Sharegain

Fully-paid securities lending

Buy vs build

Key considerations when evaluating this classic trade-off

info@sharegain.com
sharegain.com

The upfront costs of building securities lending in-house

Three considerations that you shouldn't underbudget

Overhead

6

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

Engagement tools & dashboards

Customizable lending terms

Loan lifecycle management

Corporate actions management

Trading engine

Billing & reporting engine

Data feed handler

Account management

User ledgers

Scalable IT 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