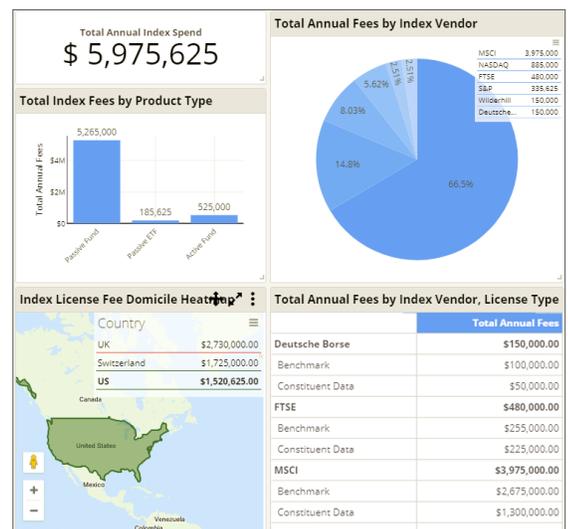


INDEX LICENSE MANAGER

Index License Manager (ILM) calculates your index licensing costs for all your Funds & ETFs, simplifies your AUM reporting to the index providers, and helps you conform with the recently enforced European Benchmark Regulation and IOSCO's Principles for Financial Benchmarks

MANAGEMENT CHALLENGES AROUND BUY-SIDE INDEX LICENSES

- Index licensing fees have skyrocketed through the use of fee models and formulas that increasingly benefit the index providers. Asset Managers are increasingly managing index license budgets exceeding \$10 million per annum.
- Buy-side managers with growing businesses are discovering that spreadsheets aren't scaling well to document which index licenses are being used by which Funds & ETFs, particularly as they continue to launch passive index-tracking Funds & ETFs which often require multiple expensive licenses.
- Index license inventories at buy-side firms are often fragmented and unconsolidated whereby portfolio managers, performance teams, and market data teams all maintain separate inventory spreadsheets.
- Best practices are a centralized database containing index data licenses, benchmark licenses, reporting licenses, and all other index license types, with an intuitive user interface developed specifically for index license management, providing an informed and complete holistic dashboard view of the firm's enterprise-wide licensing with all its index providers.
- Financial Conduct Authority's (FCA) recent review of financial benchmark activities recommended that firms comprehensively identify and track their benchmark usage across all business areas and continue to strengthen governance, controls, and oversight of their benchmark usage - especially those benchmarks which have been used for the creation of financial products and funds. FCA has also recommended that firms implement systems to manage the risks posed by benchmark usage and to address the weaknesses identified.



INTRODUCING MDSL'S INDEX LICENSE MANAGER (ILM)

The ILM platform is a paradigm shift from the currently available limited resources - spreadsheets and paper records - used for index license tracking, reporting, and spend optimization by buy-side index license managers.

Invoice reconciliation is always challenging for index licensing teams, with vital resources devoting significant bandwidth to repetitive manual processes. There is heavy reliance on individual knowledge and skills – index vendor's invoices are rarely clear, easy to understand, or intuitive. The ILM platform automates reconciliation, increases the work flow integrity, and improves billing error visibility.

ILM automates the burdensome task of regularly reporting AUM value for benchmark licenses used in passive funds. Asset managers who do not report AUM figures are non-compliant with their index licensing agreements – a problem which ILM easily resolves. Furthermore, these non-reporting firms are forced to rely upon the accuracy of the figures that the index sponsors use in their invoice calculation.

Reduce index licensing spend with the Index Catalog display by removing the possibility of redundantly licensing an index family. Identify the tens or hundreds of additional indices in any licensed index family which an organization may use without incurring any additional index sponsor fees. Wean from reliance on the index vendor staff or index aggregator client support, multiple email exchanges and telephone calls, and frequently unsatisfactory responses.

Index License Manager fulfills your regulatory compliance requirements. Recent investigations and enforcement actions concerning the perceived manipulation of certain contributed benchmarks have created a heightened awareness amongst regulatory authorities about the minimal amount of transparency, regulation, and oversight around all index and benchmark usage.

