

## Another European bank selects EMAIL PROCESSOR to automate margin communication through emails

Emails are still widely used in the margin calls communication, especially in the buy side community, with associated costs and operational risks. Those manual tasks can be automated through a light standalone component, called [Email Processor](#) (EMP) that can be seamlessly plugged on the top of existing legacy collateral infrastructure.

The network of banks using the EMP in the collateral space is growing. Additional features like data validation and reconciliation are now available to automate the processes and reduce operational frictions.

The EMP retrieves emails from the collateral Mail Inbox, parses the body, subject and attachments of the emails, deduces the ask behind (Margin Call, Reply to margin Call, interest reconciliation, etc....) and launches automatically the appropriate workflow step in COLLINE (or any other collateral system through APIs integration) without any human intervention.

[Read more](#) about operational efficiency in Collateral Management.



## COLLINE to manage increasing complexity in the Eligible Collateral Schedules

Uncleared Margin Rules (UMR) regulation has introduced new models to settle regulatory Initial Margin (IM) and increased the demand for collateral assets implying a wider usage of non-cash assets with more complexity in the Eligible Collateral Schedules (ECS) negotiated within the new CSA agreements.

Besides the regulatory compliance, there is an additional pressure to incorporate environmental, social and governance (ESG) factors in the ECS as the industry is increasingly factoring climate financial risk and other sustainability risk considerations into collateral selection.



To meet those challenges, the COLLINE Eligibility service has been enhanced to bring a complete flexibility in the collateral acceptance process and control in real time the eligibility criteria, concentration limits, wrong way risks and appropriate haircuts application.



The recent enhancement introduced the capability of ingesting digital ECS, including Common Domain Model (CDM) standardized format, from multiple sources like Triparty agents, CCPs, Central Banks and internal legacy systems allowing to centralize eligibility checks across triparty, bilateral and cleared businesses in a single location.

The COLLINE Eligibility service is part of COLLINE CORE which is a foundation shared between the Margin workflow, the Collateral Optimizer and the Inventory Manager. Having a native integration between all those services remains vital to reduce the Total Collateral Cost while managing rigorously credit risk.

## VERMEG delivers the infrastructure for the Eurosystem Collateral Management System (ECMS)

From November 2023, the [19 Eurosystem National Central Banks \(NCBs\)](#) will migrate each of their existing collateral management systems to a new harmonized collateral management system: the Eurosystem Collateral Management System – ECMS.

[VERMEG's offer](#) for collateral management helps banks to connect to ECMS allowing the optimization of the ECB pool, a real-time view on both available inventory and pledged assets and a new process to mobilize & demobilize Credit Claims and Marketable Assets within ECMS.

Thanks to its componentized architecture the platform can also manage collateral processes across clearing houses, asset servicers, clearing brokers, sell side and buy side financial institutions. Native connectivity between [COLLINE](#) and those components positions VERMEG's collateral offer as a comprehensive ecosystem that efficiently manages credit risk and ensures sufficient liquidity is available to financial markets.



## COLLINE Product Investment: Drivers and Objectives



At VERMEG, we continue to invest steadily in [COLLINE](#) to help our clients and the industry achieve a resilient, cost effective and profitable collateral framework with the following objectives:



- / More efficiency in a higher value chain:
  - Consolidate collateral management across business lines (OTC derivatives, cleared OTCs, Repo, SBL, TBAs, ETDs) in both Principal and Agency models.
  - Optimize collateral mobilization to reduce related cost, manage liquidity and maximize the inventory utilization according to multiple strategies.
  - Package and standardize connectivity to market utilities and intervenient in the collateral life cycle (MTU, ISDA Create, Acadia, Custodians, Triparty Agents, etc...)
  - Reduce IT costs by onboarding new technologies (Technical stack evolution, Resilient SaaS offer, open source RDMS like PostgreSQL, Connectivity to DLTs, etc..)
  - Embrace market standards like CDM for more interoperability and seamless clients onboarding.
- / Compliance with the regulatory framework evolution (UMR, CSDR, ECMS, etc....) and the new standards like ESG.
- / Support our clients in developing their business and promoting their services for Collateral Management and beyond.

For more information about COLLINE please reach out to [wadammak@vermeg.com](mailto:wadammak@vermeg.com)

## VERMEG is delighted to achieve again IEC/ISO 27001 certification



VERMEG is delighted to announce that we have [achieved IEC/ISO 27001 certification](#) again, following a successful audit by Ernst & Young CertifyPoint of our headquarters in Tunis and the international offices in New York, London, Paris, Brussels and Luxemburg. We achieved an almost perfect score.

[ISO27001](#) is an essential international standard for information security. This, along with [our SOC II Type 2 certification](#), clearly indicates our commitment to delivering quality and secure services to our customers globally.

Congratulations to all VERMEG teams, and here's to a safe and secure environment!



## VERMEG is Exhibiting at Fleming's Collateral Management Forum 2022

VERMEG is glad to sponsor Fleming's 16<sup>th</sup> Annual Conference, the [Collateral Management Forum](#), on the 19<sup>th</sup> & 20<sup>th</sup> of October 2022 in Amsterdam.

This Forum is No. 1 Collateral Management Event in Europe and has been ongoing for over 16+ years of financial services events worldwide. A year long event preparation in close collaboration with financial industry professionals & 20+ senior financial services industry experts sharing their insights and know-how on the hottest topics in the collateral area.

Please join us at the Fleming event. VERMEG team will be pleased to exchange about the latest in the Collateral Management and Optimization space.



## Join us at the FIA Expo 2022 in Chicago, we are exhibiting!



VERMEG is exhibiting in [FIA Expo 2022](#), which will take place on 14 & 15 November at the Sheraton Grand Chicago Riverwalk.

Expo is the most widely attended event and trade show. Established industry institutions, vendors providing practical applications, and startups offering innovative

solutions, gather to share valuable insights on key regulatory developments and industry trends.

Compelling panels, product demos, pitches that deliver innovative solutions networking opportunities are planned for this session.

Our team from North America is looking forward to meeting you, come and join us !

