

SDX Web3

Digital Collateral Service

Join us
now!

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SDX
a SIX company

SDX Digital Collateral Service: Optimize your Collateral and Minimize Risk

SDX and SIX Securities Services bring to market the new Digital Collateral Service (DCS), specifically designed to enable the usage of selected crypto assets as collateral alongside traditional collateral. This service leverages the use of crypto assets as collateral to minimize counterparty risk in investing and trading.

DCS provides a single platform for management of traditional securities and crypto collateral, simplifying operations for collateral providers and takers. Counterparties, being investors or trading partners, can have their crypto collateral safely stored with SDX, where it is fully protected and backed.

This product is jointly delivered by SIX Securities Services and SDX, leveraging SIX's role as a bankruptcy-remote regulated collateral agent. This ensures your exposures are fully collateralized, even in adverse market conditions, and safeguarded against the insolvency of collateral providers (e.g. ETP Issuers, Trading Firms, Prime Brokers, Asset Managers) for any given collateral taker (e.g. Banks, Clearing Firms, Exchange/Trading Venues, Insurers).

Key Benefits of the SDX Web3 Digital Collateral Service



Streamlined Collateral Management

Manage your entire portfolio of collateral (both traditional securities and crypto assets) on a single centralized platform.



Enhanced Default Protection

Earmark collateral within the bankruptcy remote Crypto Collateral Account, offering off-exchange segregation and enhanced collateral provider default protection.



Collateral Exposure Monitoring

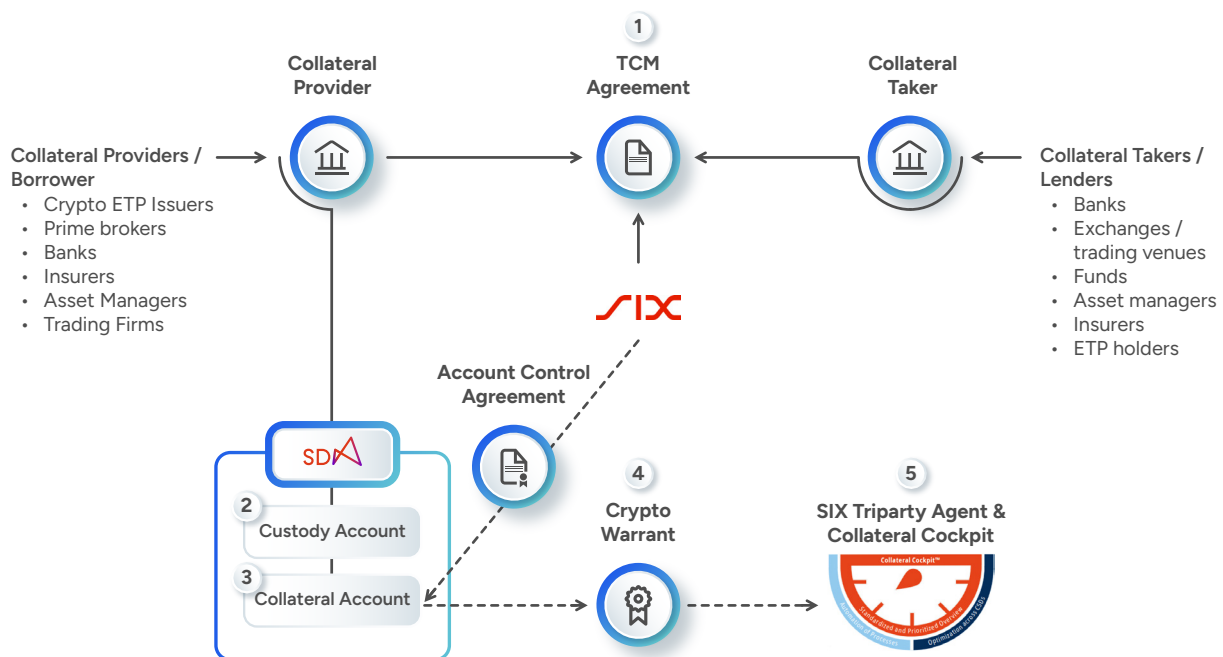
Investors in products with crypto assets as underlying collateral can trust that their exposures are fully collateralized through SIX's regulated collateral agent, with enhanced safeguarding mechanisms and security.

Why Choose SDX?

- › **Part of SIX Group** – Certainty of top-tier security and compliance via SDX, operating under the highest standards of a FINMA-regulated FMI.
- › **Institutional Custody** – Trusted institutional Swiss counterparty for both traditional securities and crypto assets.
- › **Unified Management** – A simple, secure and integrated collateral management solution for traditional securities and crypto assets.

How Does the SDX Web3 Digital Collateral Service Work

Our fully integrated solution empowers product issuers, traders, brokers, and market makers to optimize their collateral usage, whether it's crypto or traditional securities, with built-in risk management safeguards.



Delegated Collateral Management



- 1. TCM Agreement:** Triparty Collateral Management (TCM) agreement outlines the terms and conditions for collateralization of exposures between Collateral Providers & Collateral Takers.
- 2. Custody Account:** Segregated crypto asset account at SDX Web3 Custody ensures that crypto assets are safely stored and available for collateralization purposes.
- 3. Collateral Account:** Crypto asset collateral account at SDX Web3 Custody. SIX has exclusive control over the collateral account via the **Account Control Agreement** and ensures exposures are fully backed by crypto assets.
- 4. Crypto warrant:** Issued by collateral provider through the SIX platform representing crypto collateral, which can be **pledged as securities collateral** and is viewable in the **SIX Collateral Cockpit**.
- 5. SIX Triparty Agent (TPA):** SIX acts as neutral party responsible for collateral management, including moving collateral between parties, default management and ensuring compliance with the TCM agreement.

Meet our team and discover
how we can work together.

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Learn more about
our products:



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