



FUNDSQUARE
MARKET INFRASTRUCTURE



Fundsquare

Fund infrastructure to support cross-border distribution

APSI FinTech Day

26 March 2015



FUNDSQUARE

Background and history

A market utility built **by** and **for** the fund industry

COMPANY



Fundsquare is a wholly-owned subsidiary of the Luxembourg Stock Exchange and is the combination of **Finesti expertise and services** with newly-created order routing services.

PARTNERS



Partner with **SWIFT**, who provides the backbone of the Fundsquare platform, and **Altus**, who provides the front end of the platform.



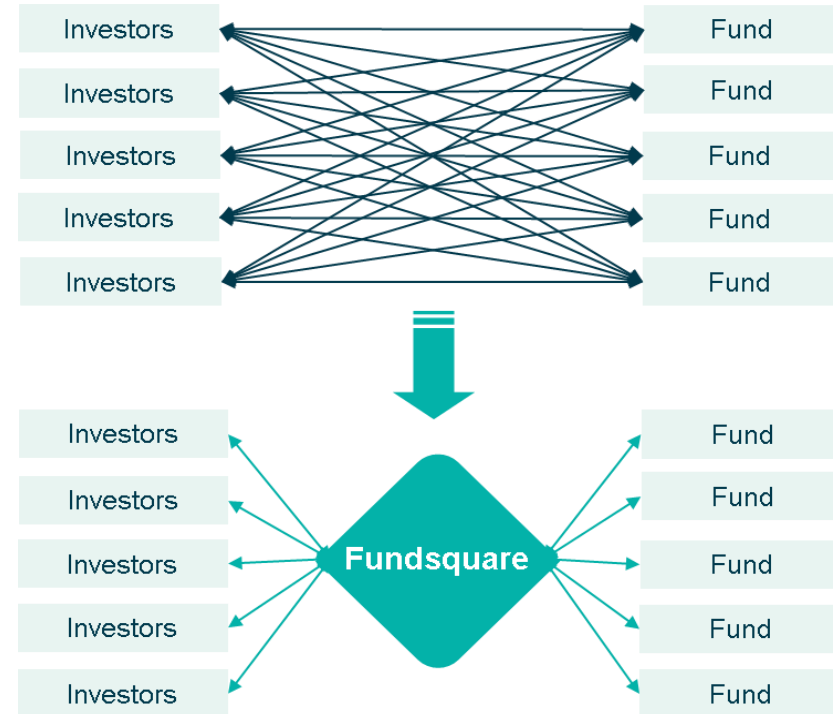
Why the Fundsquare market infrastructure?

Information services

- ◆ Different collection points for many different types of fund data and documents
- ◆ Collection through non-standardized tools and multi-formats
- ◆ Multiple transmissions of the same data, challenge to reconciliation and quality check
- ◆ Exponential cost in data administration,...

Order management services

- ◆ Increased operational complexity linked to cross-border distribution of funds
- ◆ Growing concerns of actors regarding costs, inefficiencies, redundant systems, disparate processes and lack of standardization.





Our long term vision

Become the unique and worldwide infrastructure facilitating cross-border fund distribution between all actors for the exchange of fund information, and financial and non-financial transactions

- ◆ **World-wide** infrastructure
- ◆ **Facilitate** cross-border fund distribution
- ◆ **Hub** for exchange of fund information

