

Global Collateral Engine

Transforming the delivery of collateral management services

J.P. Morgan's Global Collateral Engine redefines and transforms the delivery of collateral management services, anticipating rising demand for global financing and enterprise-wide collateral management. Our clients can mobilize collateral inventories across multiple geographies and trading activities – regardless of the underlying obligation – to effectively manage risk.

KEY FEATURES AND BENEFITS

Features	Benefits
Increase Efficiency	<ul style="list-style-type: none"> Fully leverage multi-asset collateral pools through the creation of a global longbox Gain greater control over all collateral management activities with a single platform, self-service tools and true multi-time zone global access Incorporate assets held at external depots (such as Euroclear), using an external longbox Access comprehensive reporting online, including dashboards updated in real time Support emerging client needs with a flexible and scalable solution
Mitigate Risk	<ul style="list-style-type: none"> Gain a global view of all obligations and activities across entities and geographies Mitigate risk and exposure with real-time position data and multiple daily optimization runs to manage changes to positions and exposures Enhance trading with independent pricing, high STP rates and a single algorithm with broader eligibility criteria and improved price-aged testing
Enhance Returns	<ul style="list-style-type: none"> Minimize financing costs with true global availability Maximize collateral use across multiple geographies, legal entities*, asset classes and trading activities 'Pass the book' without market movements, reducing financing costs and increasing flexibility to access assets held in custody with J.P. Morgan Simulate portfolios and conduct hypothetical projections to fully utilize available assets Extract maximum value from portfolio with collateral reuse across legal entities or with counterparties* Support for cross-product collateralization and rehypothecation*

Designed to be asset and obligation neutral – supporting any collateral type, settlement platform or region – J.P. Morgan's Global Collateral Engine offers clients greater flexibility in how they mobilize collateral to extract maximum value.

The services scheduled for delivery under Global Collateral Engine are being introduced in a phased approach as part of J.P. Morgan's multiyear capital investment program. Please contact us to learn more about specific products or initiatives.

Highlights

Now available:

- External Longbox
- Margin Control for derivatives
- Bilateral margin management and bilateral repo margin management
- Securities rehypothecation
- Enhanced cash reinvestment options
- Same-day functionality for APAC (securities and derivatives)
- Dynamic intraday margining for U.S. broker dealers
- Secured credit model
- Extended uptime in APAC for securities and derivatives
- Extended hours, markets and self-service options

In development:

- Global Longbox
- Auto Substitution for U.S. broker dealers
- Repo Access for U.S. tri-party lenders
- Enhanced reporting and information management, including online dashboard
- Improved client eligibility tools

For more information, contact your J.P. Morgan representative or visit us at jpmorgan.com/wss

*Subject to client's own legal documentation and requirements

©2010 JPMorgan Chase Bank, N.A. All rights reserved.

This brochure contains a summary of the subject matter (and is subject to change without notice) and is provided solely for general information purposes. J.P. Morgan does not make any representation or warranty, whether expressed or implied, in relation to the completeness, accuracy, currency or reliability of the information contained in this brochure nor as to the legal, regulatory, financial or tax implications of the matters referred herein. This brochure does not constitute a solicitation in any jurisdiction in which such a solicitation is unlawful or to any person to whom it is unlawful. Issued and approved for distribution in the United Kingdom and the European Economic Area by J.P. Morgan Europe Limited. In the United Kingdom, JPMorgan Chase Bank, N.A., London branch and J.P. Morgan Europe Limited are authorized and regulated by the Financial Services Authority.