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*“For an apparently simple process in theory, it is complex to implement in practice”*

**Global Broker case study**

MPI Europe has been engaged by a global broker with offices in the US, Europe and Asia, to provide a solution for their combined unbundling, commission sharing and "softing" requirements. Our team has defined a full set of business requirements for the intended solution, as well as implementing immediate improvements in the current business process. As part of this exercise, we have been closely involved with a wide range of internal departments including front office, settlements, finance and legal/compliance and also with external discussions with other brokers, clients and fund managers. These business requirements have fed through a package selection into the full implementation and user acceptance testing which we also ran for the client prior to the system going live.

Given the current market conditions, brokers are looking to find smarter ways to attract trading volume from new clients and to strengthen their trading relationships with existing clients. One such opportunity is to make better use of commission sharing agreements (CSA). Following the demise of Lehman Brothers in September 2008, investor firms are looking to widen their range of CSA brokers to reduce dependency on individual brokers.

As a result, there is an increased urgency for brokers to support the change in their client's strategy. From our recent research and projects in this area, if your organisation is still using a manually intensive or spreadsheet based process to support CSA's you may not be able to take advantage of this strong trend. To understand more about what other brokers are doing to attract and retain clients by improving their CSA business process please contact us for an initial discussion.

**Common Issues- Pragmatic Solutions**

MPI Europe engaged in project work and research on this topic across a range of financial institutions from brokers to hedge fund managers. In this way we have identified many common issues faced by firms and the pragmatic solutions that we can help clients implement.

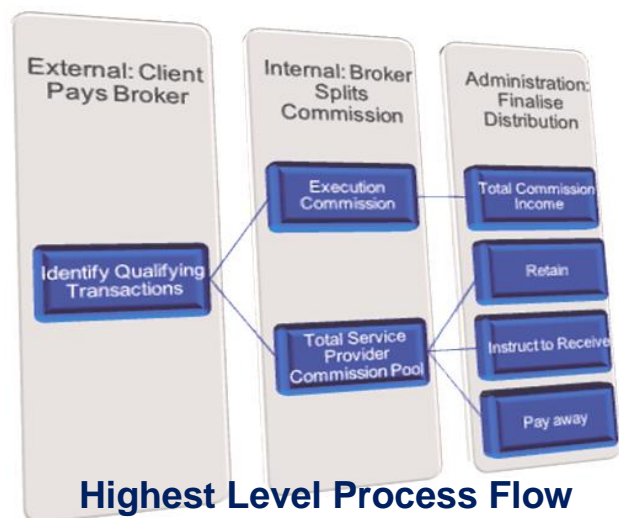
*“Our old process made us reactive - we couldn't be sure we were getting all the payments we should have”*

**CSA Toolkit**

Since no two firms requirements are exactly the same, MPI Europe have developed a toolkit approach with a mix of skills, experience and tools to address the multiple requirements.

The toolkit includes:

- Health check and trend analysis
- Business requirements, reusing existing component definitions
- Process improvement either to existing process or replacement solution selection and implementation
- Rule definition for handling CSA, CCA and soft commission agreements including integration with finance/general ledger
- User acceptance testing approach



*“We need more evidence as to precisely why allocation decisions are made”*