



TRANSFORMING TRADE FINANCE TRADETEQ SECURITISATION AS A SERVICE

Trade Asset Securitisation Company SARL (TASC)



September 2019



EXECUTIVE SUMMARY

A unique securitisation solution...

TASC transforms trade finance assets - from traditional products such as trade loans to structured solutions like supply chain and receivables finance - into investable notes that carry an ISIN number and settle through Euroclear and Clearstream.

...for an attractive asset class

In a world where half of global bonds yield less than 1% and a material portion thereof is subject to negative yields, trade finance offers diversified, typically low-risk, short-dated cash-flows that are uncorrelated to traditional asset classes.

A rapidly evolving opportunity for institutional investors...

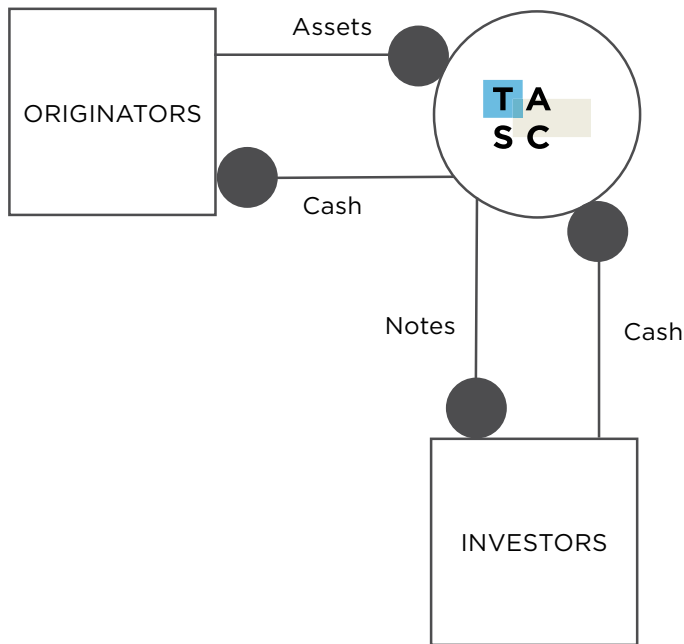
Banks provide about \$10trn in trade finance to corporates in support of the \$16trn global market for international trade. The demand for these funding products currently exceeds the available funding by an estimated \$1.5trn and banks are keen to bring institutional investors into the picture.¹

...supported by best in class technology

Tradeteq's enterprise suite of technology solutions allows banks and institutional investors to efficiently connect, interact and transact.

¹<https://www.tradefinanceglobal.com/posts/tfd-initiative-the-trillion-dollar-opportunity/>

HOW DOES IT WORK?



TASC has been designed to provide a bespoke transformation solution that allows straight-forward access to pools of underlying trade assets, according to specific investor's risk-return profile.

TASC notes are issued out of a Luxembourg-domiciled special purpose vehicle. TASC offers transparent and standardised legal agreements.

Notes are being issued with an ISIN and settle through Euroclear and Clearstream.

The pass-through structure links payments under the underlying trade finance assets to the notes.

Notes can be issued in all major currencies.

CONNECT TO ONE - TO CONNECT TO MANY

- TASC offers access to diverse originators and investors through a single platform.
- Originators sell trade finance assets to TASC and upload asset information to the Tradeteq platform.
- Trade finance assets are automatically allocated by Tradeteq to one or more specific series of notes, based on pre-agreed criteria.
- Trade finance assets can be transformed into notes on a one-to-one basis or on a portfolio basis.
- The notes tenor can be matched to the asset tenor or notes can be issued for term. Replenishment rules allow principal repayments being re-invested based on criteria monitored by the Tradeteq platform.



BENEFITS FOR INVESTORS

- TASC transforms trade assets into tradable instruments in a fast, efficient, and flexible way.
- TASC offers bespoke payment dates, currencies, and interest rates in a pass-through format.
- Investors can use TASC to customise their exposure to trade assets.
- Standardised documentation increases execution efficiency and reduces execution cost.
- Investors do not have to set up specialized operations or expand their back-office.

BENEFITS FOR ORIGINATORS

- Originators can scale their business by attracting external funding.
- Originators maintain control of client relationships while being able to serve them better.
- A sale of trade finance assets to TASC typically results in off-balance sheet treatment.
- A trade asset securitisation using TASC offers a cost-effective way to reduce RWAs.



TASC IS POWERED BY TRADETEQ

Tradeteq, as Programme Manager, manages all technical, reporting, and backoffice operations for TASC.

Tradeteq creates custom detailed reports tailored to the individual needs of investors and originators.

Tradeteq's technology monitors each TASC securitisation on a line-by-line basis to ensure compliance with investment, eligibility, and portfolio criteria.

Tradeteq provides AI powered credit analytics and credit scoring.

