

Treasury & Cash Management

TCM Guide 2010

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Risks and Rewards

Having survived one of the worst recessions on record, companies understand better than ever that treasury management is important for improved efficiency, whether through tightening their accounts-receivable or accounts-payable processes to unlock working capital or limiting the impact of FX, interest rate and other risks on their balance sheet. Now more than ever treasurers have the ear of the CEO, but in a number of companies they are still required to do more with less. Most corporate treasury management teams comprise a small number of people who have responsibility for optimizing cash and liquidity across a number of subsidiaries. Centralizing treasury operations is not a new theme, but what was once the preserve of large multinationals is now filtering down to tier-two and -three companies. These smaller firms are looking for greater levels of transparency and visibility over their own cash and liquidity as well as their subsidiaries' operations and local bank accounts—without compromising or challenging the hegemony enjoyed by those staff running operations in outer reaches of the company.

As part of that centralization initiative, corporate treasury is also moving away from proprietary banking interfaces and wanting to manage relationships with its banks globally via a single platform so they can have a single view of their bank accounts across multiple providers without having to log on to different banking systems. To achieve this aim, Swift Corporate Connectivity is becoming an increasingly popular choice among a broader range of companies.

Risk management is uppermost in the minds of most treasurers these days, with events of the past 24 months having tested systems, policies and procedures that were put in place to preserve working capital. FX volatility is on the increase, with the sovereign debt crisis still weighing heavily on currencies and companies that did not have policies or frameworks in place for managing their FX exposures. As currencies remain fragile and more companies get to grips with the challenges of doing business in an increasingly globalized world that exposes them to more exotic currencies, more companies are putting frameworks in place quantifying the maximum exposure they are able to withstand without doing too much damage to the balance sheet. They are also trying to move away from spreadsheets and proactively manage their FX exposures using the latest software solutions.

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Shared Value

There are many options for how to set up and roll out a shared service center, providing an approach for every budget and corporate structure.

By Denise Bedell

As the recession thaws and purse strings again begin to open for slightly larger-scale projects with a longer-term return on investment, shared service centers (SSC) are in central focus for CFOs and treasurers eager to reduce costs and centralize processes. Dwayne Prosko, director in KPMG's shared services and outsourcing advisory group, notes that centralizing transactional activities frees up finance staff to focus on more value-added activities like decision support and business analytics that help drive the revenue growth of the business. "In short, it enables finance to be less of a numbers-checker and more of a business partner," he says.

The increasing interest in moving to shared services is being driven by the economy and the continuing need for companies to increase efficiency and reduce cost, according to Al Fish, vice-president of professional services at Basware North America. "The shared service center doesn't just bring cost savings, it provides a lot of other benefits to companies: They are able to unify processes and have better visibility into the financial activities of the company," Fish says.

“When profits get squeezed, companies look ... at the internal organization to save money”

“As a result more organizations are being charged with finding ways to cut costs, and the SSC is a natural conclusion” —Robert Cohen, Basware

Depending on budget, corporate preferences and goals of the project, how a shared service center will be implemented can be very different from company to company. At a time when many businesses have limited available resources, some are taking a slower approach to implementation, while others are pushing forward with regional or global rollouts to garner maximum advantage. In addition, companies have very different stances on how to structure an SSC—whether to house a single function within one SSC and focus on driving costs out of that process as much as possible, or to have multifunction SSCs.

In some cases companies are looking at shared service as a deployment option for a particular function. The goal is then to implement absolute best practice within that service and function and set very specific efficiency and cost-reduction goals. Notes Fish: "With the SSC you are able to build



Prosko: Centralizing transactional activities frees up finance staff

up individuals with specialties that are able to effectively work on specific processes, making them more proficient in those specializations.”

According to Craig Himmelberger, solution marketing director at software provider SAP, this approach is quite common in the US. He says: “In the American approach, they might say, ‘Let’s make this the best A/P [accounts payable] center we can,’ and they are very focused on cost saving and metrics.”

In contrast with the multifunction approach—where various functions are offered on a shared service basis—the focus is more on qualitative metrics. Says Himmelberger: “More so in Europe we see deployment of multifunction SSCs, where instead of having a center for specialty, the shared service center is built bearing a broad range of processes in mind.” One advantage of the multi-function approach is that as new functions are rolled out, the SSC staff become that much faster at managing the rollout process.

