Hazeltree Segregation Agent

HAZELTREE

Connecting to a Segregation Agent has never been simpler.

Hazeltree provides innovative cloud-based treasury solutions to investment management firms, delivering enhanced transparency, liquidity, improved performance, and risk mitigation. Hazeltree is a flexible and modular solution that offers best-of-breed treasury management capabilities, including cash, liquidity, collateral, securities finance, and analytics solutions. Our advanced technology provides the most efficient methods to increase scale, manage liquidity, and maximize alpha.

$2+ Trillion
Total assets under advisory

200+
Global buy-side clients

200+
Counterparties

Hazeltree UMR Solutions™ is a next generation Collateral, exposure management and workflow solution designed specifically for the buy-side. Our sophisticated workflow technology provides the ultimate in Collateral flexibility. Connect to the Segregation Agent of your choice, or multiple Segregation Agents. It's that simple!

Learn About: Segregation Agents

Uncleared Margin Regulations require that all regulated required collateral be segregated with an independent Segregation Agent or Custodian. There are two unique Segregation models:

Tri Party: Both parties agree on the initial margin requirement (RQV) and the Tri Party Agent selects the Collateral to be pledged, based on a predefined hierarchy, and moves that collateral into a segregated account. This RQV matching process between both parties is done daily and can be automated through Hazeltree's UMR workflow.

Third Party (Custody): Both parties agree on the required Initial Margin; collateral is moved to a segregated Initial Margin custodial account at the segregation agent by the Pledgor. In the event of excess collateral in the segregated account, the Secured Party must initiate the release of the collateral back to the Pledgor. Movements are agreed between the Pledgor and Secured Party independent of the Segregation agent.

Hazeltree's Flexible Margin Approach Solution includes the ability to facilitate either the Tri Party or Third Party Segregation Models, including RQV calculations as well as new requirements for SWIFT messaging.

With the new UMR rules, there are several important factors that need to be considered in segregating collateral:

- UMR requires both parties to simultaneously pledge initial margin to their counterparties (Pledging Party) and receive initial margin from their counterparties (Secured Party). It's important to be prepared for both workflows.

- You may select the Third Party Segregation model for your Pledging of IM, however your counterparty may select the Tri Party model. Even if you haven't selected a Tri Party model when you are the pledging party, If your Counterparty selects the Tri Party Model, you still need to be able to agree and Match the RQV on a daily basis.

- The selection of a segregation model may vary by counterparty and the sophistication and complexity of their collateral technology. Hazeltree has the technology to handle any of these models, down to the specific Legal Entity level.