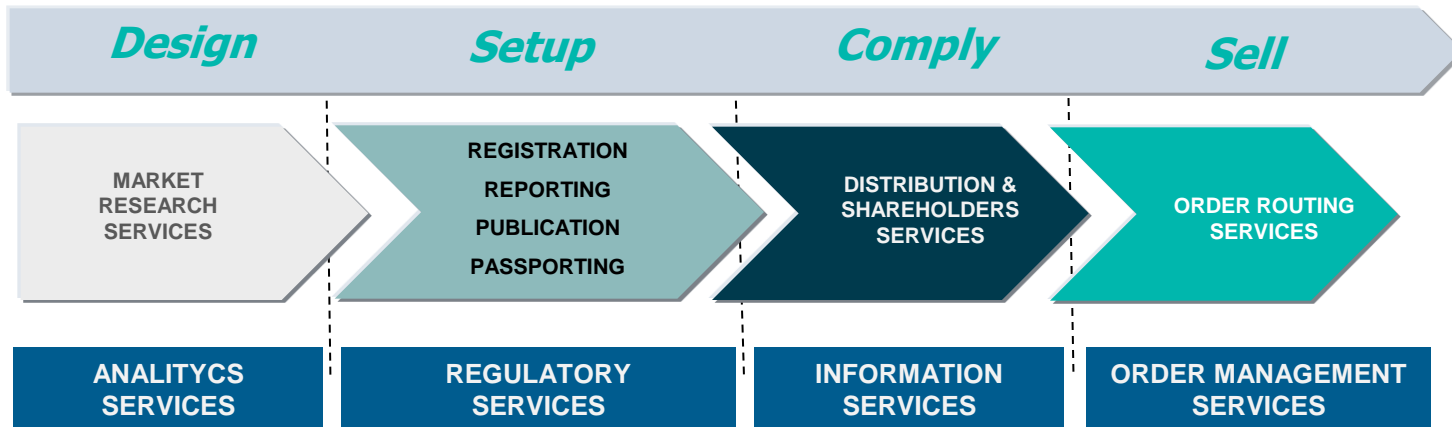
Strategy and key objectives

- ◆ **Industrialize processes** through automation
- ◆ **Commoditize redundant activities** in the fund supply chain
- ◆ **Cooperate** with best-of-breed partners under a hub and spoke model



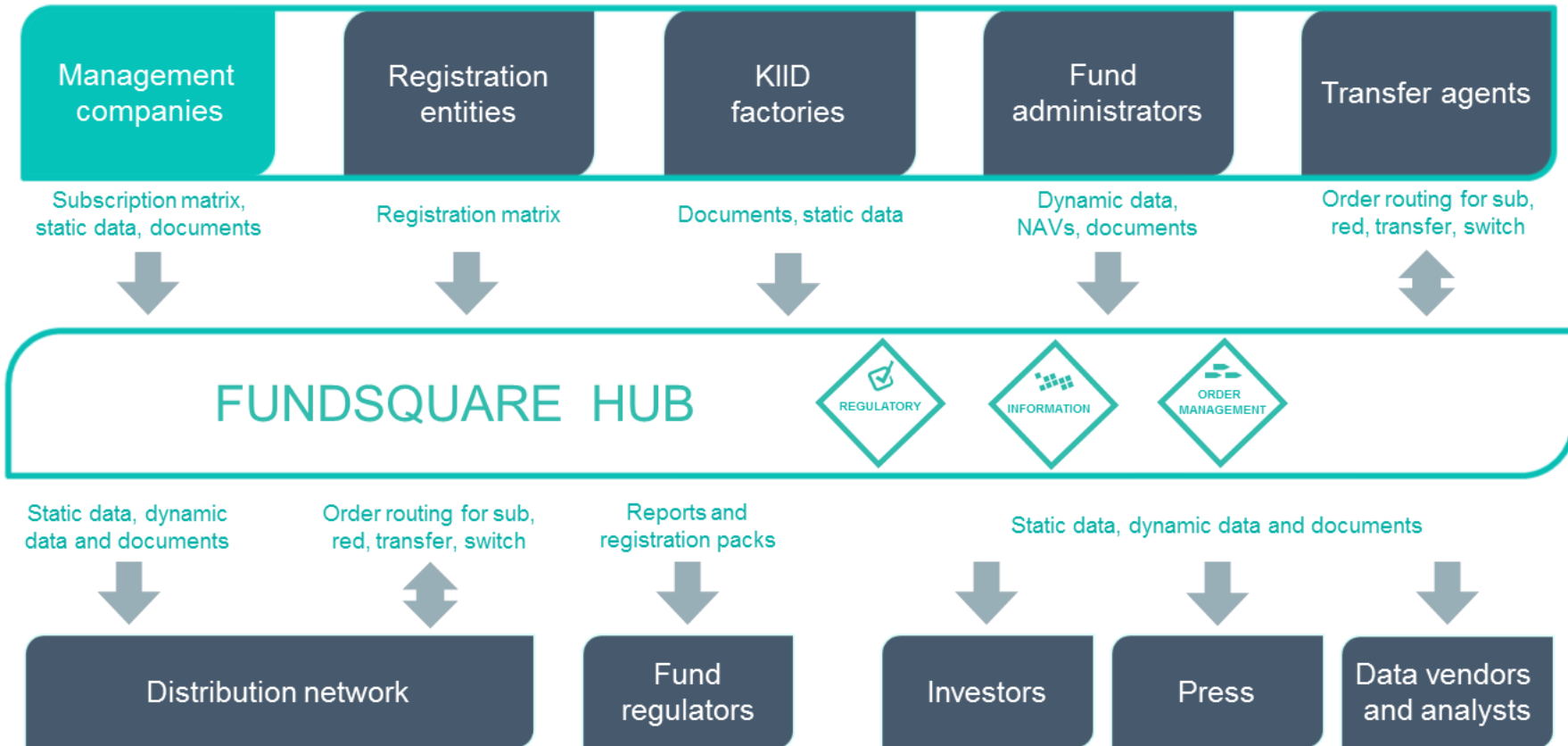
Meeting challenges of cross-border distribution

