

Fully-paid securities lending

Buy vs build

Key considerations when evaluating this classic trade-off

With securities lending, as with other investment activities, your capital may be at risk.

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The upfront costs of building securities lending in-house

Three considerations that you shouldn't underbudget

Overhead

Minimum six
full-time employees
required to build
and run SL



Head of SL



SL Trader



SL Trading Associate



SL Operations Manager



SL Operations Analyst



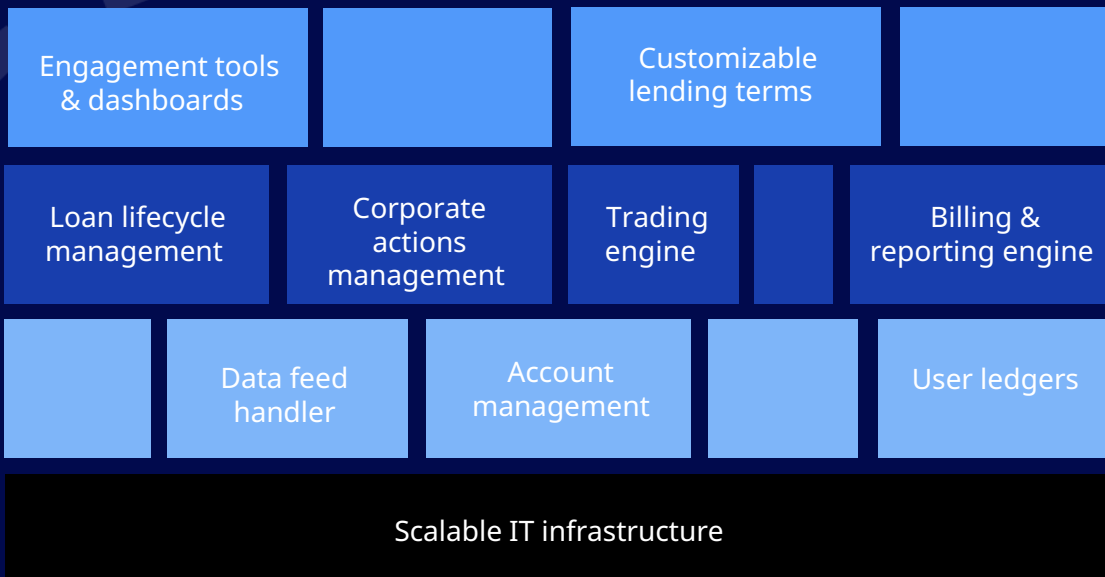
SL Product Manager

Based on Sharegain empirical data. Actual numbers may vary depending on the needs and size of each lender, among other factors.



Tech build

Fully-paid SL requires a robust solution and scalable infrastructure



Third parties & vendors

In an OTC market, you need to connect to all the relevant players and intermediaries of the SL ecosystem



Borrowers



Collateral managers



Post-trade & reconciliation hub



Trading venues



Data provider(s)



Regulatory reporting agents



Building a fully-paid SL offering in-house

 How long will it take?

2 - 3 years

\$\$ How much will it cost?

Tens of millions

Based on Sharegain empirical data. Actual numbers may vary depending on the needs and size of each lender, among other factors.



Building from scratch: what to consider

1. Do you have the relevant **budget** and **expertise** to run a multi-year project in a niche market?

2. Can you divert your existing **legal, compliance** and **IT** resources to build and support an SL operation?

3. Do you have the capacity to manage and oversee **numerous OTC relationships** and **vendors**?

4. Do you know how to **mitigate risks** associated with multiple integrations and complex operations?

5. Are you equipped to tackle the rapidly evolving **regulatory** landscape?

6. Are you willing to wait for years to see a **positive ROI**?



Introducing

SLaaS

Securities Lending
as a Service

Move from fixed costs to variable costs. Only pay when you lend.

- ✓ No set-up fees
- ✓ No licensing fees
- ✓ No upgrade fees



5 benefits of SLaaS

1. SLaaS not SaaS

We offer an end-to-end business solution

2. Our expertise, your advantage

We will help your team with every aspect of SL, and be their single point of contact

3. Customize and control

We enable you to control all aspect of your securities lending activity from one customizable dashboard

4. Fully compatible

We connect seamlessly with your legacy systems in weeks, not years

5. Red carpet access

We connect you to top-tier counterparties and collateral managers

The perfect mix of cutting-edge tech and high-touch service