

FOR IMMEDIATE RELEASE

## Valley National Bank Bolsters Rates Hedging Program with Derivative Path

*Will use its cloud-based OTC trading platform, DerivativeEDGE™, to manage trade execution, sales, operations and Dodd-Frank compliance of its interest rate derivatives activity*

San Francisco, CA and Wayne, NJ – October 18, 2018, Valley National Bank ([Valley](#)), a subsidiary of Valley National Bancorp (NYSE: VLY), has signed on with Derivative Path, Inc. to enhance its commercial interest rate derivatives offering. The \$30.14 billion financial services company, based in New Jersey, will utilize state-of-the-art capabilities of DerivativeEDGE™, an end-to-end cloud-based OTC derivative trading platform to execute, manage, and service its interest rate derivatives portfolio.

[Christopher Philips](#), First Vice President, Structured Products at Valley stated, "As the size of our bank and our hedging business grew significantly over the years, we knew that we needed to enhance our infrastructure and find a robust trading platform to support our active and continually growing rates hedging program. After an in-depth analysis of the technology options available, we concluded that the offering from Derivative Path far exceeds and outperforms any alternative solution available in the market. The DerivativeEDGE™ system is a highly scalable software-as-a-service platform which allows our team to have full control over and streamline every aspect of pre- and post-trade tasks, including Dodd-Frank compliance tasks. With our expanding trading volumes, it was crucial to employ a system that would effectively reduce the time spent on a number of our front- and back-office responsibilities through automation, allowing our team to grow our business without forgoing the quality customer service representative of Valley National Bank. The Derivative Path team diligently worked with us to onboard our existing portfolio of trades to the platform in a very short period of time, demonstrating the ease with which large portfolios can be quickly and accurately transferred to their platform. I look forward to seeing our partnership with Derivative Path grow in the years to come".

The state-of-the-art DerivativeEDGE™ platform has been designed to be a complete end-to-end solution for interest rate and FX derivative trading, servicing, and hedge accounting. With DerivativeEDGE™, users have front-, mid-, and back-office functionality in one platform, eliminating the inefficiencies of working with disparate systems to manage various aspects of the business. The system also includes a fully automated hedge accounting platform which is fully compliant with the new hedge accounting rules of ASU 2017-12. The platform comes complete with real-time market data and automated swap data reporting, and cleared trade affirmation. The system is designed within a framework that also aids users in meeting their Dodd-Frank requirements related to the execution of transactions with commercial clients and dealer counterparties, as well as ongoing data and document retention requirements. Administrators are able to manage user profiles with roles-based permissions and workflows to ensure controls and appropriate separation of duties.

Reflecting on the new partnership, Derivative Path's Co-Founder and Co-CEO, [Pradeep Bhatia](#), commented "we are very pleased that Valley National Bank has signed on with us. The decision by the Valley team to move forward with their program utilizing our technology as their central platform is truly

a testament to the superior quality and best-in-class performance we've made available to our clients through DerivativeEDGE™. It is very easy for large regional banks to gain significant efficiencies for both their front- and middle-offices and cut down the cost of managing their hedging business significantly with our technology. We look forward to partnering with Valley to enhance the platform even more as they continue to build their business."

### **About Derivative Path, Inc.**

Derivative Path is a San Francisco Bay Area-based FinTech company with additional offices in New York City and Chicago. The company provides a technology-led solution to assist financial institutions, buy-side, and commercial end users in executing and managing their over-the-counter interest rate derivative transactions.

The Derivative Path team is comprised of derivative industry veterans who have held senior positions with some of the world's largest capital markets firms, such as Wells Fargo, ABN AMRO, Societe Generale, Bank of America, Barclays, and JPMorgan Chase.

For more information about Derivative Path, visit [www.derivativepath.com](http://www.derivativepath.com).

### **About Valley National Bank**

Valley National Bancorp is a regional bank holding company headquartered in Wayne, New Jersey with approximately \$30 billion in assets. Its principal subsidiary, Valley National Bank, currently operates over 230 branch locations in northern and central New Jersey, the New York City boroughs of Manhattan, Brooklyn, Queens and Long Island, Florida and Alabama. Valley is one of the largest commercial banks headquartered in New Jersey and is committed to providing the most convenient service, the latest in product innovations and an experienced and knowledgeable staff with a high priority on friendly customer service.

For more information about Valley, visit <https://www.valley.com>.

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