

Online Derivative & Credit Investment Management



Out of the Box Web Solution for Deal, Portfolio & Risk Analysis

Principia SFP Software-as-a-Service (SaaS) provides a standardized environment for the complete support of fixed income and derivative investment management.

Out of the box functionality and minimal customization means clients can be up and running in days. SaaS removes barriers to implementation, up front capital costs and ongoing maintenance overheads.

Structured finance and fixed income investors can analyze investments on-demand and transparently manage and report on risk exposures and collateral performance for any deal or portfolio stratification. The platform also provides a proven framework for the independent valuation and risk management of derivative instruments.

Consolidated Investment Analysis

- Manage ABS, MBS, CDO and fixed income assets and associated hedges on a single web platform
- Interface to internal or external data sources to model the full deal structure and analyze performance
- Support for ABS products: Home equities, credit card, autos etc
- Support for MBS products: Pass-throughs, CMO, CMBS and RMBS
- Define and track 350+ industry standard, or proprietary collateral pool performance metrics (prepay, delinquency, default, LTV etc)
- Interface with and forecast using Intex cashflow, performance data and analytics and Lewtan ABSNet

- Structure and price plain vanilla swaps or the most complex instruments with embedded optionality
- Incorporate historical and daily closing data delivered by Principia, including curves, rates and vols
- Enhance pricing with models that capture volatility surfaces (time and strike dependency), volatility smile and skew, dividends and carry.

Proactive Risk Surveillance

- Integrate ongoing asset surveillance and diversification controls with investment policy
- Monitor and stress test with a full suite of prepayment, delinquency, default and recovery options
- Consistently evaluate pricing and manage risk across all asset classes
- Standardized integration with ABS, MBS and market data vendors
- Stress testing and sensitivity analysis for all performance and risk factors
- Full suite of standard structured finance and derivative portfolio, compliance (composition, rating, market risk) and performance monitoring reports.

| Key | Type | PRODUCT_CLASS | Description | Maturity | Counterparty (R/O) |
|---------------------------|-------|--------------------------|-------------|-------------|--------------------------------------|
| INTER-ABS11 | ASSET | USDCMBS1M-03 | | 25-Jun-2020 | MERRILL LYNCH HOME EQUITY LOAN TRUST |
| STOCK_3L_2B | ASSET | US0778419078-20% | | 28-Mar-2011 | BARCLAYS |
| CERO COUPON AMORTIZING IO | ASSET | US00 | | 01-Sep-2009 | ORACLE M&E |
| BASED SWAP | SWAP | USDCMBS1M-03USDCMBS1M-03 | | 01-Sep-2009 | ORACLE M&E |
| CALLABLE RANGE ACCRUAL | SWAP | USDCMBS1M-03USDCMBS1M-03 | | 01-Sep-2009 | ROBINSON |
| CAMPUS BOND SWAP | SWAP | USDCMBS1M-03 | | 28-Mar-2011 | ORACLE M&E |
| CAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | BONY |
| CDS | SWAP | USDCMBS1M-03 | | 28-Mar-2011 | ACI |
| CURRENCY SWAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | WACHOVIA BANK |
| FIXED LEADING SWAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | MERRILL |
| FIX | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | BONY |
| F.I. FORWARD | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | ENERGY CORP |
| F.I. SWAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | DELAWARE BANK |
| RANGE ACCRUAL | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | ROYAL BANK OF SCOTLAND |
| SECURITIZED DEBIT | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | AGE |
| SWAP WITH REDEEMED CAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | BONY |
| SWAP | SWAP | USDCMBS1M-03 | | 01-Sep-2011 | MERRILL |
| COMMITTED REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | J.P. MORGAN CHASE BANK |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | USDCMBS1M-03 |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | FIRST NATIONAL BANK OF CHICAGO |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | ROYAL BANK OF SCOTLAND |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | BANK OF NY |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | BONY |
| REPO | REPO | USDCMBS1M-03 | | 01-Sep-2011 | BONY |

ABS, MBS and Derivative transactions viewed together for consolidated analysis of the portfolio in Principia SFP.

For more information about Principia SFP, contact us:

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Principia Structured Finance Platform

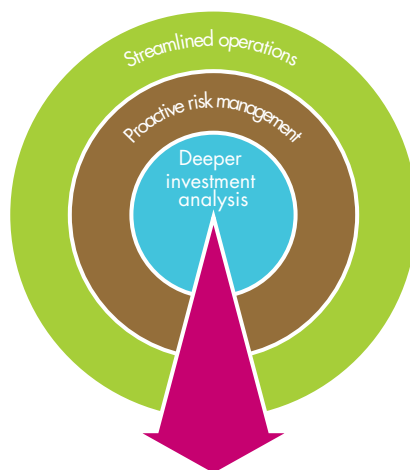
Available as an installed solution or via the web, Principia SFP is the benchmark operational solution for the management of structured finance investments. No other commercial or in-house system offers the same breadth of functionality to support fixed income, complex structured credit investments, as well as the spectrum of funding and hedging instruments.

With Principia, businesses can gain a deeper insight into their investments on a unified platform, proactively manage and monitor risk exposures, demonstrate due diligence and increase overall efficiencies across the credit investment business.

A fragmented view...



or a single focused solution?



Organizations can employ out-of-the-box investment analysis, portfolio management, risk and operational functionality, or rapidly implement business specific workflows, reports and processes using Principia's powerful customization framework.

Software-as-a-Service

SaaS provides access to the breadth of Principia SFP, limiting customization and infrastructure costs. The software is hosted by Principia and accessed on the web via a monthly subscription.

Deeper Investment Analysis

- Unify performance and deal data from any source, for on-demand portfolio analysis
- Assess future performance with advanced cashflow analytics and forecasting
- Slice and dice by any combination of collateral, deal or portfolio characteristics.

Proactive Risk Management

- Analyze, monitor and report on collateral performance
- Stress test by default, delinquency, prepayment or interest rates
- Process and disseminate risk reports for any stratification of the business
- Reduce barriers to maintaining investor and regulatory compliance.

Streamlined Operations

- Centrally manage multiple portfolios to increase efficiency and transparency
- Integrate portfolio management, risk control and accounting on a single operational backbone
- Eliminate inconsistencies from front to back office with audit and workflow control.

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