT IS THE SIMPLE SOLUTION TO THE COMPLEX PROBLEM OF MARGINING FORWARD-SETTLING TRADES, PARTICULARLY TBAS, SPECIFIED POOLS, ARMS AND CMOS.

IT IS A UTILITY THAT HELPS YOU CALCULATE YOUR EXPOSURE DUE TO MARKET VALUE FLUCTUATIONS OF UNSETTLED POSITIONS, AS WELL AS MARGIN COLLATERAL AND CASH POSTED TO MITIGATE SUCH EXPOSURES. BY SENDING US YOUR COUNTERPARTY INFORMATION, BUY AND SELL ACTIVITY, MARGIN POSITIONS AND MINIMUM TRANSFER AMOUNTS, WE HELP YOU MANAGE AND MITIGATE YOUR RISK.
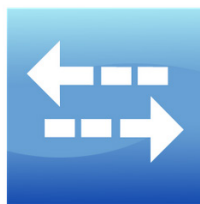
MARGIN CALCULATOR

WHY MARGIN?

FINRA Rule 4210, with significant changes on the horizon, mandates that member firms margin their trading counterparts. SIFMA and the Treasury Market Practices Group (TMPG) have recommended that all forward-settling trades, particularly TBAs, be margined to mitigate systemic risk. The two-way variation margin on MBS exposures should be governed by Master Securities Forward Transaction Agreements (MSFTA) negotiated between counterparties.

MarginCalculator.com is the cost-effective way to comply with the recommendation without the installation of any new systems, major modifications to your existing systems, or the development and maintenance of complex, error-prone spreadsheets.

1. Add Counterparties   2. Add Transactions   3. View Reports

» Send your counterparty information and minimum transfer amounts.

» Send your new TBA, spec pools, Agency MBS and CMO transactions, daily.

» Through our partnership with Interactive Data Corporation, positions and margin collateral are marked with independent prices; cash is marked daily at Fed Funds Effective.

» Download your daily Exposure reports so you can claim or validate counterparty margin calls.

» Access reports for margin interest, upcoming P&I, coupons and redemptions.

REPORTS

- ☑ MSFTA EXPOSURE REPORTS SHOW SUMMARY AND DETAILED EXPOSURE BY COUNTERPARTY.

- ☑ THE FORWARD SETTLING TRADES REPORT GIVES YOU A CLEAR PICTURE OF OUTSTANDING TRANSACTIONS.

- ☑ THE MARGIN REPORT SHOWS COLLATERAL AND CASH POSITIONS (PLUS ACCRUED INTEREST).

- ☑ EASY "CLICK-AND-SEND" FEATURE EMAILS YOU EXPOSURE DETAILS TO FORWARD TO YOUR COUNTERPARTY.

- ☑ AUTO-NOTIFICATIONS ARE SENT WHEN A CALL SHOULD BE MADE, OR WHEN COLLATERAL SHOULD BE RECALLED.

- ☑ DAILY REPORTS ARE AVAILABLE IN SPREADSHEET AND PDF FORMATS.

REPORTS

REPORTS DATE: 2015-04-06

MSFTA EXPOSURE SUMMARY

Account Name	Account Number	Threshold	MTA	Contract Money	Market Value	(Exposure) Advantage	RF/DF Value	Cash	Margin Total	Net (Exposure) Advantage	Action
Domestic Bank	2013abc	$0	$5,000	($15,867,607.50)	$15,906,098.45	$38,490.95	$0.00	$0.00	$0.00	$38,490.95	Detail
ABC Capital Markets	A123456	$0	$100,000	$0.00	$0.00	$0.00	($15,000.00)	$0.00	($15,000.00)	($15,000.00) RECALL	Detail
CBS Securities	B321654	$0	$250,000	$36,649,721.25	($37,134,972.66)	($485,251.41)	$401,000.00	$639,010.40	$1,040,010.40	$554,758.99	Detail
NBC RATES GROUP	C987654	$0	$250,000	($110,243,042.45)	$112,096,328.17	$1,853,285.72	($1,508,762.50)	$302,005.03	($1,206,757.47)	$646,528.25	Detail
Deutsche Bank	D987654	$100,000	$250,000	$104,318,700.00	($105,141,310.00)	($822,610.00)	($416,037.50)	$684,009.12	$267,971.62	($554,638.38) CALL	Detail
Merrill Lynch CapM	mer098765	$250,000	$250,000	($324,301,037.50)	$326,615,797.50	$2,314,760.00	($509,270.00)	($1,100,021.79)	($1,609,291.79)	$705,468.21	Detail

IMPLEMENTATION

» Since our service is a narrow, well-defined one, on-boarding happens in days, not months.

» Data is submitted online or via FTP using simple text files populated with easy-to-extract data.

» We have a client-friendly month-to-month contract, with a nominal monthly subscription fee.

» Subscriptions start at $1000 per month.

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MARGINCALCULATOR.COM, A SERVICE OF MATRIX APPLICATIONS, POWERED BY TRADEBLAZER™

» Since 2000 Matrix Applications, a New York-based technology service bureau, has been offering products and services to institutional firms in the fixed-income markets.

» Experienced team: Citibank and BNY Mellon veterans, and seasoned IT professionals.

» The back-end is powered by the TradeBlazer™ fixed-income trading system. It is a collateral management and settlement system that possesses 30+ years of business logic, with advanced repo, margin, MSFTA functionality, and integrated Trading, Operations, Risk, Credit and Accounting capabilities.

» Matrix has robust, geographically diverse data centers in New Jersey (CenturyLink) & Illinois (AT&T) with redundant equipment, software, power and connectivity to ensure uptime.

» Enterprise level software: Oracle & Postgres databases; VMware ESX; CentOS & Red Hat.

» Matrix is affiliated with South Street Securities, a New York-based broker / dealer.