

BROWN BROTHERS HARRIMAN

140 Broadway
New York, NY 10005-1101

**FOR IMMEDIATE RELEASE**

Contact: Konstantin Shishkin
Weber Shandwick
KShishkin@webershandwick.com
(212) 445-8462

BROWN BROTHERS HARRIMAN ANNOUNCES EXPANSION OF COLLATERAL MANAGEMENT CAPABILITIES

New York, April 8, 2014 – Brown Brothers Harriman (BBH) today announced an expansion of its collateral management capabilities through support of the CME Clearing IEF4 program. IEF4 helps futures commission merchant clearing members (FCMs) and their clients improve the efficiency and optimization of margin collateral usage for listed derivatives and cleared OTC swap contracts.

BBH has been supporting collateral requirements of the derivatives industry since 1970, but disruption to the derivatives market following the 2008 financial crisis has increased demand for these services. Addressing the margin and operational efficiency concerns of derivatives users through a variety of services across the collateral lifecycle is now part of BBH's core service offering to its asset manager, insurance, broker dealer, and clearinghouse clients.

IEF4 is a natural extension of that offering as it provides FCMs and other industry participants the choice to deposit corporate bonds into a pledged tri-party custody account at BBH, creating an opportunity for more efficient OTC clearing and margin collateral usage.

Stephen Bruel, Head of Derivatives Product Management, comments, "BBH is focused on bringing flexibility, efficiency, and integration to all touch points in the collateral lifecycle. CME's IEF4 program is an important part of this strategy as industry attention moves away from preparing for compliance with mandatory clearing rules, towards improving the efficiency of collateral solutions. Regardless of where in the collateral lifecycle an entity sits, this should be what they are thinking about."

"Collateral management is an important service that we offer to all clients to help them capture efficiencies and put eligible CCP collateral to use," said CME Clearing President Kim Taylor. "We appreciate working with partners like BBH to extend these services to benefit the broader industry."

BBH settlement banking clients will also see enhanced functionality, efficiency, transparency, and future process improvements as a result of the integration between BBH's settlement

banking platform, ComSet Plus[®], and the CME Clearing enhanced collateral management program.

BBH continues to make strategic investments in its collateral management offering and the technology that supports it, with a focus on enhancements to areas such as collateral segregation models, liquidity solutions, and collateral tracking and reporting in response to the increasingly complex industry landscape.

About Brown Brothers Harriman Collateral Management and the FCM and Derivatives Settlement Banking Group

BBH provides an integrated and extensive service offering that facilitates client requirements across the collateral management lifecycle. Core services include data capture and management, valuation & calculation, daily call administration, instruction & confirmation, collateral servicing, collateral tracking and reporting, multiple collateral segregation models, collateral account maintenance, and liquidity management.

As a CME approved settlement bank, BBH provides the exchange traded and OTC cleared derivatives industry with a full range of commercial payment capabilities, custody and investment management services required to maintain market liquidity and manage settlement risk.

About Brown Brothers Harriman

Brown Brothers Harriman (BBH) is a privately-held financial institution that has been a thought leader and solutions provider for nearly 200 years. Entrusted with close to \$4 trillion in client assets¹, we serve the most discerning and sophisticated individuals and institutions through our asset management, asset servicing, private capital and wealth management businesses. Our culture of accountability fosters deep and lasting relationships built on commitment, adaptability and trust.

BBH operates in seventeen global locations, including Beijing, Boston, Charlotte, Chicago, Denver, Dublin, Grand Cayman, Hong Kong, Jersey City, Krakow, London, Luxembourg, New York, Philadelphia, Tokyo, Wilmington, and Zürich. For more information about Brown Brothers Harriman, please visit www.bbh.com.

¹ As of December 31, 2013.