ENGAGE IN 3 EASY STEPS

1. CONNECT

- Sign the platform agreement.
- Log into the Tradeteq platform.
- Investors: create a search profile describing your investment preferences.
- Originators: create a term-sheet describing assets you want to transform.

2. INTERACT

- Share the term-sheet or search profile with one or many potential counterparties as selected by you.
- The originator directly connects with the Tradeteq platform for asset uploads.

3. TRANSACT

- Review, negotiate, and execute term sheets directly on the platform.
- Following term-sheet execution, Tradeteq coordinates documentation of the note.
- The note settles directly into the investor's account via Clearstream and Euroclear.
- A Bloomberg page can be created.
- Tradeteq provides daily reporting and reconciliation as well as bespoke reporting.

TASC IS SUPPORTED BY LEADING ORGANISATIONS

THE BANK OF NEW YORK MELLON

Fiscal Agent, Principal Paying Agent, Account Bank, and Registrar

THE CORPORATION SERVICES COMPANY

Security Trustee and Corporate Services Provider

TRADETEQ LIMITED

Programme Manager

PWC LUXEMBOURG

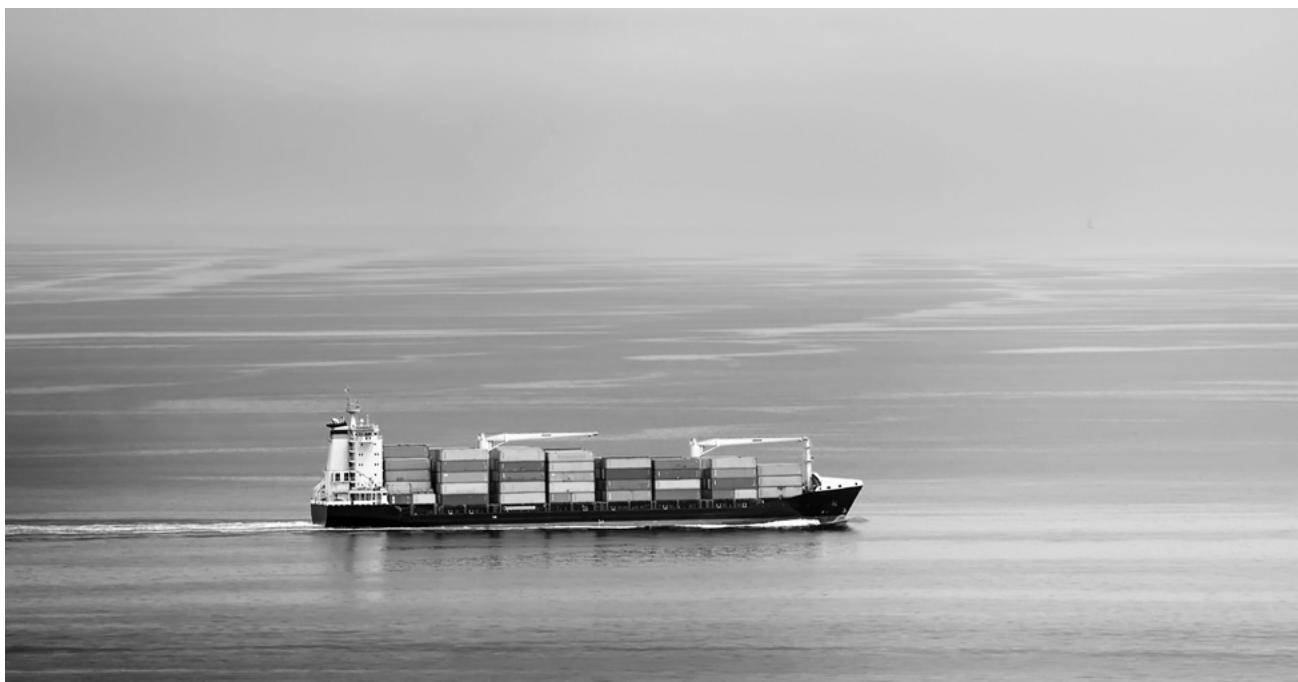
Auditor

REED SMITH LLP

Law Counsel

GSK Stockmann

Luxembourg Law Counsel



ABOUT TRADETEQ



Tradeteq is based in London, UK and provides Securitisation as a Service, transforming trade finance assets into notes through its Luxembourg domiciled securitisation vehicle Trade Asset Securitisation Company SARL.

Tradeteq is the official technology provider for the Trade Finance Distribution Initiative, and industry led effort of more than 20 leading global banks and financial institutions. The goal of the Trade Finance Distribution Initiative is to formulate common data standards and definitions for global trade finance asset distribution and to make trade finance a truly investable asset class.

Visit us on <https://www.tradeteq.com>

To learn more about the Trade Finance Distribution Initiative go to <https://www.tradefinancedistribution.com>



Tradeteq makes securitisation of trade assets simple, cost-effective, and efficient.

To learn more about TASC and how to use the TASC programme please contact Tradeteq at tasc@tradeteq.com

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