Choosing How to Roll It Out

In addition to the types of function that are included in an SSC, companies also have a number of options for how to roll out a shared services center. How a company chooses to go forward with such a project will depend on a number of factors, including its project goals, budget, corporate structure—

centralized versus decentralized—and corporate environment. Companies may choose to roll them out on a grand scale, centralizing and pushing an entire function or department into the SSC at one time; or they may take a slower approach, offering the service to an in-house unit to develop.

The second approach treats the SSC as a cost center that must market its service to subsidiaries and bid competitively for the business. There are a number of advantages to this approach. First, it encourages internal competitiveness and efficiency creation. Second, services can be rolled out slowly, and the costs can be extended over a longer period of time.

Finally, for a decentralized company where individual units may push back against a full rollout, this is a gentler approach. Global relocation firm Crown Worldwide is a clear example of the gradual rollout and internal marketing of shared services. The company has a shared service center in Malaysia. Alpesh Sanghavi, director of operations of the group shared service center at Crown Worldwide, says: “Given the acquisitions

and expansion that Crown saw over the past ten to fifteen years, it made sense to set up a shared services center.”

Because Crown expected some resistance to the shared services concept and did not want to disturb local autonomy, it chose to commence with a small operation and build gradually. Sanghavi says the goal is to be able to move things to Malaysia at a pace that is comfortable for local in-house clients and for the SSC itself. The Crown SSC went from one staff member in 2006 to its current staff of 51.

Although there are several different approaches that a company can take, one thing that is clear is the companies are once again seeing the value of moving to a shared services approach for finance and treasury functions. Robert Cohen, vice-president at Basware, says: “When things get tight and profits get squeezed, companies look more closely at the internal organization to save money. As a result more organizations are being charged with finding ways to cut costs, and the SSC is a natural conclusion.” ■

An Eye On Compliance

Central to the thoughts of any CFO or treasurer today is the issue of compliance in global operations, yet that is something that is often overlooked or undermanaged in the SSC, according to David Lewis, director in business services and outsourcing at consultancy BDO. According to Lewis, compliance is seldom a primary consideration, but, if not addressed, it can create big risks and reduce performance gains of the SSC. “We have found that when companies are entering these projects, they are focused on big wins around transactions, but it is important to bear the compliance aspect in mind from the beginning,” Lewis says. “Compliance is often an afterthought in these projects, and then out of the blue you end up getting a tax penalty from, for example, the Egyptian tax authorities that you did not expect,” he says. “But if you think about compliance from the beginning, then you are able to avoid those surprises.”

In a recent study of corporate shared service centers and compliance, BDO found four key problem areas with local compliance: poor process performance, with fragmented reporting responsibility and a lack of coordination on compliance processes; operational problems, with the need to understand a broad range of local regulations and language issues; employee issues, with high staff turnover and the need to safeguard local knowledge; and market challenges.

The study notes: “Local compliance is necessary but was not ranked a priority by our study group, and accordingly performance levels can vary dramatically, affecting corporate cost-effectiveness and process efficiency.” In addition, compliance can be vital to continuity of operations: “In some countries, errors or lateness in compliance can go beyond mere penalties and lead to the closure of commercial operations,” the study says.

Data Drivers

Analytics solutions pull data from disparate sources to provide a big-picture view of operations and exposures. By Denise Bedell

In the wake of the financial crisis, the job of the treasurer has increasingly focused on a few key areas—compliance and risk management, global liquidity and working capital management, and planning support. As it triggered a global near-freeze on bank lending, the crisis increased the pressure on corporate treasurers to be able to report quickly on the amount of cash held within the organization, to have a clear view of liquidity needs going forward and to understand risks facing the organization in order to protect its revenue and profitability.

Having good data and good analytics to support decision-making and help drive efficiency is key to effectively managing those tasks. Improved cross-technology integration is helping treasurers pull data from disparate sources, but strong data analytics solutions are needed to make effective use of that data and, ultimately, better manage working capital.

George Ravich, executive vice-president at banking systems provider Fundtech, says: “It is a new world in terms of the level of detail that corporates have now. They have access to real time economic and business data, and they want to know not what their balance is at end of week, but right now. This real-time access to data is now not only expected, but it is a necessity as companies deal with issues of liquidity.”

Treasurers’ demands go even deeper. Access to real-time data is not enough—companies must be enabled to sort through all the data at their fingertips to make use of the information. Dyfan Williams, managing director of Fundtech’s financial supply chain product, notes that data is, by definition, unstructured. “On its own, it is not much good,” he says. “You need to be able to put context around it, to be able to rapidly deconstruct and reconstruct it. And you need to be able to figure out in advance what questions you want answered in order to determine what data is relevant.” Companies are looking for analytics systems that can slice and dice data and return it in easily digestible formats to help people make decisions and increase efficiency.

