

## System Overview

*Safekeeping Genius<sup>®</sup> provides a real-time processing solution for the maintenance of customer accounts, tracking payments and safekeeping securities across multiple asset classes, offering breadth as well as depth of functionality*

TPG is excited to announce the arrival of *Safekeeping Genius<sup>®</sup>*. Developed through collaboration with our clients, the *Safekeeping Genius<sup>®</sup>* system provides the tools you need to manage custodial clearance and custodial functions. *Safekeeping Genius<sup>®</sup>* is also fully integrated with our *Portfolio Genius<sup>®</sup>* and *Trader* systems.

The *Safekeeping Genius<sup>®</sup>* system enables you to:

- View and manage holdings, customers and securities online, with real-time updates
- Pledge a holding to an unlimited number of pledge institutions and safekeeping locations
- Track collateral on repurchase and reverse purchase agreements
- Generate billing statements for all of your customers

## System Functionality

### Key Features

#### Safekeeping Holdings, Movements and Control

Split holdings between multiple locations and safekeeping statuses. The user may also access real-time history of movements by location or holding company online. It is also possible to restrict online access to holdings on the sales floor.

#### Payable/Receivable Reconciliation and Control

Fully manage and report on your clients' accounts. Forecast projections for five days (up to thirty days in advance of payment), manage interest and principle payments with separate payment codes on the customer and individual receipt levels, and float payments (independent of delay) on location, paying agent or security. The module also provides automatic income matches, full mortgage-backed processing (including delay independent of float), full variable rate processing, automatic dividend processing using external feed information, and automatic adjustments to payments due to factor or rate changes, or as a result of as-of safekeeping outs or backdated calls.

## System Functionality

### Pledging

Pledges can be designated during the trade entry process and multiple pledges may be linked to a holding. You may also designate pledge maintenance as a separately permissible function, independent of trade entry. And all pledges within the Custodial Reconciliation and Safekeeping Module allow for a full line of description associated with the pledge ID and two full lines when viewing the individual pledge record.

### Clearance

Registration type and ID (exact name of registration) may be designated on both the trade and holding locations. All valid registration types are available for a security and entry of a registration ID can be deferred until after the safekeeping location is entered. The system also allows users to:

- Edit trade entry for all valid registration types
- Store standard registration IDs (nominee names, etc.)
- Link standard registration types to locations, customers and holdings
- Enter non-standard registration information on the customer record to default onto the trade screens
- Receive feeds from custodial agents (the Fed, BONY, etc)
- Separate safekeeping and clearance locations on trades delivered to safekeeping

The *Safekeeping Genius*<sup>®</sup> system fully supports electronic transmission of DDA files, which is customized for each user.

### Billing

Month-to-date and quarter-to-date billing schedules can be linked to locations, customer types, and individual customers. The fee schedules allow billing for standard activity as well as aggregate par, and allow for application of a minimum fee. And the separate code and account numbers (DDA, savings, etc.) for billing makes it easy to distinguish billing from safekeeping or trading.

### Sub-customer Processing

Sub-customer names, addresses and certification information are stored in a separate database from the customer files to facilitate ease of entry, and statements, receipts, 1099 statements and credit advances are automatically produced for the sub-customer files from the master customer file and released through sub-customer confirmation statements.

## System Functionality

### Online Functionality

The *Safekeeping Genius*<sup>®</sup> system provides the following conveniences online:

- Customer activity, audit and account verification statements available as of any date
- Immediate access to reprinted credit advances within thirty days
- Monitor safekeeping payments, payments using designated payment codes, and payments due to fail upon maturity due to pledge
- Real-time pledge information
- Reports on maturing pledged securities
- Real-time history of all pledge activities for each holding
- Real-time position reconciliation reports as of any date;
- Customer position reconciliation query to research all activity for a full or partial year for any year;
- Real-time 1099 statements for any customer; and
- Billing statements and itemized billing exports for each customer.

### Reporting Capabilities

#### Position Reconciliation and Control

*Safekeeping Genius*<sup>®</sup> has partially automated position matches and exceptions reporting with the Fed, and a position reconciliation report is automatically generated every month for each location. All position reconciliation reports are searchable and available as of any date online.

#### Customer Account Management

Client activity statements provide current market data and include trading settlement activity, pending activity, income projection and year-to-date 1099 information. And you control how frequently these statements are distributed to your clients. Also, receipts are generated for all safekeeping items and corrected receipts generate automatically with a full description of the changes made, and can be requested or reprinted online.

#### IRS 1099 Reporting

*Safekeeping Genius*<sup>®</sup> offers full 1099 reporting for OID, DIV, INT and B requirements for all safekeeping and trading activity. The 1099 reporting functionality is fully integrated with existing customer files so that the need to maintain a separate file for 1099 information is removed. Once the reconciliation process is complete, the user controls generation of the 1099 statements and tapes. And you can access a variety of balancing reports for any time frame for any of your clients' accounts online.

Technology Platform

**Technology Platform**

TPG’s Windows-based systems are developed using the latest software tools and languages. The system’s database manager is maintained in Microsoft SQL Server 2008r2 (with the latest service pack) or newer and the user interface was built using Microsoft Visual Basic.Net. The report writer uses both Crystal and SQL Server Reporting Services.

TPG’s **Client-Server Architecture** contains a client workstation and a server—the business logic is shared. The business and data tiers are both installed on a shared back-end server.

**Recommended Architecture**

