



CATS

What is CATS ?

- CATS is an end to end system which completely manages the corporate action lifecycle.
- CATS reduces the workload, complexity and risk associated with the processing of corporate actions.
- CATS has been processing corporate actions globally since 2000.

CATS Processing

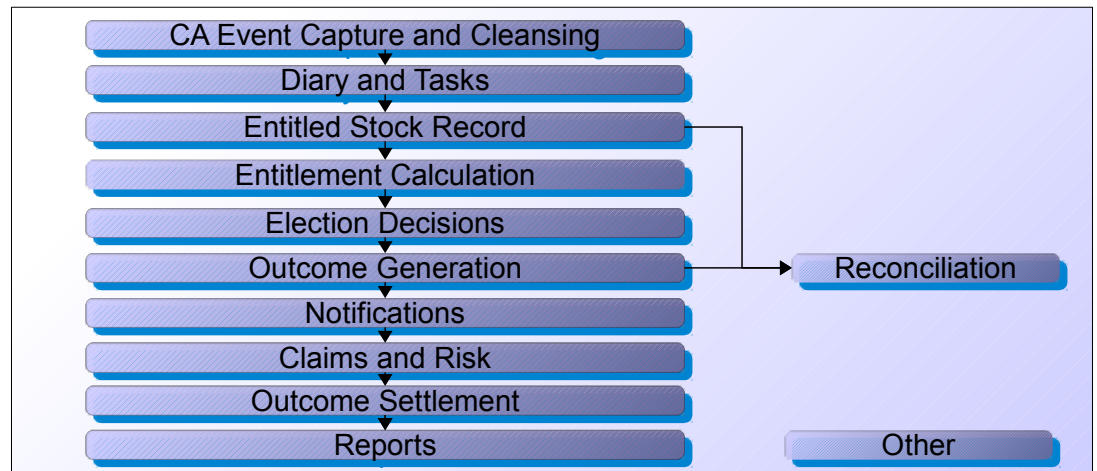
CATS

What corporate action types are supported ?

- Bond Default
- Bonus Issue
- Call Payment
- Capital Reduction
- Cash Stock Option
- Class Action
- Consent
- Conversion
- Coupon & Paydown
- Coupon & Redemption
- Coupon Payment
- Currency Option
- Delisting
- Dividend
- Dutch Auction
- Equity Redemption
- Exchange Offer
- Exercise
- Fungibility
- Liquidation
- Meeting
- Merger
- Name Change
- Optional Dividend
- Par Value Change
- Placing
- Put Option
- Redemption
- Repayment
- Repurchase Offer
- Return of Capital
- Reverse Stock Split
- Rights
- Spin Off
- Stock Dividend
- Stock Split
- Tender Offer

& Custom Configured Corporate Actions

- CATS applies a standard approach to Corporate Action Processing.
- All CA Event Types are processed through the CATS Lifecycle.
- The CATS Lifecycle is summarized here :



CA Event Capture and Cleansing

CA announcements and updates are captured from various data providers.

Diary and Tasks

Tasks are created for each event, based on configured rules. Open tasks are allocated and tracked until completion.

Entitled Stock Record

Using market rules, trades and positions are analysed to create the entitled stock record for relevant events.

Entitlement Calculation

The entitled stock record is the basis for calculations. Potential entitlements, taxes and transformations are calculated for each outcome.

Election Decisions

For each entitled holder, full or partial elections can be made against any or all options. Incomplete elections at the deadline date will cause a default action.

Outcome Generation

All outcomes, cash and stock, are generated based on entitlement calculations, election decisions, and configured rules.

Reconciliation

Entitled stock record and generated outcomes are reconciled automatically. Any reconciliation issues will create exceptions.

Notifications

CA announcements, holder notifications, entitled calculations and outcomes are sent to interested parties.

Claims and Risk

Open claims can be grouped, notified and tracked, automatically or manually. Outstanding cash claims are reportable in either claim or local currency.

Outcome Settlement

Receipts or payments, of cash or stock, are handled automatically or manually. Small cash quantities can be written off.

Reports

Standard reports and searches are provided. Tools are available for developing bespoke reports.

Other

Business entity specific functionality can be integrated into the CATS framework.



CATS

What does it do ?

- CATS is a functionally rich, configurable processing system.
- CATS allows for large scale automation and enables manual intervention where necessary.
- CATS provides a consolidated location for all Corporate Action information.

CATS Functionality

CATS

What are its main features ?

