

## Market changes, new standards

### Introduction

In this quarter, we focused on market changes and new standards. MEGARA is committed to be continuously up to date with the industry and market needs.

VERMEG is committed to ensuring MEGARA is always up-to-date industry needs and delivers value to the financial community. In this issue, we will see how MEGARA is being enhanced with new functionalities, including blockchain, tax breakdown, performance fees and MegaCash.

### SWIFT Release 2021



We are glad to announce that the latest release of MEGARA was certified compatible SWIFT application for:

- / **MEGARA Securities Settlement:** a clearing and settlement solution that automates the full lifecycle of securities transactions. It manages a wide variety of transactions types and offers native connectors to major CSDs, custodians and other market infrastructures.
- / **MEGARA Corporate Actions:** a flexible solution designed to relieve the customers from the burdens of managing the complexity and risk inherent to Corporate Actions. This solution offers a full automation of the process and natively embeds the international standards and all Best Practices recommended by the regional Corporate Actions Working Groups.
- / **MEGARA Collateral Management:** a solution automating the processing of collateral for several possible uses and purposes: SBL, liquidity & monetary policy management, etc.. This solution is being used by some major Custodians and Central Banks in Europe and elsewhere.

Designed with state-of-the-art technology, MEGARA<sup>®</sup> is an award-winning modular suite that is used by key players in the Securities Services industry in five continents.

MEGARA was designed to increase Straight Through Processing, thus allowing customers to focus only on managing exceptions through pre-built comprehensive dashboards

MEGARA was among the very first products worldwide to be certified by SWIFT since the creation of the SWIFT Certification labels many years ago. More than two decades after, it continues to lead the way and has been awarded this prestigious label each year.

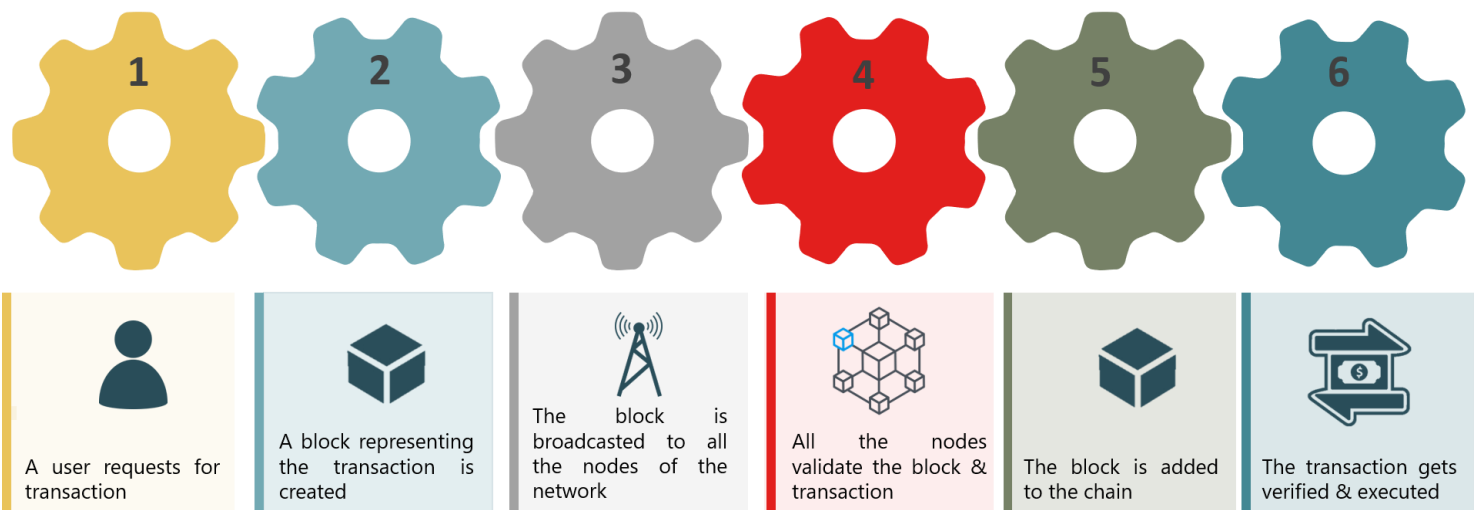
## Blockchain : a transformation for Custodians is here

For years blockchain technology has been considered a disruptive technology that will completely change the way the financial industry is structured.

Today, the world of cryptocurrency and blockchain is gaining in maturity. A new phenomenon is emerging since investment funds and regulated institutional investors started paying attention to the crypto market. Attracted by the large margins and expansion possibilities for their portfolios, they are looking for custodian services for cryptocurrencies. Therefore, banks and depositaries are today acquiring blockchain startups and partnering with modern service providers in order to be able to afford Crypto Custody Service.

