

PRESS RELEASE

BNP Paribas Securities Services extends its triparty collateral management service to synthetic securitisation and collateralised notes programmes

BNP Paribas Securities Services today announces that its triparty collateral management service can now support synthetic securitisation and collateralised note structures, bringing greater operational efficiency and protection to those structures.

Launched in 2017, BNP Paribas Securities Services' triparty collateral management service, connects financial market participants, facilitating the circulation of assets and expanding the range of securities that can be used to back up securities financing and derivatives trades.

BNP Paribas Securities Services' triparty collateral management service will enable the proceeds of notes issuance¹ to be transformed through securities finance transactions - or a cash loan secured with securities - efficiently and safely.

Laurent Libiszewski, Global Head of Debt Products and Solutions at BNP Paribas Securities Services, said: "We are excited to have the triparty collateral management service covering synthetic securitisation and collateralised note structures. Thanks to its fully automated processes, wide scope of collateral on offer and efficient substitution process in case of recalls, this service will greatly complement our comprehensive offer for these types of transactions."

This innovative use of triparty collateral management is already being used to manage the collateral aspects of the repo associated with BNP Paribas' Resonance 5 synthetic transaction.

Bruno Bancal, Deputy Head of ABS Market, Securitised Products Group, explained: "Triparty collateral agreements allow for increased security of the cash collateral given by investors in an efficient, transparent and optimised way for all the stakeholders."

As a neutral triparty collateral agent, BNP Paribas Securities Services can manage the collateral management process on behalf of the two parties to a transaction and protect the interests of Special Purpose Vehicles throughout the collateral management process.

Services include selecting collateral in accordance with eligibility rules, transferring collateral on a near real-time basis; and valuing collateral assets. The bank can also manage margin calls, substitution in case of a recall of the securities and corporate actions.

-Ends-

¹ Proceeds of note issuance in this type of transaction remain on the SPV's or fund's cash account instead of being transferred to the seller

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BNP Paribas Securities Services on Twitter - [@BNPP2S](https://twitter.com/BNPP2S)

About BNP Paribas Securities Services (www.securities.bnpparibas.com)

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