In the past, decision support systems were far from seamless. For example, companies would download, or manually enter, data for forecasting—including cash positions, historical sales figures, economic forecast data and the like—into a spreadsheet and create a fore-

cast from that to support financial planning and analysis. “Now the goal that drives a lot of companies is how to bring decision support together more efficiently and easily, and how much more quickly you can then take action,” says Craig Himmelberger, director of ERP (Enterprise Resource Planning) financials solutions marketing at SAP. “Being able to improve and increase the speed of decision-making is the highest value that can be achieved.”

Improving Risk Management

There are countless examples of how solutions that pull data from various sources into advanced data analysis solutions can help treasurers to improve treasury management. One that came to the fore during the recent crisis is counterparty risk management. In early 2007, few treasurers thought twice about counterparty risk; now it is a daily consideration. But the key to effective counterparty risk management is that all the necessary data be dependably assembled.

Says Paul Higdon, chief technology officer of treasury solutions provider IT2: “The effectiveness of this exercise depends firstly on identifying all relevant exposures—which



Saric: “We provide data enrichment to help with vendor management”



Ravich: “Real-time access to data is not only expected but is a necessity”

may include bank account balances, deposits, money market instruments, bond and equity investments and FX and derivative positions.” The raw data then needs to be integrated so that the complete exposure information is made available to monitoring and management functions.

“That data includes market rates, prices and volatilities [for valuation purposes], and creditworthiness indicators such as CDS [credit default swap] spreads and other sensitive market indicators such as equity and bonds prices and indices, for evaluating probability of default,” notes Higdon.

On the supply-chain side, analytics systems can pull together information on enterprise-wide supplier contracts, creditworthiness and so on. Alex Saric, director of visibility solutions at Ariba, says: “We can provide data enrichment—for example OFAC (office of foreign asset control) or SDN (specially-designated nationals) information to flag if a supplier is on a US government blacklist—to help with vendor management.” This is useful not only for supplier selection and to raise flags during the selection process but also for ongoing supply chain risk management—to continuously monitor vendor strength.

Consolidating and analyzing data from all types of exposure to a given counterparty and combining it with creditworthiness measurements creates a complete and accu-

rate picture that companies can monitor to take swift action when counterparty deterioration is detected. Having such detailed information on one screen—which is now quite possible through solution providers—would have been invaluable in 2008, when the counterparty risk burst onto treasurers’ radars with the fall of Lehman Brothers.

Improved Compliance and Working Capital Management

Data analytics are also proving invaluable in helping treasurers to better manage compliance and in improving efficiency of working capital. Ariba’s Saric says: “Companies are a lot more interested in proactively planning and ensuring they have adequate cash on hand and their supply chain is strong.” And given the continued uncertainty on the global economic scene—and concerns over the ongoing availability of liquidity—they are still looking to find more ways to reduce expenses.

One clear example of how data analytics help is in improving use of working capital

in vendor management solutions. A system can retrieve contracts and payment terms with a given vendor, or set of vendors, from across the organization, determine where there is overlap in contracts or where one vendor is giving better terms, and use that to optimize payment terms across the organization. Saric adds: “For example, different parts of the company may have negotiated different contracts with the same vendor. You can consolidate those contracts and negotiate better payment terms with that vendor.”

Small Investments Can Make a Difference

IT budgets have generally risen above the levels seen during the worst of the crisis; however, companies are still very much aware of how and where their IT budgets are going. Although they may look to slightly longer time periods for return on investment, they still want to clearly see that ROI—either through qualitative measures, like better compliance or improved risk management, or through quantitative measures, such as reduced days sales outstanding or reduced cost-per-check. Many companies prefer to invest in smaller steps, SAP’s Himmelberger says. “People don’t want to rip and replace systems that are still functioning well, so a lot of the investments we see now are incremental, and companies are investing in systems that provide high-value decision support,” he explains.

David Williams, director of solution marketing for SAP BusinessObjects, adds: “One of the key drivers in the office of finance is how to improve organizational agility. The challenge is no longer capturing data but delivering it in a format that can be used by the organization to drive their business. That is why we are seeing such demand for applications that help to do that—speed or time to decision is critical.” ■

“On its own, [data] is not much good. You need to be able to put context around it”

“You need to be able to figure out in advance what questions you want answered to determine what ... is relevant” —Dyfan Williams, Fundtech

Braced For Turbulence

Currency volatility is increasing, and companies are finding that more than ever they need to have an effective FX hedging strategy in place.

