TCS BaNCS Overview
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# CONTENTS

1. Preface .................................................................................................................. 3

2. Introduction ........................................................................................................... 4

3. Getting Started...................................................................................................... 5
   - Web Browser ....................................................................................................... 5
   - Login .................................................................................................................. 5
   - Roles .................................................................................................................. 5
   - System Navigation ............................................................................................. 6
   - Function Tabs .................................................................................................... 6

4. Function Overview ................................................................................................. 8
   - Reports .............................................................................................................. 8
   - Business Relations ............................................................................................ 8
   - Instruments ...................................................................................................... 8
   - User Admin ...................................................................................................... 9
   - Accounts ......................................................................................................... 9
   - Clearing ............................................................................................................ 10
   - Risk Management ............................................................................................. 11
   - Corporate Actions ............................................................................................ 12
   - Securities Lending and Borrowing ................................................................. 12
   - Depository ....................................................................................................... 13
1. Preface

This document provides users of the TCS BaNCS system an overview of basic functionality and screen layout.

Further detailed system user guides are also available to participants which describe screen based functionality to a higher level of detail.

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2. Introduction

The TCS BaNCS system supplied by Tata Consultancy Services Limited (TCS) is the core clearing and settlement system operated by New Zealand Clearing and Depository Corporation Ltd (“NZ Clearing Corp” or “NZCDC”).

The TCS BaNCS system is an integrated clearing house, depository and registry system. The core modules utilised by NZCDC and its subsidiaries are:

- Core Services: including users and group management, instruments and accounts
- Clearing: novation and netting of trades
- Risk Management: collateral and margin for all open positions
- Settlement: settlement of positions and transactions
- Depository: including custody, corporate actions, OTC transactions and stock lending

In addition, the system has been further enhanced for NZ specific functionality, covering:

- Registry Gateway: enabling the legal title transfer of securities on register
- Common Shareholder Number (CSN) infrastructure
- CSD Interoperability.

Many participants will interact with the BaNCS system through the ISO 15022 message interface, but the complete suite of functionality is also provided through a web based user interface.

The purpose of this document is to provide an overview of the user interface.
3. Getting Started

Web Browser
The BaNCS system is accessed through a web browser. NZCC recommends use of Microsoft Explorer Version 7 and above or Firefox Version 3 and above. A URL will direct a user to the login page.

Login
Upon creation of a participant in the system, a Business Partner ID (BP ID), power user login name and password will be provided. This can be used for initial login, after which a participant power user can set up additional users with access rights that reflect their particular requirements.

Roles
Each participant will be assigned specific roles within the system, which reflect their participant status and desired functionality. The roles attached to a particular participant determine the access to specific functionality.

Participant roles include:

- Borrower
- Lender
- Depository Participant
- Clearing Participant
- Broker / Dealer (Trading Participant only)
- Client
- Registry

Figure 1, TCS BaNCS Login page
System Navigation
Once login details have been confirmed, a home page is opened. There are three layers through which a user can navigate:

- Function tabs
- Menu bar and
- Sub-navigation bar

Function Tabs
Each core function is displayed in a separate tab and is assigned to a participant user depending on the participant role and user access rights. Tabs include:

- Reports
- Business relations
- Instruments
- User administration
- Accounts
- Clearing
- Risk management
- Corporate actions
- Securities lending and borrowing, and
- Depository.
Menu Bar
The menu bar relates to menu options for the specific functional tab. Generally the menu options fall within the categories of Create, Query, Check and Correct.

Sub-navigation Bar
Multiple screens can be opened. The Screen Bar details which screens are currently open and can be used to navigate between open screens.
4. Function Overview

Reports
Under this tab, participants can query and view reports generated for that participant. Reports are prepared as a batch process at the end of day.

Business Relations
Through this tab, participants can create, maintain and link CSNs. The query functions enable a participant to query the details of a CSN and view their own static data set-up.

Instruments
Under this tab, participants can view instrument details. This instrument master covers all products, including equities, debt and derivatives. Note that dairy commodities are set up under the instrument type “Dairy Products”.

Instrument details can be viewed through the sub-query options, for example primary details display the core underlying information for the instrument.

Figure 3, TCS BaNCS Instrument query
User Admin
Each participant will initially be provided with a single user login with access to functionality relevant to their participant category and then can set up user logins as required, with access rights that match the participant’s business requirements.

Functionality and authority levels for each user depend on the access group to which they are assigned. Multiple users can be assigned to a user group.

Accounts
BaNCS facilitates the creation and maintenance of accounts with money and/or product balances, this includes settlement accounts. Settlement obligations, derivatives positions and margin requirements are attached to a settlement account.

The Accounts module allows participant users to query all accounts and their status and also provides for querying balances and transactions for each account. This module also provides for querying registry balances.

Figure 4, TCS BaNCS Accounts query
Clearing
The Clearing module covers three main functions:

Creation of Off Exchange (OTC) Trades
Participants can create OTC trade instructions either DvP or DfP that settle on a gross basis once matched by the counterparty. This function is associated with the Depository.

Query Trades
Participants can query their trades, either on or off-exchange.

Query Settlement Instructions
A participant can use these screens to query settlement instructions which can be either cash, security or cash and security. The queries indicate the status of the instruction and the amount that has been settled.

Figure 5, TCS BaNCS
Clearing Settlement Instructions
**Risk Management**

The risk management module is used by Clearing Participants to query margin requirements, manage collateral and view margin percentage levels for securities. This also covers derivatives mark-to-market.

The margin call screen indicates the initial total margin, collateral available and required collateral for each day. There are separate lines that demonstrate the total collateral requirement and the minimum cash component.

Through the collateral query screens a participant can see what their collateral position is and whether they are in a surplus or deficit position.

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**Figure 6, TCS BaNCS Risk Management Margin Call**
**Corporate Actions**

The corporate action function allows participants to query upcoming corporate action events, view their entitlements in respect of specific corporate actions and make option selections for voluntary corporate actions with event options.

**Securities Lending and Borrowing**

The Securities Lending and Borrowing module allows participants to either place securities into the lending pool as lender or to submit a borrowing request. Lenders and borrowers can also manage their loan positions through withdrawing securities from the pool, recalling loans (lender) or repaying outstanding loans (borrower).

Figure 7, TCS BaNCS Corporate Action Entitlements
**Depository**
This tab contains the core depository functionality of creating and querying account transfers. The tab also caters for NZ specific modifications for registry transfers and depository lodge/uplift.

**Registry Transfers**
This includes client inward and outward transfer, owned inward and outward transfer, participant-to-participant transfer and reservations. These replicate functions available in legacy systems.

**Depository Lodge/Uplift**
This allows a participant to transfer securities between an on-register account to a depository account. This also caters for transfers between the NZD depository and the RBNZ CSD.