VERMEG can offer this personalized experience and help our customers be major actors in this asset class. To provide such a hybrid use, we have upgraded MEGARA to connect to blockchain platforms and manage digital custodies and portfolios such as cryptocurrencies, securities or stocks.

### How a Blockchain works



## Automatic consideration of WTRC tax instruction

To complete the tax breakdown mechanism which is already available in MEGARA, we have added the option to instruct the tax beneficial owner details in a separated WTRC event.

Now, it is possible to link a WTRC event with an income event such as dividend or an interest payment. MEGARA will then automatically consider beneficial owner details instruction received on the WTRC event when computing the proceeds related to income events.

## Performance fees

A new feature required by most fund administrators to configure performance fees of Fund/ Portfolios in MEGARA is now available.

Performance fees are calculated when Fund NAV overperforms compared to its Benchmark.

MEGARA calculates it by comparing NAV performance to a single Index or Basket of Indexes performance.

## New version of MegaCash

A new version of MegaCash is now available. This version is built using the new [PALMYRA 21](#) technology and becomes part of the MEGARA 12 suite.

This version can be used for cash payment and liquidity transfers and supports both MT and MX messaging.

The screenshot displays the MEGARA software interface for managing Cash Transfer Order In transactions. It includes a search bar, a table of transaction results, and detailed views for a specific transaction.

ID	Client Reference #	Related Reference #	App Reference #	Ue TR #	Instructed Amount #	Instructed Amount Cur	Status #	Value Date #	Updater User Id #	Update Date #
1	TCDEM09	MCT091	MCT091	C181847-0062-4060-9313-050506...	10,000	EUR	Settled	11/18/2021	mms081	04/06/2021 18:22:53.449
2	TESTPLANAR1	MCT090	MCT090	83423191-4f56-4848-4a31-384148b...	130	EUR	Instructed	11/18/2021	mms081	04/06/2021 18:06:28.440
3	PAYIN.522.C3	PAYIND.FEMC3	MCT088	1591465-9040-4405-4a3a-928190b...	20,000	EUR	Settled	11/18/2021	mms081	04/06/2021 09:36:35.820
4	PAYIN.522.C4	PAYIND.FEMC4	MCT087	14401465-9040-4405-4a3a-928190b...	20,000	EUR	Settled	11/18/2021	STP@ALL	04/06/2021 09:30:11.590
5	PAYIN.522.C3	PAYIND.FEMC3	MCT085	13301465-9040-4405-4a3a-928190b...	20,000	EUR	Settled	11/18/2021	STP@ALL	04/06/2021 09:30:25.780
6	PAYIN.522.C2	PAYIND.FEMC2	MCT082	11201465-9040-4405-4a3a-928190b...	20,000	EUR	Settled	11/18/2021	STP@ALL	04/06/2021 09:30:25.780
7	TRAVOUT.2020.C1	RRREF.202.C1	MCT676	930a545-5c5a-4a4a-884a-935947df...						
8	PAYIN.522.C1	PAYIND.FEMC1	MCT674	14710465-9040-4405-4a3a-928190b...						
9	TRAVOUT.2020.B3	RRREF.202.A3	MCT669	407b063-09ea-4a73-9433-1a2e9c1c...						
10	TRAVOUT.2020.B5	RRREF.202.A3	MCT668	0817a85a-678c-4830-807e-6a6c1c95...						

**Payment Out Details:**

- App Reference:** MCT00000000777
- Client Reference:** PAYOUT2A76
- Related Reference:** NDRREF
- Ue TR:** 778f1465-9040-4405-4a3a-928190b1017d
- Is FFC:**
- Is CDV:**
- Automatic Release:**

**Ordering Information:**

- Ordering Party Acc:** NSBANK01EUREUR
- Currency:** EUR
- Acc Short Name:** NORTHBANK EUR
- Client:** NORTHBANK
- Description:** NORTH BANK UNITED
- Op Eligible Nostro Acc:** CBE001
- Ordering Customer:** [Dropdown]
- Ordering Institution:** [Dropdown]

**Beneficiary Information:**

- Beneficiary Acc:** EC001
- Account With Institution:** CITIC BANK
- Description:** CITIC BANK EUROPE
- Account With Inst Party Id:** CITICNLA
- Beneficiary Details:** [Dropdown]
- Beneficiary Customer:** [Dropdown]

**Order Details:**

- Instructed Amount:** 10,000 EUR
- Value Date:** 11/18/2021
- Settled Amount:** 10,000 EUR
- Currency:** EUR
- Details Of Charges:** SWA
- Senders Charges:** [Dropdown]
- Beneficiary Charges:** 0

**Intermediary:** [Dropdown] | **Sender To Receiver Information:** [Dropdown]