

## **Securitization Framework Setup 101**

### **Business Requirements**

A leading Taiwanese broker/dealer wanted to investigate, explore, learn and participate in the booming securitization market. The client needed someone with expertise in securitization to guide them through the entire process. The client looked to Beyondbond as an advisor for its expertise and experience.

### **Beyondbond Solution**

As a securitization advisor for the client, Beyondbond provided two categories of advisory services that contributed to the client: securitization expertise consultation, and pricing mechanism and tools

#### **Category 1: Securitization Consultation**

1. Beyondbond used its dedicated personnel and available resources to assist the client to build the initial feasible collateral pool for securitization.
2. Beyondbond assisted the client to negotiate with rating agencies on subordination sizing and credit enhancement issues.
3. Beyondbond assisted the client via its proprietary structuring model, Beyondbond Financial Analyzer (BFS), to analyze alternative bond structures to maximize client arbitrage in terms of profit, tax benefit, and/or balance sheet benefit.
4. Beyondbond assisted the client on marketing and road show materials and provided necessary personnel to assist with the presentation.

#### **Category 2: Securitization Pricing**

5. Beyondbond assisted the client' securitization team to create a deal structure and constantly update the deal arbitrage.
6. Beyondbond assisted the client via Beyondbonod proprietary analytic system, eXtensive Risk Analysis (XRA), to price each bond for a securitization deal.
7. Beyondbond assisted the client via BFS to price any available structured financial securities in the secondary market.

### **Success Factor and Business Value**

With more than 100 years of combined experience in fixed income, mortgages, and structured products, Beyondbond's team is more than capable of providing both securitization advisory services and technology. Our dedicated team of financial systems professionals has unique experience in both financial and computer discipline. The client benefits from our dual capability and extensive expertise relating to all stages of structured transactions securitization.