



Transactional
Expense
Managed Services



Broadridge®



Transactional Expense Managed Services

Even after years of cutting costs, financial businesses may still need to trim operating expenses another 30% over the next few years. Where will you find the additional savings you need?

There is widespread consensus amongst the industry recognizing the need for aggressive cost takeout. Post trade expenses are a major source of operational cost for capital markets firms; these expenses include but are not limited to: exchange, clearing, settlement, and regulatory fees associated with executing a transaction. Many firms attempt to reduce this cost with partial solutions or services that lack either or both the STP or process automation elements that make this cost takeout possible.

Broadridge works to uncover a new level of savings by reducing one of the industries highest cost drivers. Transaction expenses associated to trading are the third-highest expense after people and technology. Our service can help reduce leakage and eliminate overpayments on invoices, fees and commissions by upwards of 5-8%, along with an additional savings of 30% through optimization. Gain simplicity and control across your organization through a partnership with Broadridge's industry-leading technology, people and operating model.

Exercise global oversight into Broker service provider relations and contracts

Transparency into contracts, providers and transactions is often limited due to data being held across multiple locations and trading systems. This makes it difficult for firms to leverage information globally, locate the most favorable rates and/or reconcile invoices at the transaction level back to the trading system. Broadridge normalizes and consolidates data across multiple sources and globally by asset classes into a single, centralized repository. We provide global transparency into vendor rates and agreements that allows firms to leverage relationships and better negotiate their contract terms.

Introduce new capabilities for controlling expenses

Often, invoices are not recorded against specific transactions—making audits difficult, duplicating payments and increasing the risk of regulatory scrutiny. With Broadridge, all expenses—including confirmations, brokerage fees, exchange fees and many more—are stored and held against provider invoices or transactions, providing a new level of transparency and control.

Ensure the quality of trade information

Broadridge has established consistent industry standards for inputs and outputs. We provide the best information available through enhanced data that increases accuracy, validates invoices down to the transaction level, and leverages Broadridge's market power to hold providers to the highest quality of standards.

REDUCE TRANSACTIONAL COSTS BY 5-8% OR MORE ANNUALLY

- Industry-leading calculation engine
 - Enterprise-wide data repository for rate cards and agreements
 - Agnostic support for multiple assets, jurisdictions and fee type expenses
 - Multi-currency, multi-tenant and multi-entity support
 - Facilitation of accurate accruals and allocations in both the sub and GL entries.
 - Rules-based calculations, recs, and allocations engine with full audit trail
 - Proven, reliable managed service capability
 - CyberSecurity and SAAS Certifications
 - FINRA regulated entity
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Mutualize operational costs

Broadridge standardizes data and processes, enabling firms to mutualize the cost of generic functions such as reconciliation and fee calculations; allowing firms to focus on investing in unique differentiators instead.

“This is the first time I’ve completely understood how business flows and where cost should go.”

—Managing Director, Operations Performance Management
Leading global Capital Markets Firm

Leverage our integration expertise

With a long history of working with many of the industry’s leading providers, we speak their language as well as yours. Entrust Broadridge to deliver seamless integration with your legacy and third-party systems. Our service works with your environment through a variety of APIs and generates open-format readable files. We maintain industry static data, along with your specific organizational structure for accurate accounting and allocation.

Outsource as much as you choose

Broadridge sets up rate cards with your providers, maintains the data and documents needed to negotiate terms, and collects missing and out-of-date agreements to process legacy debt. Every exception is returned to your provider before routing to your front office, traders or any other representative you assign for validation.

THE ADVANTAGES OF A MANAGED SERVICE APPROACH

Broadridge’s Managed Service offering enables you to quickly capture significant cost savings and gain the advantages of standardization—without the risks and costs of in-house initiatives. As a regulated entity, we are in a unique position to deliver a complete solution that includes:



TECHNOLOGY

Employing industry leading technology that will reduce the need to maintain systems and invest in technology.



PEOPLE

Our senior leadership team averages over 30 years of experience, with a 97% client retention rate.



OPERATING MODEL

Three global centers of excellence foster best practices and ensure the support of an experienced team.

BROADRIDGE WORKS TO BOOST YOUR FIRMS PERFORMANCE AND HELPS CUT COSTS THROUGH:

Boosting efficiency and achieving dramatic overall savings

- Reduce revenue leakage by 5-8%
- Save up to 30% through optimization
- Reduce invoice processing and validation cycle
- Lower total cost of ownership through an enterprise-wide single platform
- Mutualized IT development, maintenance and operations costs significantly reduce.
- Shared SME knowledge base

Enhancing accounting control and streamlining expense processing

- Establishes STP from service initiation through accurate accruals and GL expense recording
- Supports complex business expense allocations based on actual utilization or agreements
- Provides independent verification of provider fees at invoice, line-item, or transaction/event level
- Identifies impact of accounting adjustments on reported business performance

Improving customer service and business decision making

- Enhances profitability measurement at the client, strategy or business unit level by populating decision support systems with enriched data or rate information through enterprise integration APIs
- Outsource your support functions to transparent, efficient and accountable service providers.
- Provides both qualitative and quantitative data for clients. Fee and cost analysis as well as cause and impact.
- Provides firms with data to build a business case for investment in post trade projects and objective measurement to monitor success or failure

Consolidating platforms and processes

- Reduces IT and support costs by consolidating diverse expense categories onto a single integrated platform
- Increases business agility by allowing individual businesses to enter into differentiated vendor pricing agreements without having to invest development resources to maintain functional capabilities and accounting processes.
- Increases productivity, control, and efficiency of accounting processes throughout the expense lifecycle

Why Broadridge

With more than 50 years of financial services experience, coverage in 70 countries, and \$2.69 billion in annual revenue, Broadridge sets the industry standard for post-trade processing. We process over \$5 trillion in securities daily through our end-to-end suite of best-in-breed solutions. Our 97% client retention rate over the past three years is a testament to the dedication of our highly experienced associates.

Learn more. For more information please contact BSTN-Sales@broadridge.com or call +1 617-960-2598 (North America) or +44 207 551 3287 (UK, Europe and Asia).



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