License Type	License Sub Type	License Name	Vendor	License Status	Buyside/Sellside/Enterprise	Regional Coverage	Fee Points (bps)	Flat Fee	Blanket License	Currency	Contract	Produ	Related Items
Application	NAS150 Nasdaq Composite (USE/NASDAQ)	Active	Buy	US	0.00	12,000.00	Yes	USD	NAS150				Contract (1)
Benchmark	NAS160 NASDAQ OMX Global Agriculture Index (USD, Total Gross Return) Benchmark	Active	Buy	US	2.00	0.00	Yes	USD	NAS160				Index Catalog (1)
Benchmark	FT44410	FTSE	Active	Buy	New York	3.00	0.00	Yes	USD	FT44410			License Usage (3)
Benchmark	FT44420	FTSE	Active	Buy	United Kingdom	3.00	0.00	Yes	USD	FT44420			
Benchmark	MSAS100	MSCI	Active	Buy	New York	6.00	0.00	No	USD	MSAS100			
Benchmark	MSCI100	MSCI	Active	Buy	United Kingdom	6.00	0.00	No	USD	MSCI100			
Benchmark	SP52210	S&P	Contract in Negotiation	Buy	New York	0.00	600,000.00	Yes	USD	SP52210			
Benchmark	SP52211	S&P	Active	Buy	World	6.00	0.00	Yes	USD	SP52211			
Benchmark	SP52212	S&P	Active	Buy	World	6.00	0.00	Yes	USD	SP52212			
Benchmark Active	NAS660 Nasdaq Clean Edge Gre NASDAQ	Active	Buy	US	0.00	10,000.00	No	USD	NAS660				
Benchmark Passive	WIL150 AMEX ECO (The WilderH Wilderhill	Contract in Negotiation	Buy	US	0.00	30,000.00	No	USD	WIL150				
Benchmark Passive	MSAT100 MSCI WRLD/TELECOM MSCI	Active	Buy	United Kingdom	4.75	0.00	No	USD	MSAT100				
Benchmark Passive	SPUS60 S&P Global Clean Energy S&P	Active	Buy	US	8.00	0.00	Yes	USD	SPUS60				
Calculation	SPIC400	S&P	Active	Enterprise	World	6.00	0.00	Yes	USD	SPIC400			Note
Constituent Data	Current	KOREAAMEND01 S&P KOSPI Serik Korea Exchange	Active	Sell	US	0.00	20,000.00	No	USD	KOREAAMEND01			
Constituent Data	Current	SANDPAMEND01 S&P US Domes S&P	Active	Sell	US	0.00	20,000.00	No	USD	SANDPAMEND01			
Constituent Data	Current	SANDPAMEND02 S&P US Domes S&P	Active	Buy	US	0.00	80,000.00	No	USD	SANDPAMEND02			
Constituent Data	Current	WBAMEND01 WB - Austrian Ind Wiener Börse AG	Active	Sell	US	0.00	50,000.00	No	USD	WBAMEND01			
Constituent Data	Current	BABUS200 Barclays Fixed Income Barclays	Active	Sell	US	0.00	12,000.00	No	USD	BABUS200			
Constituent Data	Current	BOV200 Bovespa -Brazil (BRL) 1 BOVESPA	Active	Sell	US	0.00	7,000.00	No	USD	BOV200			Note, N
Constituent Data	Current	CSI200 CSI Size Indices Constitl China Securities	Active	Sell	APAC	0.00	12,000.00	No	USD	CSI200			Note
Constituent Data	Current	DAX770 DAX Subsector Renewal Deutsche Börse	Active	Buy	US	0.00	10,000.00	No	USD	DAX770			
Constituent Data	Current	DB200 DAX30 Performance (EU) Deutsche Börse	Active	Sell	EMEA	0.00	20,000.00	No	EUR	DB200			Note
Constituent Data	Historical	FTSEUK200 FTSE UK Index Serik FTSE	Active	Sell	United Kingdom	0.00	60,000.00	No	GBP	FTSEUK200			
Constituent Data	Historical	FTSEUS200 FTSE US Index Serik FTSE	Active	Sell	US	0.00	60,000.00	No	GBP	FTSEUS200			
Constituent Data	Historical	HS200 Hang Seng Index Consti HSI Services Lim	Active	Sell	APAC	0.00	12,000.00	No	USD	HS200			Note
Constituent Data	Current	MSAT200 MSCI WRLD/TELECOM MSCI	Active	Sell	EMEA	0.00	20,000.00	No	USD	MSAT200			
Constituent Data	Current	MSCILN200 MSCI DM Core Core MSCI	Active	Sell	United Kingdom	0.00	120,000.00	No	GBP	MSCILN200			
Constituent Data	Current	NAS450 Nasdaq Composite (USE/NASDAQ)	Active	Buy	US	0.00	10,000.00	Yes	USD	NAS450			

BUY-SIDE INDEX LICENSING COMPLEXITY ACCELERATES

Managers of both passively and actively managed Funds & ETFs must master monitoring and recording the ongoing changes which index sponsors continue to introduce to existing license agreements.

Whether new usage restrictions have been raised or if previously permitted index related work flow is no longer covered under existing legacy agreements - changes to existing agreements are nearly impossible to track by hand.



Reach out for more information:

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For a demonstration visit mdsl.com/request-demo