

# Cinnober signs first order for the world's fastest real-time clearing solution

Cinnober announces today the first customer for its clearing and risk management offering, TRADExpress RealTime Clearing. Building on Cinnober's proven trading platform, this system brings a new level of performance and flexibility to the clearing and settlement process for any instrument or asset class. The customer wishes to remain anonymous at this time.

Last year Cinnober launched a multiple asset class clearing system that calculates risk in real time. This implies that a new risk measure is calculated and published for each trade. Risk measurement can also be done before entering an order, minimizing the risk of defaults. The system covers traditional multilateral clearing as well as bilateral clearing between two members, allowing the clearing venue to serve clients with different demands on a single system.

"Real-time clearing is a paradigm shift for the clearing industry," says Nils-Robert Persson, Executive Chairman of Cinnober. "We're talking about *true* real-time risk management where calculations are performed in milliseconds, instead of running batches minutes or hours afterwards. Talk about change. This is the world's fastest clearing system, and it brings a totally new level of flexibility for clearinghouses to rapidly respond to new regulations, client needs and market requirements, with full control of risk at any moment."

The flexibility of the system stems from an innovative member and account structure as well as a state-of-the-art plug-in architecture, making it possible to expand the system with such things as new products, risk models and algorithms with short time to market. The system can run several risk algorithms in parallel, and it is possible to add algorithms as needed. This enables optimal risk control with thorough stress testing, and the use of different algorithms for different instrument groups or, for example, on an inserted order vs. a trade.

Cinnober's decision to invest in and develop this new system was taken after analyzing major challenges facing the post-trade industry. These range from increasing high frequency trading to the ongoing debate regarding new regulatory measures and increased competition between clearing venues.

"We've analyzed the challenges and the needs that have developed in this market in recent years," Persson adds. "Legacy clearing systems are not able to match these new demands, so other customers are sure to follow."

TRADExpress RealTime Clearing is built on the TRADExpress platform running with market leading low latency at several high transaction marketplaces, including Alpha Trading Systems, Burgundy, the Chicago Board Options Exchange, the London Metal Exchange, Markit BOAT, NYSE Liffe and Turquoise.

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#### *About Cinnober Financial Technology*

*Cinnober provides mission-critical systems to a number of leading exchanges and trading venues, including Alpha Trading Systems, Burgundy, the Chicago Board Options Exchange, the London Metal Exchange, Markit BOAT, NYSE Liffe and Turquoise. Cinnober's products are highly customizable and based on TRADExpress, a scalable, high-performance, low-latency platform for transaction processing. TRADExpress is 100% Java-based, enabling solutions that are flexible, as well as hardware- and database-independent. For additional information about Cinnober, please visit [www.cinnober.com](http://www.cinnober.com)*