



OCC and EquiLend Clearing Services Partner on CCP Securities Lending

Partnership Extends CCP Access for Securities Lending Market

NEW YORK/CHICAGO (May 5, 2017)—OCC (Options Clearing Corporation), the world’s largest equity derivatives clearing organization, and EquiLend Clearing Services (ECS), the global securities finance trading platform and technology provider, have joined forces to bring greater access to central counterparty clearing in the securities finance marketplace.

ECS has developed a Middle Office platform to support the infrastructure for OCC’s Market Loan Program by maintaining outstanding loan information for the Market Loan program; processing post-trade functions including mark to market, returns, recalls and other trade lifecycle events; and interacting with OCC’s proprietary system to facilitate settlements.

ECS also has developed the ECS Gateway, which offers straight-through processing between EquiLend’s industry-leading trading and post-trade services to the ECS Middle Office. OCC will use the ECS Gateway to facilitate all matched trades and lifecycle events for processing in the Market Loan Program on behalf of ECS and other loan markets.

The first bilaterally agreed disclosed trades executed on the EquiLend Clearing Services platform already have successfully flowed from the ECS Gateway through the ECS Middle Office to OCC. Clients who wish to leverage the full straight-through processing capabilities may do so by linking their proprietary systems to ECS. By using the service, clients will have the ability to submit bilaterally agreed trades to EquiLend Clearing Services for matching. ECS will then submit the matched trade to OCC leveraging the ECS Gateway and ECS Middle Office systems.

Brian Lamb, CEO of EquiLend, says: “Our strategic alliance with OCC on the Market Loan Program is a critical step toward bringing greater access to central counterparty clearing services to the securities finance market. This collaboration between EquiLend and OCC allows us to jointly build upon OCC’s strong foundation in securities finance clearing. With the launch of the ECS Middle Office and ECS Gateway, securities finance market participants have clearing access while benefiting from the efficiencies they are used to with EquiLend.”

Chip Dempsey, OCC Chief Commercial Officer, says: “Our collaboration with EquiLend will enhance our clearing services for securities lending. EquiLend’s culture, technology and network make them an ideal partner as we work to strengthen the resiliency of the securities lending market and introduce innovations designed to expand access to and utilization of centralized clearing.”

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EQUILEND CLEARING SERVICES

In 2016, OCC cleared more than 1.9 million new stock loan transactions, up 37% from 2015. Through April 2017, year-to-date stock loan activity is up 17% from a year ago with more than 728,000 new transactions.

About EquiLend Clearing Services (ECS)

ECS is the central clearing services division of EquiLend, a leading provider of trading, post-trade and market data services for the securities finance industry. ECS operates the ECS Middle Office and the ECS Gateway, which offer services and connectivity to the OCC's Market Loan Program. EquiLend has offices in New York, London, Hong Kong and Toronto and is backed by BlackRock, Credit Suisse, Goldman Sachs, J.P. Morgan, Bank of America Merrill Lynch, Morgan Stanley, Northern Trust, State Street and UBS. www.equilend.com

About OCC

OCC is the world's largest equity derivatives clearing organization and the foundation for secure markets. Founded in 1973, OCC operates under the jurisdiction of both the U.S. Securities and Exchange Commission (SEC) and the U.S. Commodity Futures Trading Commission (CFTC) as a Derivatives Clearing Organization. Named 2016 Clearinghouse of the Year - The Americas by *FOW Magazine* and 2016 Clearinghouse of the Year by *Global Investor/ISF Magazine*, OCC now provides central counterparty (CCP) clearing and settlement services to 20 exchanges and trading platforms for options, financial futures, security futures, and securities lending transactions. More information about OCC is available at www.theocc.com.

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