

## Legally Compliant OTC Trading Thanks to Retarus Cloud Fax Services

### The challenge

In the trading and processing of over-the-counter (OTC) derivatives, a fax in accordance with the stipulations for an ISDA Master Service Agreement is a preferred channel for documenting that a valid contract has been executed effectively or confirming that a transaction has been processed. Fax transmission is tried and tested, standardized, legally binding and above all, traceable—thanks to a transmission report and signature. However, increasing digitization is pressuring financial institutions to migrate their fax communication to a fully digital system, thereby reducing their process costs to a minimum. At the same time, they have to guarantee that order and execution confirmations reach recipients quickly and reliably. In accordance with stringent data protection and compliance regulations, they must also ensure that the transmitted data is safeguarded throughout the entire transaction.

### The background

Many companies in the financial sector still run their own server infrastructures for OTC derivative transactions. The problem is that fax servers are costly and require a high level of maintenance and administrative effort. Furthermore, they place high demands on modern interfaces. Conventional fax machines not only require huge amounts of paper, which poses an additional security risk when dealing with financial transactions, but they also quickly reach their limits during peak times or as data volume increases.

### The solution

Retarus Cloud Fax Services allow faxes to be sent and received securely and efficiently from email clients, business applications, and office environments. No additional investment is required for hardware, maintenance and cables. Incoming faxes can be forwarded directly to email inboxes, integrated into existing workflow systems or archived. Sophisticated interfaces, global availability, and absolute fail-safety ensure successful communication-based business processes. Financial institutions worldwide also benefit from high-quality services that offer maximum transaction security, as well as fast, error-free fax transmission with immediate status confirmation in existing systems.

### Customer benefits

- ✓ Compliant OTC business operations
- ✓ Secure, dependable transactions which are traceable and verifiable at all times
- ✓ Lower process costs
- ✓ Maximum transparency

## Benefits at a glance



Perfect integration into email clients and office environments



Highest degree of availability and error-free delivery



No need for own infrastructure



Real-time monitoring, detailed reports and analyses

## Use Case

Retarus Cloud Fax Services optimize OTC transactions for financial institutions. The transmission of execution confirmations and the exchange of contract-relevant information are handled directly via the Retarus infrastructure. Thanks to Retarus Never Busy Technology, documents are sent automatically in rapid succession, significantly lowering the failure rate in fax transmission by up to ten percent. In addition, Retarus dimensions redundant carrier connections so that the optimum bandwidth is always available, preventing resource bottlenecks – even when transmission volumes are high. By means of a time stamp it is possible to trace exactly when documents have been received.

These fax services fulfill the highest demands for secure business communication. They comply with the requirements specified by the German Federal Financial Supervisory Authority (BaFin), PCI DSS and with the assurance standard ISAE 3402. Data is processed in accordance with the applicable local compliance and data protection regulations in Retarus' highly secure data centers. Furthermore, Retarus enables the archiving of all incoming and outgoing fax documents in accordance with legal provisions.

A web-based administration portal provides maximum transparency and control, offering numerous configuration options, detailed reports and overviews of individual connections, as well as real-time monitoring. A "Fax resend" function allows rejected fax documents to be resent anytime, without granting Retarus access to the contents of the documents. This means financial institutions can be certain that all transactions are confirmed and that a report will be available the next morning, which can then be used for reconciliation against the order books (confirmed status).



## Did you know?

*Retarus Cloud Fax Services comply with PCI DSS, the stipulations of the German Federal Financial Supervisory Authority, the assurance standard ISAE 3402, and also meet the stringent legal and compliance requirements for the processing of contract data.*

## Other scenarios

### Payment reminders

Customers who are late with payments receive a reminder via text message thanks to Retarus Enterprise SMS Services, demonstrably improving the payment behavior of customers in default.

### Leasing and loan applications

Retarus Cloud Fax Services enable barcodes to be added to forms before they are transmitted by fax. Through OCR text recognition, documents can automatically be assigned to the right process upon delivery.

### Credit information

As soon as 75% of a customer's overdraft facility has been exhausted, banks can send a text message to the account owner using Retarus Enterprise SMS Services, fulfilling its legal obligation to provide this notification.