OTC Client Clearing
Comprehensive derivatives services
Our ambition

To provide a comprehensive, integrated derivatives clearing service

- Providing efficiency and peace of mind
- A full range of services for eligible Fixed Income OTC derivatives
- From execution and clearing to collateral management, custody and other post-trade services

Providing efficiency and peace of mind

A full range of services for eligible Fixed Income OTC derivatives

From execution and clearing to collateral management, custody and other post-trade services
Derivatives services across the value chain

**Efficient**: Optimum combination of sell-side & buy-side services • **Customisable**: Clients have ability to choose services as required from the value chain • **Transparent**: Straightforward processes with coordinated client relationship management

- **Buy-side dealing desk**
  - Best-in-class buy-side dealing services across asset classes
  - Preserved sell-side relationship for portfolio managers

- **Execution**
  - Sell-side execution across asset classes
  - Access to worldwide markets (organised, OTC, execution facilities)

- **OTC Trade Management**
  - Independent Valuation
    - Independent OTC product valuation service:
      - External control of counterparty valuations
      - P&L explanation
      - Risk sensitivities
  - Access to CCPs worldwide for listed derivatives and cleared OTC derivatives

- **CCP Clearing**
  - Operations: counterparty & clearer constraint management, control of margin calls, disputes management, settlement instructions
  - Optimisation of available assets and netting of flows
  - Transformation / financing, leveraging assets under custody (full custody or collateral account)

- **Collateral Management**

- **Reporting**

- **Custody**

**BNP Paribas’ access to future OTC SEFs**

**Tradeweb**

**Bloomberg**
OTC client clearing service offering

A dedicated team supporting you through the clearing process – wherever you are

Clearing Solutions Unit:
A fully dedicated team responsible for this new business

- **Supporting the client** through the entire OTC clearing process
- **One point of contact**: from client on-boarding, reporting and documentation to connectivity, testing and post-trade processing
- Based in **London** and **New York**, with expansion to **Asia** once CCPs and clients clear their OTC business there
- **Fully segregated** from our execution business
- **Restricted access** to portfolios, risk monitoring, reporting

Clearing Broker legal entities

**Europe**
- BNP Paribas SA, with a Standard & Poor’s rating of AA-
- A leading global dealer in rates, credit, forex, commodity and equity derivatives...
- ... at the forefront of OTC clearing initiatives: clearing CDS since 2009 and IRS since 2001

**United States**
- BNP Paribas Securities Corp, a 100%-owned subsidiary
- AA- Standard & Poor’s rating based on parent guarantee
- US Broker-Dealer and FCM registered with CFTC, SEC and Finra
- Primary Dealer in US Government Securities with the Federal Reserve
On-boarding milestones

With our experienced on-boarding and client service teams, setting up a clearing relationship with BNP Paribas is easy.

- **Clearing Solutions Unit (CSU)**
  - Initial on-boarding meeting
  - Legal documentation
    - Credit process
    - Negotiation of legal documentation
    - Negotiation of collateral criteria
  - Operational set-up
    - CCP set-up
    - System/Middleware access and set up
    - Static data set-up
    - Reporting set-up
    - Back office set-up
  - Front-to-back testing
  - Trade capture
    - Margin call
    - Reporting
    - Training where required
  - Back-loading of existing trades
  - New trades submission
  - Coordinate back-loading of trades with EBs
  - Provide IM requirement

**Typical timeframe 8-10 weeks**

- This indicative timeline may vary depending on the number of CCPs to be connected with, current connectivity and assuming there is no unexpected issue when negotiating the legal documentation.
- For new clients, additional time will be required in order to adhere to KYC compliance processes.
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