



FIS Full Service Operations

The Next Generation Multi-tenant Operations and
Technology Outsourcing Solution

FIS Full Service Operations – a transformation of the clearing industry

A powerful combination of people, process and technology to support derivatives clearing

As a trusted provider of cost-efficient derivatives clearing technology for more than 30 years, FIS has long been a valued partner to the clearing industry. Through its post-trade systems, FIS technology is already responsible for processing the majority of the transactions in the market via the Clearvision™, GMI™ and UBIX™ systems. FIS has the technology footprint that makes it uniquely qualified to expand its services beyond technology into a solution encompassing both operations and technology. At the same time, many firms in the industry have come to the realization that a key to their future is adopting a strategy to outsource non-core functions of their business that do not differentiate them from their competition. FIS' Full Service Operations (FSO) was created to address this growing demand for outsourced derivatives clearing operations.

In 2015, Barclays became the first FSO client. Through this agreement, FIS acquired the Barclays' global operations and technology team supporting cleared derivatives. In early 2016, Credit Suisse became the second client, adding its own global operational and technology staff. With FSO providing clearing operations and technology for both firms, it now has the people, the technology, the experience and the scale to provide the same clearing capability to the rest of the industry. FSO is now the most comprehensive solution in the marketplace providing greater scale, efficiency and control to its participants.

What is FSO?

FIS' FSO is a centralized, multi-tenant outsourced operating model for derivatives clearing technology and operations. FIS does not provide the clearing memberships, nor does it take any financial positions in derivatives trading. Rather, it provides completely outsourced technology and operational services for the full scope of middle- and back-office functions required to support derivatives clearing.

FSO serves multiple types of firms in the industry today that trade or clear derivatives:

- Intermediary firms such as global brokers, regional brokers and other firms that clear derivatives trades on behalf of other entities
- Proprietary traders that clear their own book of business
- End-users of derivatives that have made a business decision to self-clear

FULL SERVICE OPERATIONS

- More than 500 operational staff in nine cities across Europe, the Americas and Asia
- Support for cleared OTC and listed derivatives across the global clearing marketplace
- Backed by financially secure, non-bank company with market cap of \$25 billion and annual revenues of \$9 billion

How is FSO different from other outsourcing models?

FSO is a core business for FIS and a cornerstone of the FIS growth strategy in the clearing space. With long-term contracts already signed with both Barclays and Credit Suisse, FIS is committed to this business for the long run. This level of commitment makes FIS the most stable and safe provider of clearing operations in the market.

FIS is the only firm today that can provide the full scope of operational services in the FSO model by leveraging industry standard technology that it owns. Other providers either can only provide one area of operational outsourcing or provide the full range of services but are dependent upon third-party or proprietary technology to do so. In both cases, their technology increases complexity, cost, risk and time to market compared to FSO.

The financial industry is increasingly moving toward this type of solution as evidenced by multiple new offerings in the space – the benefits of mutualized change costs, “best-of-breed” operational and technical expertise, and multi-tenant technology allow offerings like FSO to process at a far greater efficiency than any other operating model. That efficiency means lower and more predictable costs in the long run for clients compared to any other outsourcing arrangements.

FSO is solely focused on providing technology and operational services to its clients. FIS does not take on any economic role or use its own balance sheet for trading or clearing activities. This reduces the risk profile compared to getting these services from an intermediary. It also means that operational services and technology can be removed from other services your firm might receive from that same intermediary, lowering your business continuity risk.

What services does FSO provide?

FIS can provide all significant middle- and back-office processing required for derivatives clearing including trade clearing, margining, funding and control, brokerage, as well as the technology, infrastructure and change management required to keep all these systems up to date with rapidly evolving clearing markets and regulations.

More specifically, FSO provides firms with:

- The ability to support derivatives clearing on any of the markets serviced by FSO, currently more than 80 markets globally
- Scalability to meet both current and future needs – the construct of FSO allows resources to be quickly added where they are needed, when they are needed
- A deep knowledge pool of subject matter experts who deliver operational and technology expertise unparalleled anywhere else in the industry and are available 24/5
- A superior change management model for moving into new products and markets that does not require long, effort-intensive and error-prone projects to deliver. FIS resources can be quickly made available as you need them to address your requirements for new products and markets

WHY FIS

As a publicly traded company with a market capitalization of more than \$34 billion and annual revenues of \$9 billion, FIS has the financial stability and size to make a long-term commitment to providing these services. This makes FIS' FSO the most stable, cost-effective and comprehensive provider of operational outsourcing in the market today.

About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 53,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit **www.fisglobal.com**



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