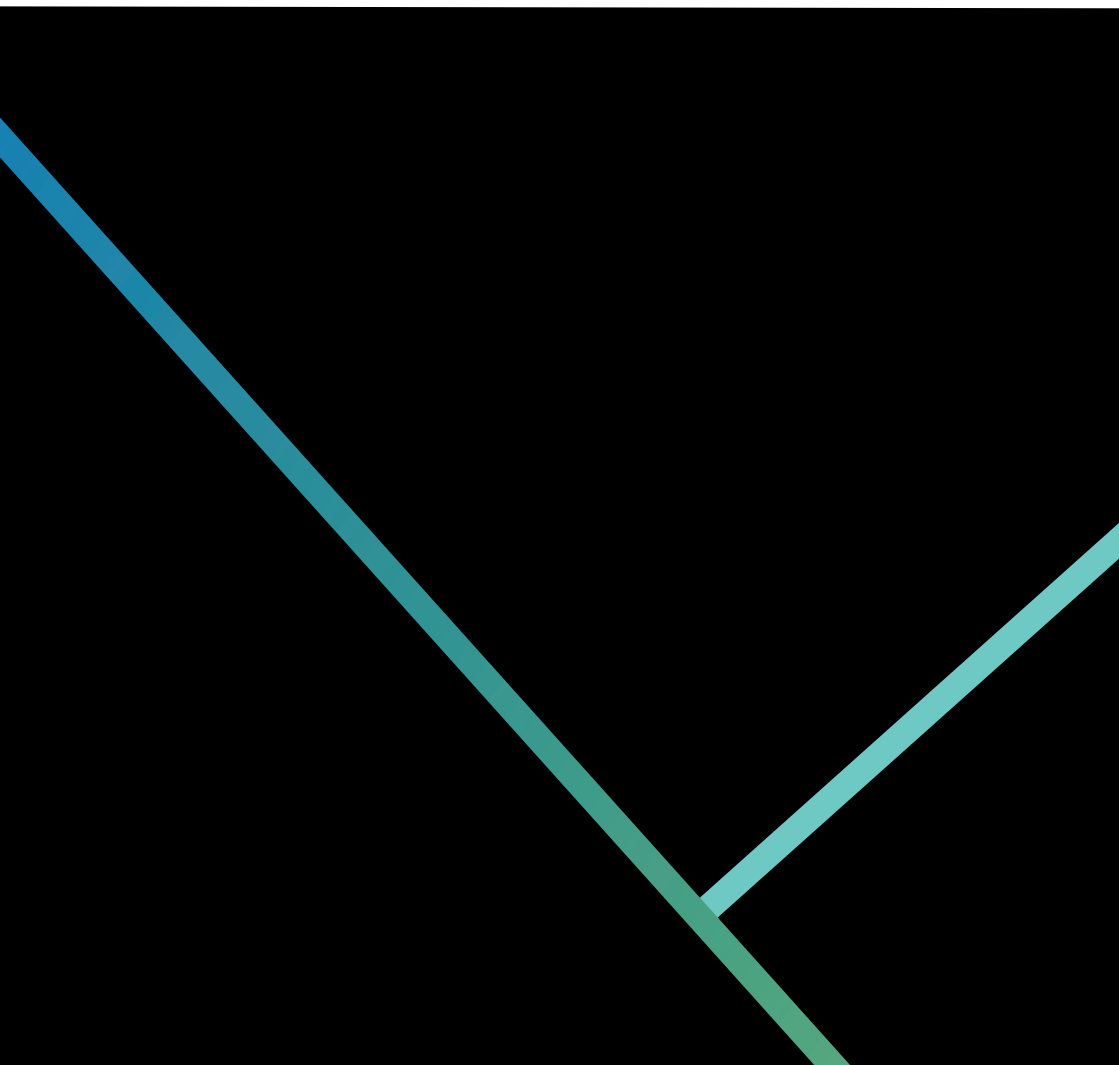


# CALASTONE ETF SERVICING

Streamlined ETF Servicing  
for the Primary Market



# ONE AUTOMATED AND INTEGRATED ETF SOLUTION FOR ADMINISTRATORS

Calastone ETF Servicing is a unique solution for managing the full primary market ETF lifecycle. The solution enables administrators to eliminate manual processes, third-party tools and spreadsheets to create a single, unified workflow.

Calastone ETF Servicing integrates with every constituent in the ETF value chain – authorised participant, administrator, issuer, portfolio composition file (PCF) and other reference data providers, common depository and fund accountant – to enable real-time processing, market agility and end-to-end visibility.

By combining market connectivity with the best technology, and a microservice architecture approach, administrators can automate every step of the journey from order capture to the management of the underlying trading and settlement. This lets administrators deliver an unrivalled experience and scale as the industry continues to grow.

# KEY BENEFITS OF CALASTONE ETF SERVICING

- Dedicated ETF servicing platform built for the primary market
- Real-time visibility and reporting enhances liquidity and risk management
- Scalable primary market ETF trading and processing lowers total cost of ownership (TCO)
- One solution automates both 'Actual Cost' and 'NAV+' calculations
- Secure cloud-native deployment

# END-TO-END CONTROL

Calastone ETF Fund Services includes four modules, built to manage each stage of the ETF process, with tailored integrations, connectivity and full transparency across the order capture, management and settlement processes. This enables administrators to automate the ETF lifecycle with precision and control.