- CATS contains a comprehensive set of features for the monitoring and control of the corporate actions lifecycle.
- CATS user interface is intuitive and allows data to be extracted for use in other applications, e.g. Excel and Word.
- CATS usability is enhanced by its standard use of colour.
- An example of the user interface is shown here :

No	A	N	Process	Owner	Description	Type	Ref	Cond	Total		Transform Qty	Option 1		
									Elected	Unelected		Securities...	Outcome 1	NoAction
				B1000221	Provisional (Partial Election)	DPO			0.00	0.00	0.00			
				B1000221	MS Test Client	PCBR	ZVZ_20120727_12877		-45.00	-4,692,324.00	12.00	-12.00	-4,692,324.00	-33.00
				B1000221	Election Sum				-45.00	-4,692,324.00		-12.00	-4,692,324.00	-33.00
				B1000221	Election Difference				-45.00	45.00		-12.00	-33.00	
			Ready	B1000221	Test Book 1000221	Total			0.00	-4,692,369.00	0.00		-12.00	
				B1000339	Test Book 1000180	DPO			0.00	0.00	0.00			
				B1000339	Test Book 1000180	BUY	ZVZ_20120727_12747		8,131,078.00	0.00	-8,131,078.00	8,131,078.00	8,131,078.00	0.00
				B1000339	Election Sum				8,131,078.00	-8,131,078.00		8,131,078.00		
				B1000339	Election Difference				8,131,078.00	-8,131,078.00		8,131,078.00		
			Ready	B1000339	Test Book 1000339	Total			0.00	8,131,078.00	0.00		8,131,078.00	
				B1000418	Test Book 1000418	DPO			0.00	0.00	0.00			
				B1000418	Test Book 1000523	BUY	ZVZ_20120727_18399		0.00	6,790,005.00	0.00		6,790,005.00	
			Ready	B1000418	Test Book 1000418	Total			0.00	6,790,005.00	0.00		6,790,005.00	
				B1000450	Provisional (Partial Election)				0.00	0.00	0.00			
				B1000450	YT Test Client	TPRV	ZVZ_20120727_12287		-63.00	-7,193,159.00	41.00	-41.00	-7,193,159.00	-22.00
				B1000450	Election Sum				-63.00	-7,193,159.00		-41.00	-7,193,159.00	-22.00
				B1000450	Election Difference				-63.00	63.00		-41.00	-22.00	
			Ready	B1000450	Test Book 1000450	Total			0.00	-7,193,159.00	0.00	-41.00	-7,193,159.00	-22.00

CA Event Types

CA Events can be :

- Benefit, Transformation or Information
- Mandatory, Mandatory with Options or Voluntary
- Equity or Debt

Multi Entity Processing

Business Types

processed :

- Agency Lending
- Prime Brokerage
- Principal
- Custody
- Domestic
- International
- Retail

Taxation Features

- Multi Market
- W8, W9, APPC, MOD2 Processing
- Year End Taxation Data (AWV, SX1)
- Taxation Reclaims
- Automatic Rule Based Tax Matching

Diary Features

CATS supports :

- Multiple Diaries
- Shared Team Diaries
- Automatic Tasks based on CA Dates
- Manual Tasks
- Allocation to Users
- Overdue Task Highlighting
- Task Prioritisation

Example Processing Timeline

Processing starts prior to entitlement date. This occurs daily or on demand and continues until lifecycle completion.

- EX-100** Determine interest. Create diary tasks.
- EX-10** Create preview of stock record.
- EX-2** Compute predicted calculations.
- EX** Notify entitlements as necessary.
- REC** Claim tracking starts.
- PAY** Agent receipts recorded.
- PAY+** Open claims tracked until settlement.

Lifecycle is complete. Event is reconciled, claims are settled, documents are sent, tax is recorded and diary tasks are complete.

Complexity

CATS correctly handles :

- Cash/Finance trades
- Late/Early/Partially settled trades
- Special Ex/Cum trades
- Late/Modified/Cancelled trades
- Traded/Settled/Value Positions
- Foreign exchange
- Japanese dividend estimates
- Event specific taxation



CATS

Is it easy to install and implement ?

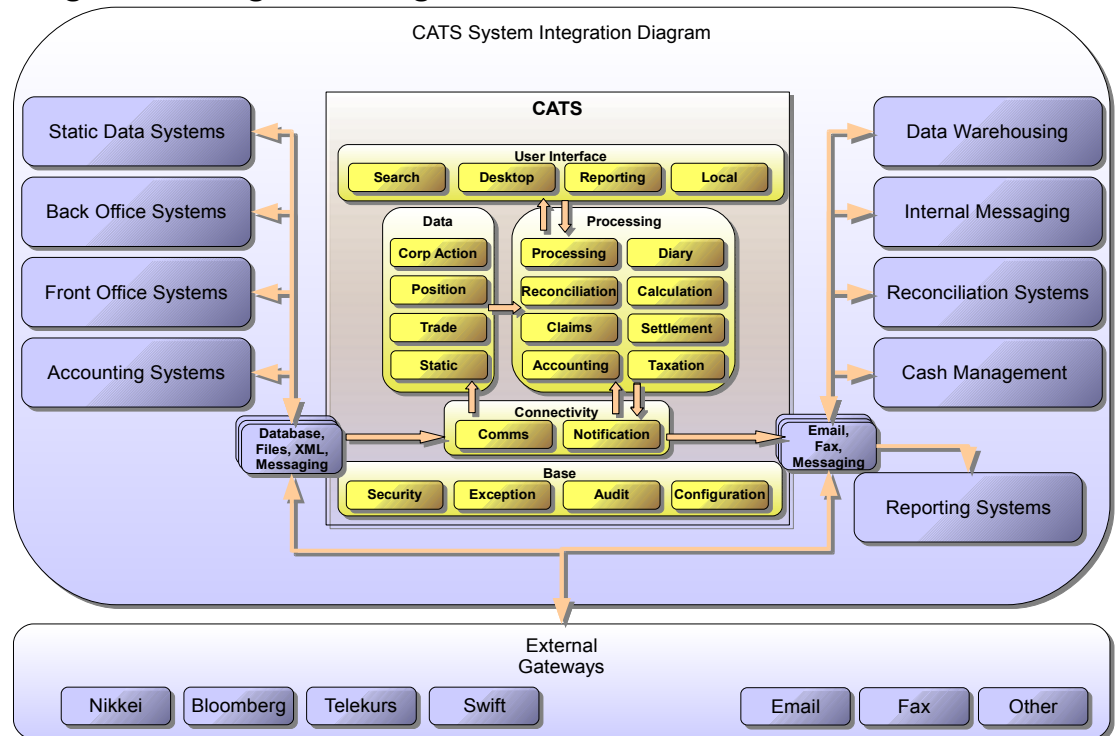
- CATS can be installed on most modern hardware.
- CATS is flexible in its data and connectivity requirements, handling various standard data formats and connectivity protocols. This simplifies integration to enable rapid implementation.

