

GAIN Data Management Whitepaper

AIM | AVALOQ Interface

Description of Functions

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This document describes the AIM | Avaloq partnership, the functions and technical possibilities of the AIM | Avaloq Interface based on AIM Software's reference data management solution GAIN Data Management. This interface is in production since 2003 and is being continuously extended and adapted to new Avaloq functions.

Best of Breed Partnership for Data Management

Back in 2004 Avaloq and AIM Software have entered into a partnership to integrate more closely their two established software solutions in order to provide a reference data management service integrated with Avaloq's banking platform.

An ambitious timetable was put together with Bank Sarasin, which acted as the pilot bank, to create an interface for the Valor Data Feed (VDF) of Telekurs into Avaloq by using GAIN, AIM Software's flagship reference data management solution.

Best of breed solution reduces risks

Avaloq decided to enter this partnership based on a comprehensive evaluation process of the data management solution providers on the market. Previously, Avaloq and AIM Software acted independently on the market to create custom-tailored solutions for their clients. Therefore, each of AIM Software's projects for interfacing to Avaloq had to be started from scratch as no standardized interface existed to augment this process.

Martin Buchberger, Head of Marketing & Sales at AIM Software, stressed one of the main motives for this

co-operation: "Since we saw the success of Avaloq in the market, this partnership became essential for us to further improve the support for our clients that use Avaloq. This partnership will help reduce project risks and costs for the growing Avaloq user base already serviced by AIM Software."

AIM Software services some of the major Avaloq banks which also act as development partners for the interface. Thereby the Avaloq/AIM interface guarantees a future proof and constantly evolving platform for data management fully aligned with the evolution of Avaloq.

Interface opens the way for added-value features

In the course of this project Avaloq defined a generic XML interface that enables AIM Software to source in data from different sources into Avaloq. In addition, AIM Software can now provide the added value of its data management platform to Avaloq clients, including intra-day instrument openings, routing of data feed requests and the integration of data reconciliation logic.

Avaloq can manage the resulting security data while AIM Software's platform will cover more client specific needs and acts as a data hub and interpreter in the background. The user does not have to leave Avaloq to handle all requests. Yet as another option GAIN can act as the master, providing a golden copy framework to check and manage all backoffice data to be fed into Avaloq.

Andres Fischer, Alliance Manager at Avaloq, declares: “The decision to partner up with AIM Software was a result of analyzing the features of its solution and the potential synergies of this liaison. The market feedback about the very well introduced solution of AIM Software made it a clear choice for Avaloq to pursue a long-term relationship.”

Focus on core competency reduces overhead

A key feature for Avaloq is the ability of the GAIN Data Management not only to connect to a multitude of datafeeds but to also manage the storage, versioning and mapping of the data in several ways. “Including those features directly into Avaloq would have created extensive overheads so we decided to keep a clear separation at this point,” Hannes Brunner, Chief Architect at Avaloq, explains.

The Avaloq/AIM interface is capable of importing all necessary data to automatically create assets, issuers, countries, markets, currencies and pricing information within Avaloq. The interface supports around 150 static data fields and 25 high volume corporate events (Avaloq SecEvents) covering around 100 subevent types (Avaloq AFTs). Further features are the ad hoc opening of new instruments, daily mutations and the processing of Avaloq acknowledgements. This gives Avaloq a competitive advantage over other solutions that still require manual input in this area.

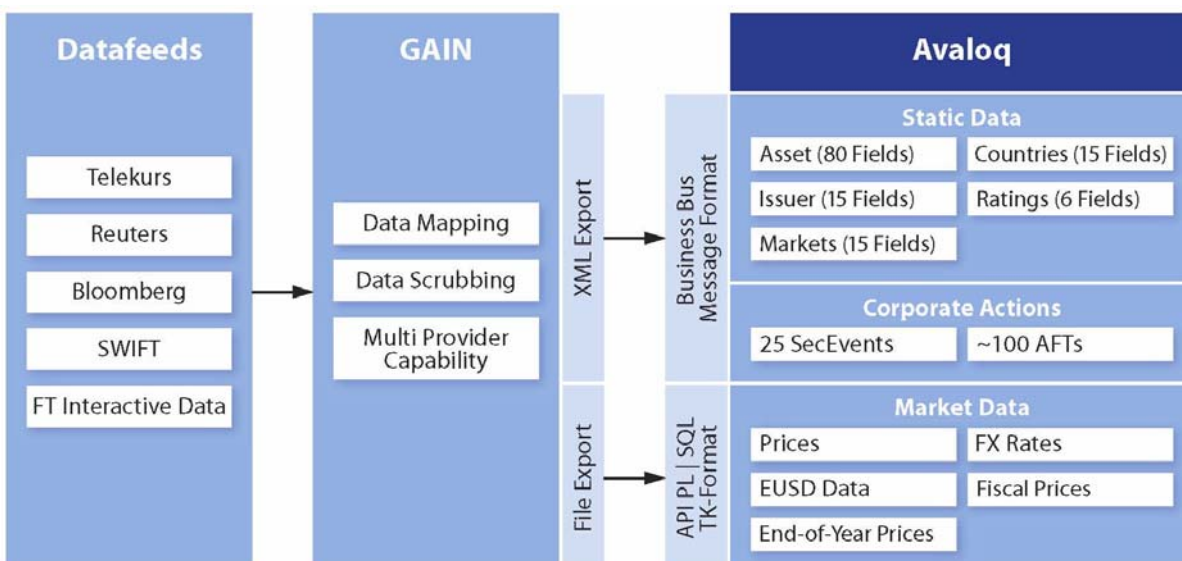
“We see this partnership as a symbol for a new era where solution providers will combine their know-how and expertise for extending the reach of their products and services while focusing on their core competencies.

