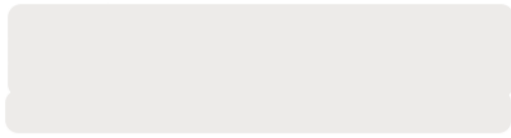


Working to absorb a team

Follows Agile/
quarterly releases



Backend post-settlement @ ^{big} brokers

Managing interest
// anything

Cash payments // settlement &
interest // dividends on
on market

T4
Pays for the DTC services

Brokers pay

~~Might~~ Pay for exception management
/ a failure in settlements or
loss security, etc.

// Options execution / expiration

Some client doesn't transfer etc. — L2

Swift messages → send

Excel // CSV file @ end of day
or big guys send hourly

huge web of diff systems working in an market

Hundreds of thousands of trades / day

↓ some errors auto-resolved → if everything cleared

Feeds → Exceptions ≡ gather all trades & send into DTCC system

↳ via clients @ web UI

mostly automated, but clients brok com in manually manner exceptions

Lots of EUR clients
w/ daily settlements that fail 3

???

His app: filter/search/bulk
client resolve clearing issues
+ able to contact counterparty via Swift, etc. • fee

No action needed / guess
↓

Report that trade solved
↳ Report to central exchanges

Some regulatory things reported to SEC

E.x. PCC sent a report to SEC about

4

+ Big problems have to report daily

↑ Exception might be Citi before tracked
every exception

@ Citi (in accounts) need to map alert codes (in alert system V) properly

System for → settlement instructions (computer)
ALERT accurate

2 day settlement - big initiative

All agents treated the same in exceptions (5)

Exception list by ^{2nd part of Swift code} BIC identifier

& Client identifier + party ID, concatenated

Verification trade worked

Manage client list of exceptions

code for bank ID for ECNs & order books will have their own party IDs

↳ Goes to brokers to settle [stock already traded]

No work = broker cancels btwn themselves
_{regulation}

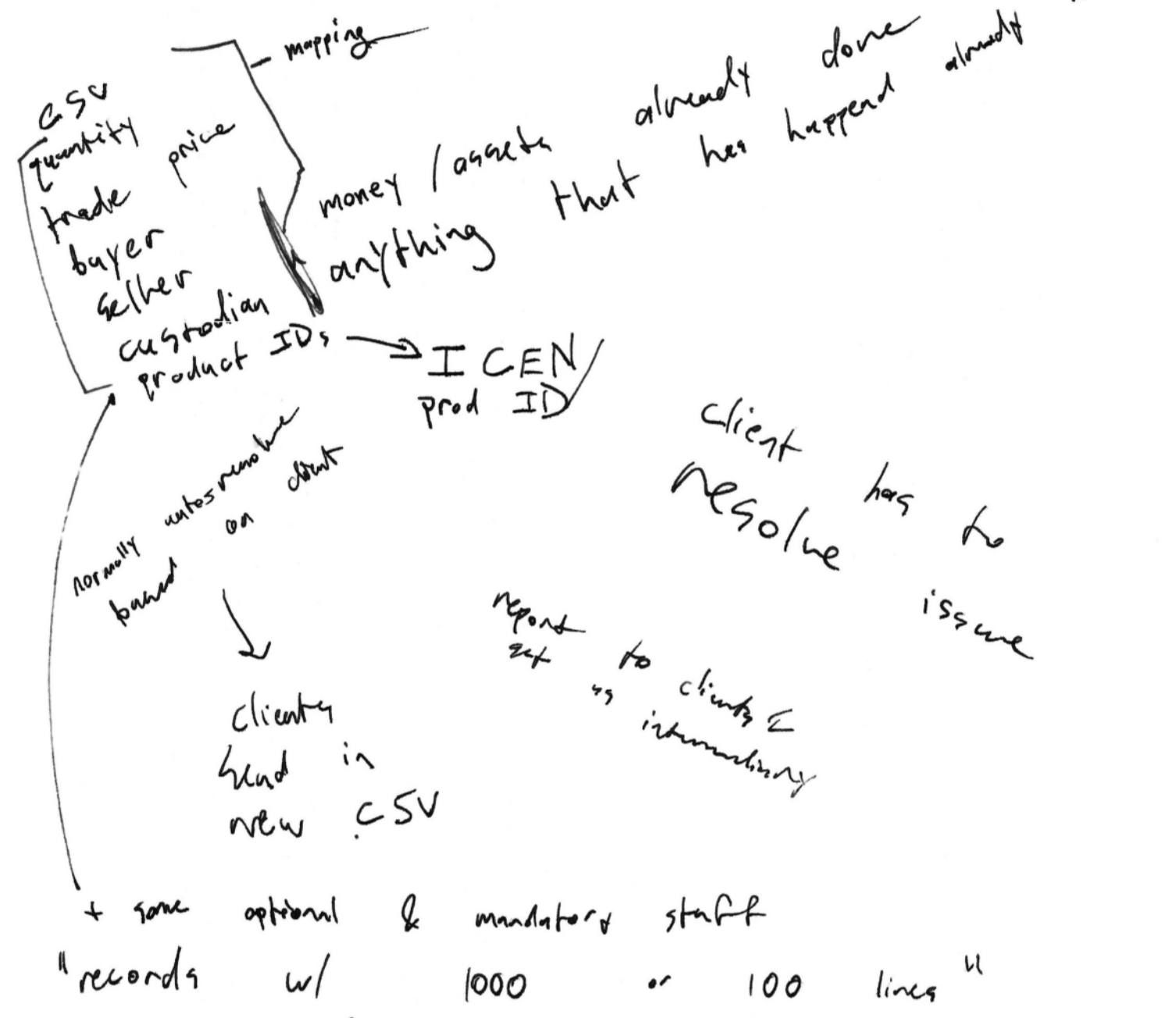
(let know who has the problem)

Everything else: They report to the clients.