CATS Installation and Integration

CATS

Tell me more about integration ?

- CATS integrates with your current systems to increase automation and reduce operational risk.
- CATS can be integrated with future systems as your business changes.
- A general integration diagram is shown here :



Corporate Actions

Data can be sourced from various locations. e.g. Manual Entry, Local Data, Data Vendor and Agent Swifts.

Incoming Data

Trades, Positions, Static, Accounting and Corporate Action Data will be received into CATS from internal and external systems.

Outgoing Data

Accruals, Journals, Settlements, Holder Notifications and other business data can be sent from CATS for use by internal and external systems and users.

Messaging

Messages can be Flat Files, XML, CSV, PDF, Excel or proprietary. Supports Swift ISO15022 messages : 564,566,568,202,210.

Connectivity

Protocols supported : MQ, JMS, FTP, SFTP, Web Services.

Gateways

CATS can connect to Gateways to provide other incoming and outgoing services such as Email, Fax, Swift, or access to Vendor Information.

Timing

Data transmission can be real time or scheduled. Extracts and uploads can be run manually when needed.

Hardware

CATS will run on any Java enabled platform. CPU and RAM requirements will depend on volumes.

Volume

With relatively inexpensive hardware, CATS handles several hundred thousand trades per day in a single installation. It processes thousands of corporate events each year for each of its business entities.

Security

Access rights can be allocated to users and user groups. Multi-user validation can be applied to updates and functions.

Audit

Manually modified data is audited to allow full traceability.

Archiving

CATS will keep your data on-line as long as is possible. When necessary it can move data to archive. Data can also be retrieved from archive to process old corporate actions.



The Company

Who are we ?

- The Corporate Action Company was founded in 2000.
- Our goal is to provide an outstanding and comprehensive solution to overcome the difficulties and reduce the risks faced when processing corporate actions.

The Corporate Action Company

Recent News

*What has been
happening ?*

Apr 2010 Version 7.6 in Development.

Integration of new capture and cleansing features.

Dec 2009 New Client Installation.

Completed in 10 weeks from start to finish with 15 new data feeds.

July 2009 Version 7.5 Technical Upgrade.

Performance tuning.
User Interface upgrades for high volume events.

Reporting upgrades.

Nov 2008 Version 7.2 Tax Module Upgrade.

Enhanced Static for US W8, W9 Tax Forms.
Enhanced IRS Reporting.

Jun 2008 Version 7.0 Voluntary Processing Upgrade.

Completed Voluntary and Electable Event Lifecycle.

Full Support for Multiple Options and Outcome processing.

Jul 2007 Version 6.8 Automated Claims.

Automatic grouping, claim letter sending and reminders. This feature has saved millions of Euros and reduced overall outstanding claims.

The Corporate Action Company Team have many years of expertise in the financial sector. We have experience in project management, business analysis, software development and testing.

CATS is used by our existing customers dealing with :

- Business Types - Custody, Principal, Agency Lending, Prime Brokerage
- Product Types - Equity, Fixed Income Business for all event types
- International Markets - Used in London, Tokyo and Frankfurt for most markets and clients in many countries

We will work with you to help you solve your corporate action related problems.

Support

CATS contains its own support tools

- Intranet based CATS batch and CATS process monitoring component
- CATS process warning and notification system

CATS can also integrate with internal process monitoring functions.

As a company we can provide long term application support.
We ensure rapid turn around where you have questions or issues.
We provide regular upgrades to ensure application quality.

- **Support**
email : support@corporate-action.com
tel : +44 (0) 20 3287 0777

Contact

If you would like to discuss our approach and how we can work with you to improve your corporate action processing, please don't hesitate to contact us.

We are happy to provide live demonstrations of the CATS system.

- **Information**
email : info@corporate-action.com
tel : +44 (0) 20 3287 0777