- ◆ Master new product launches
- ◆ Fulfill regulatory obligations
- ◆ Simplify fund information flows
- ◆ Enable operational effectiveness





A collaborative hub to offer the best services





At the heart of the FinTech revolution

◆ **FinTech digital revolution**

- ◆ Highly innovative technologies that target collaborative models, simplification, transparency and democratization of financial services

◆ **Fund industry impacts**

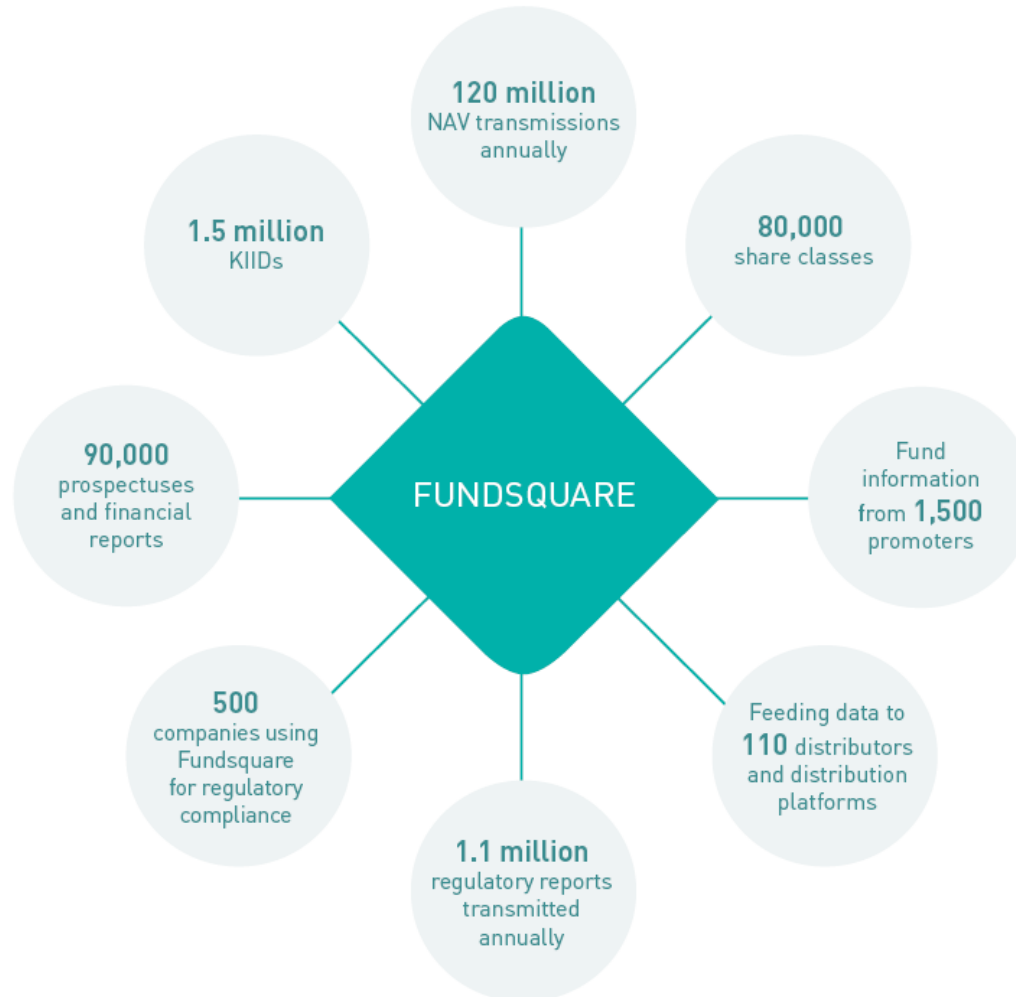
- ◆ FinTech companies will arrive in the fund industry from the buy side, a space that today operates in a relatively low-tech ecosystem compared to other financial areas

◆ **Fundsquare involvement**

- ◆ As an information hub, Fundsquare is a key part of the ecosystem, helping bridge the gap between the new technologies and the traditional organizational models existing in fund administration and distribution.



Our expertise





The main hurdle we need to overcome to reach our vision

Break the circle of the profitable inefficiency

Transforming opportunity into benefits