System for clients who see trades that don't execute. 6

Ideal: all exchanging happens flawlessly

Drcc = verifier & authenticator



Citi: using systems & software still
coding from mid-2000s
Very old . . .

DTCC trying to get rid of old
systems feeding in data - -

\$JPM using mainframes from 1970s + cost
easily replace hardware

Flat files / same req's as
swift msg. but cheaper
to FTP it

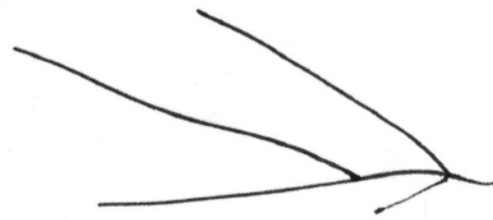
lots of Swift identifiers

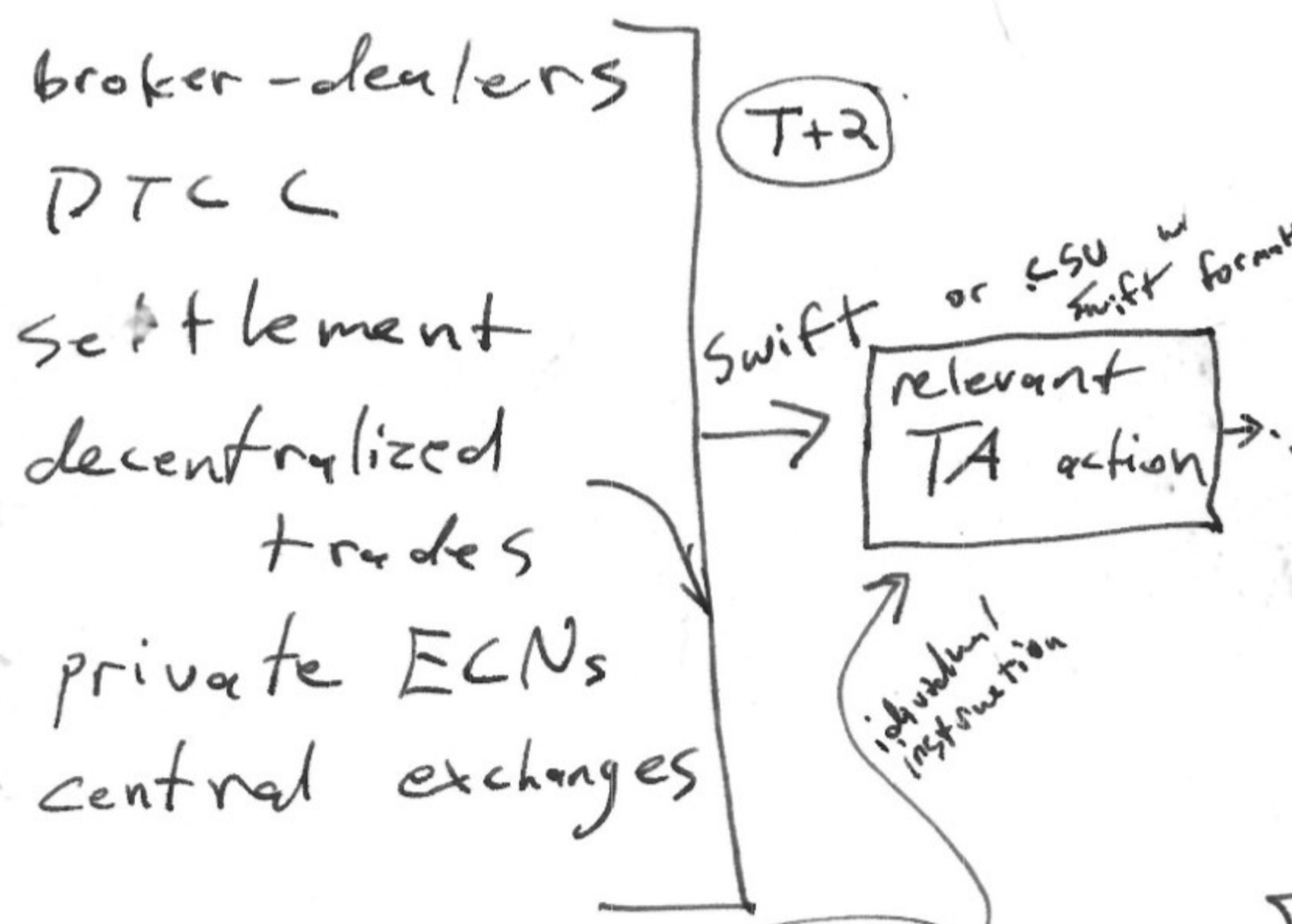
all follow to public open-internet Swift
standard

↓ mostly identifier information

- what it is
- what happened

• one of 400 Swift msgs





- Individuals / Direct Share Purchasers
- Underlying Corporate Actions

collects the v
 validate
 publish e
 report st

verification

ing

collecting
smart
contract
taxes for
whole day
on side-chain
EoD
EDGAR

↓
bke on
Blockchain
ITFS