



**margin**  
R E F O R M  
Educate | Mitigate | Transform

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 Margin Reform

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# The Margin Reform Initial Margin Workshop

**Why do you need a workshop?** The workshop is the first stage in providing any Phase 4 and 5 firm with an overview of the quantitative and qualitative aspects of the seven key steps that are required to achieve regulatory compliance for Initial Margin.

1. Workshop
2. Scenario Analysis
3. Business Analysis
4. IT implementation
5. Testing
6. Validation and Regulatory approval
7. Commercialisation

The workshop will focus on all tasks to be addressed including those that have presented the most significant challenges to the industry during previous phases.

**What do we need from you?** To ensure that the workshop is a success we need the client to come prepared with these typical requirements.

- Attendance from business heads e.g. CAO/COO, F/O, Treasury, Risk, Legal, Compliance, Ops, Technology and Settlements
- Details on regulations in scope and specific regulations to satisfy
- Aggregate Average Notional Amount (AANA)
- Trade and client volumes and number of CSA's in scope
- Custodial and SWIFT messaging capability
- Technology schematic
- Operational capacity and geographic location
- Optimisation techniques and effectiveness
- Collateral transformation capability
- IM model preferences
- SIMM target operating model plans

**What will the report contain?** The report will have 2 components:

- 1) A capital report to show how much Initial Margin you can expect to post based on your existing portfolio using 2 calculations: i) The ISDA SIMM and ii) The scheduled grid
- 2) A Compliance assessment report highlighting the key risks and issues your organisation faces with high level mitigation proposals and project plan recommendations to take forward

**Next Steps** - Following the issuance of the report, the client and Margin Reform will have the opportunity to explore together whether a longer-term engagement to cover any of the report recommendations is necessary.

**For more information  
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