We are convinced that this partnership creates an advantageous situation for both the solution providers and their clients,” concludes Buchberger.

Processing of the following data is possible

The data transfer between GAIN and Avaloq (from version 2.4) is done via Avaloq Business Bus (XML) and is currently possible for the following data:

- **Asset basic data** (~ 80 fields)
- **Business Partners** / Issuers (~ 15 fields)
- **Countries** (~ 10 fields)
- **Markets** (~ 15 fields)
- **Ratings** for Asset, Issuer and Country (for Basel II)
- **Prices** (Valuation Prices | FX Rates | fiscal prices | end-of-year prices | EUSD)
 - Extended pricing interface (ISINS, Valoren-Numbers or AVALOQ_IDs can be delivered)
 - Advantage: all additional GAIN function can be used (e.g. Price Scrubbing)
- **SecEvents** (Corporate Actions)
 - Daily processing of mutations (changes)
 - 25 high volume corporate events (Avaloq SecEvents) covering around 100 subevent types (Avaloq AFTs). Some examples:
 - Cash Dividend / Interest Payment / Bonus
 - Split / Reverse Split / Spin Off
 - Assimilation / Rights Distribution / etc.
 - Continuous development
 - Some additional SecEvents are already in development.
 - Furthermore additional Sec Events can be developed on client request (in cooperation with Avaloq).



Technical functionality of the interface

- Possible loading methods:
 - **Ad hoc opening of securities** (intra-day)
 - Synchronous ad hoc requests via VDF
 - **Initial loads**
 - Possibility of comparisons between legacy data and Telekurs VDF
 - **Mutations** (deltas)
 - Processing of daily changes in data
- Communication options
 - Delivery of data for the ad hoc opening preferably via MQSeries
 - Improved queue logic for faster processing
 - Bi-directional communication (optional)
 - Data can be loaded from Avaloq into GAIN
 - Integrated logic for exception handling
 - Processing of Avaloq acknowledgement messages:
 - Call of GAIN workflows due to status messages from AVALOQ
- Configuration options
 - Mappings between VDF field values and AVALOQ Internal IDs by mapping tables
 - Extended configuration possibilities through parameterizable scripts
 - Easy implementation of client-specific requirements for Avaloq keys, classes and additions (e.g. ratings;...)

GAIN offers the following additional functions:

- Import / Export / Mapping
- Cleansing / Reconciliation / Scrubbing
- Work-Flow Management / Reporting
- Security Master File / Golden Copy Management
- and more

Avaloq clients serviced by AIM:

- Pictet
- ZKB
- Sarasin
- Clariden
- Bank Cial
- Barclays
- + 3 more (projects under course)

Moreover AIM Software services about 90 clients in Switzerland, Liechtenstein and other countries worldwide.

For further information:

- AIM Software: www.aim-sw.com
- GAIN Data Management: www.aim-sw.com/products/gaindatadesktop

About AIM Software

Established in 1998, AIM Software is one of the leading providers of reference data and risk management solutions for financial markets with offices in Switzerland, France, the USA, Hong Kong and Japan. AIM Software operates on an international scope and services the major financial centres based on its worldwide service and support partner network. After becoming the market leader with the GAIN reference data management platform in Europe, AIM Software expanded its activities to the United States, the Middle East and Asia. So far more than 90 of the leading financial institutions have decided to use AIM Software's products as a centrepiece of their IT strategy.

The scalable GAIN platform combines cleansing and scrubbing of reference data, pricing data and corporate actions with exception handling and risk assessment. Additionally, GAIN offers market, credit and operational risk management modules that can be activated on demand.

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