## **1. ETF Order Capture**

The order capture module seamlessly integrates with ETF dealing portals as well as the PCF and other reference data providers, serving as the entry point for all orders into the ETF Servicing solution.

From this module, the system automatically creates and maintains a record of every order received, identifies the relevant PCF and generates an expected trade book for efficient monitoring and tracking of trade fills.

## **2. ETF Order Management**

The Order Management module enables automated and dynamic ETF pricing for more accurate decision making for both 'NAV+' and 'Actual Cost' price calculation methods.

### **Real time 'Actual Cost' calculations**

The system automatically captures the underlying trade consideration and compares it against the price used in the NAV calculation by integrating with investment operations teams and custodians. It then generates the market deviation and provides an accurate final settlement amount. This lets authorised participants and ETF issuers have a more accurate view of their daily liquidity needs.

The status of each underlying trade is tracked in real time giving APs an accurate view over the status of the trade book and their expected final settlement position.

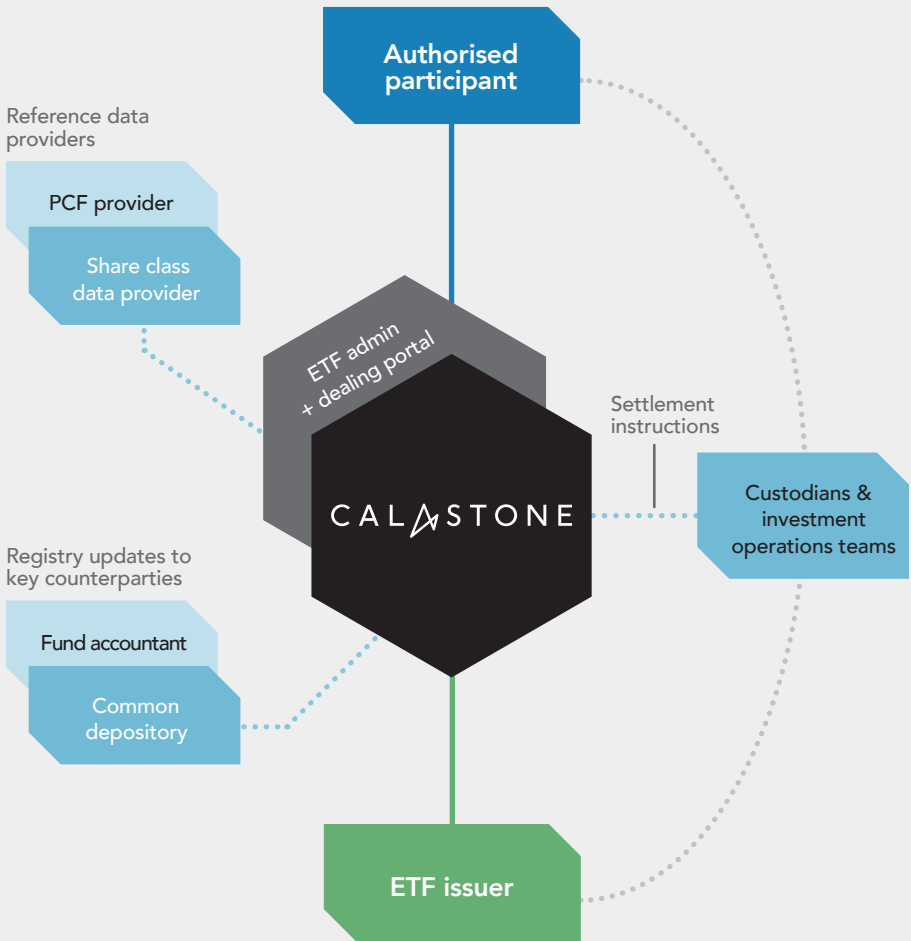
## **3. ETF Registry**

The ETF registry module captures and records all primary market trades and shares in issuance. Common depositories are automatically instructed to mark up/down the number of shares in issue upon settlement. This enables quick and accurate reconciliation between systems.

## **4. ETF Settlement**

The ETF Settlement module integrates with the custodian advising them of the creation or liquidation of ETF shares and instructing exchange of cash and assets with the authorised participant.

# Simplifying and automating how the primary ETF market connects, trades and communicates



# BUILT FOR CONNECTIVITY AND SCALE

## **Connectivity at the core**

ETF Servicing connects every constituent in the ETF value chain – authorised participant, administrator, issuer, PCF and other reference data providers, common depository and fund accountant – to harmonise processes and workflows with one automated and scalable solution.

## **Real-time functionality**

The ETF Servicing solution gives authorised participants, administrators and issuers a real time order capture, trading and settlement experience. Firms can make faster, more accurate decisions based on real time market deviation calculations (NAV+ and Actual Cost) using the Order Management module.

## **Service assured and scalable**

Powered by our unique Distributed Market Infrastructure (DMI), Calastone ETF Servicing is a fully managed, digital-first solution. Calastone's world-class operational support team ensures proactive and responsive service to help ETF administrators meet the changing demands of the ETF ecosystem.

To learn more about Calastone ETF Servicing and how it can benefit your organisation contact: [marketing@calastone.com](mailto:marketing@calastone.com) or visit [www.calastone.com/contact](http://www.calastone.com/contact)



@CalastoneLtd



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