13 October 2021, Paris

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 issuance\(^1\) 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
Press Contacts
Caroline Lumley   caroline.lumley@uk.bnpparibas.com  +44 (0)20 7410 4650

Twitter
BNP Paribas Securities Services on Twitter - @BNPP2S

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

BNP Paribas Securities Services, a wholly owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider. Backed by the strength of the BNP Paribas Group, we provide multi-asset post-trade and asset servicing solutions for buy and sell-side market participants, corporates and issuers. With a global reach covering 90+ markets, our network is one of the most extensive in the industry, enabling clients to maximise their investment opportunities worldwide.

Disclaimer:
The information contained within this document ('information') is believed to be reliable but BNP Paribas Securities Services does not warrant its completeness or accuracy. Opinions and estimates contained herein constitute BNP Paribas Securities Services' judgment and are subject to change without notice. BNP Paribas Securities Services and its subsidiaries shall not be liable for any errors, omissions or opinions contained within this document. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. For the avoidance of doubt, any information contained within this document will not form an agreement between parties. Additional information is available on request.

BNP Paribas Securities Services is incorporated in France as a Partnership Limited by Shares and is authorised and supervised by the European Central Bank (ECB), the ACPR (Autorité de Contrôle Prudentiel et de Résolution) and the AMF (Autorité des Marchés Financiers).

In the UK, BNP Paribas Securities Services is authorised and regulated by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution. Deemed authorised by the Prudential Regulation Authority and with deemed variation of permission. Subject to regulation by the Financial Conduct Authority’s website. BNP Paribas Securities Services London Branch is registered in the UK under number FC023666. UK establishment number: BR006393. UK establishment office address: 10 Harewood Avenue, London NW1 6AA.

In the U.S., BNP Paribas Securities Services is a business line of BNP Paribas which is incorporated in France with limited liability. Services provided under this business line, including the services described in this document, if offered in the U.S., are offered through BNP Paribas acting through its New York Branch (which is duly authorised and licensed by the State of New York Department of Financial Services) or BNP Paribas Financial Services LLC, a limited liability company organised under the laws of the State of Delaware; if a securities product, through BNP Paribas Securities Corp. which is a broker-dealer registered with the Securities and Exchange Commission and a member of SIPC and the Financial Industry Regulatory Authority; or if a futures product through BNP Paribas Securities Corp., a Futures Commission Merchant registered with the Commodities Futures Trading Commission and a member of the National Futures Association.