

A digital control tower

The challenges

- Current market conditions reflect highest probability of default in over a decade
- Default management efficiency can improve credit and market risk loss mitigation
- / CCPs often rely on long manual processes to manage default
- Client portability and auction procedures are complex and manually tracked
- A Real time view of adequacy between resources and potential losses is key
- / CCP Waterfall monitoring is critical to align resources and alerting

CCPs have invested millions in their clearing, market, and credit risk infrastructure which introduces and manages risk to the CCP yet they lack a formal system to manage and unwind risk in an actual default whether real or simulated.

Ensure consistent and repeatable application of CCP policies and changes using VERMEG digital apps designed to interoperate with CCP's legacy IT infrastructure to achieve maximum default management automation.

VERMEG Default Management Solution

Real-Time Monitoring

- Persistent monitoring of adequacy between resources and potential losses
- / Management of the default management waterfall.
- / Monitoring of MtM / P&L per Business and Account.

Before: Clearing Member Under Scrutiny

Launch "Under Scrutiny Process"

- Communication across your organisation
- Assess Risks on House and

Default Day: Default Declaration

Declaration

- / Declaration of default
- / Communication across business

Freezing

- Clearing
- Collateral management

Client Accounts

Portability:

Client Portability

- Launch the portability procedures
- / Transfer positions & collateral
- In case of failure of Portability, initiate liquidation

Management of Non Transferable

Accounts

- Unwinding House cleared positions
- / Identify risk offsets
- / Liquidation of non-cash collateral

Liquidation: Auction Process

Auction Process

- Prepare and send auctions
- Digital App access for market participants
- Record auction responses from multiple participants
- / Analyze and send results

Key benefits

- Encompass all key steps and processes to manage a Default
- / Centralized and evolutive dashboards
- A modern digital architecture focusing on exceptions management enabling CCPs to reduce operational risks and time-to-react.

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VERMEG in a Nutshell

Key figures









of staff in R&D

Presence



AUSTRALIA



BELGIUM







GERMANY



HONG KONG





NETHERLANDS

SINGAPORE

SPAIN



TUNISIA



UNITED KINGDOM



UNITED STATES

Awards & Certifications











/Global Certifications



Microsoft Partner



United Nations Global Compact

Product Certifications







network AWS Partner Network: Standard Technology Partner. Financial Services Competency

About

VERMEG

VERMEG is a specialized software house covering three main market segments in financial services: Market Infrastructure, Banking and Insurance.

VERMEG provides solutions designed to address the biggest Banks and major CSDs & CCPs' challenges to expedite their IT transformation journey ensuring a lower TCO and optimal time-to-market for new products and services.

VERMEG is the number one provider worldwide of Collateral, Payments and Settlement Management solutions to G10 Central Banks.