By Anita Hawser

Frank Pirozzi is the assistant treasurer at Red Hat, a Raleigh, North Carolina-based company that sells open-source technology solutions to customers worldwide. It derives roughly 40% of its revenues from outside the US and has exposure to 40 different FX currency pairs, the bulk of it being in the top currency pairs, such as US dollar/euro, US dollar/yen and US dollar/sterling. Although its accounting currency in Europe is the euro, Red Hat also has non-euro-based expenses in other currencies, such as the Czech koruna. Until fairly recently, getting a grip on Red Hat's total global FX exposure was a multiday process for Pirozzi that entailed manually trawling through the company's enterprise resource planning system and keying figures into a spreadsheet. "With our ERP system there are some limitations in terms of drilling down into the weeds of our FX exposure," Pirozzi admits.

The impact of FX risk on businesses has been growing recently. A survey of FX exposure and risk practices conducted recently by treasury software vendor SunGard AvantGard found that across a broad range of industries, revenue categories and regions, FX gains or losses had had a material impact on approximately 60% of organizations, compared with a similar study conducted two years earlier, where just 40% of companies reported a material FX gain/loss. According to Wolfgang

Koester, CEO of Arizona-based FX solutions provider FIREapps, volatility in the FX markets is at an all-time high, leaving those companies that do not adequately measure and manage their FX exposures in a particularly vulnerable position. "While in the past the average FX volatility was 10%, it is now 12% to 13% in the G10 currencies," he says.

Giacomo Orlandi, CFO at Ilapak, a Switzerland-based manufacturer of industrial wrapping machinery for primary packaging, says in the past 24 months there has been

"Any type of ... curve ball you throw analysts, positive or negative, is bad"

"They don't want to have to worry about what FX is going to do to your earnings-per-share" —Frank Pirozzi, Red Hat



Koester: “CEOs and CFOs need to better understand their exposure”

a lot more volatility, especially in the euro/dollar rate, which went from 1.30 to 1.61, then reverted to 1.20. “That’s a massive shift,” he says pointing to the detrimental effect FX volatility can have on a company’s competitive edge and efficiency if it is not managed properly. For those companies that do the bulk of their business outside of their home market, FX volatility can have a negative impact on their balance sheet and, ultimately, their earnings-per-share. Koester says he is still surprised at the large number of supposedly sophisticated companies that still use manual processes, namely spreadsheets, to manage their FX exposures, and he cites examples of companies that have lost a third of their revenues due to FX volatility. “FX risk has one of the largest financial impacts on companies, and often they don’t understand that impact until it is too late,” he explains. “CEOs and CFOs need to better understand their exposure and determine what is an acceptable level.”

At Ilapak, Orlandi has put a framework in place that enables his company to manage its FX exposure within a maximum loss limit of 10% to 20% of forecasted net profit. “Once we have defined this amount, we set up a system of stop losses that acts as a system of triggers,” he explains. Orlandi says most companies should have a framework for managing their FX expo-

sure. When it comes to hedging their exposure, the percentage they hedge, whether it is 10%, 20% or 80%, depends on how much risk a company is willing to take. “You need to hedge something,” says Orlandi, “allowing for minimum hedging of 30% or 40%. But if you only hedge the minimum, you should have a system for limiting losses.” In order to diversify its currency base, Ilapak also went a step further and changed its production and value chain from being European-centric to incorporating two plants in the US and one in China. So although the company’s value chain is still in dollar-based countries, if the dollar declines against its accounting currency, the euro, Orlandi is able to recover some of that money, as goods exported from its Chinese plant may be cheaper.

Companies Risk Under-hedging

Kevin Grant, CEO, IT2 Treasury Solutions, says FX hedging is tried and tested and is a systemic part of FX operations. “I haven’t sold a treasury management system without there being an FX component,” he says, “but just because there are tools available doesn’t mean they are being used.” While companies may mitigate their FX risk through hedging, according to Koester of FIREapps, companies only hedge those currencies that represent the bulk of their exposures and don’t factor in the volatility of other currencies in their portfolio, leaving them with significant unmanaged risk. Some companies also appear to be struggling with accessing high-quality data in order to quantify their FX exposures. In the SunGard AvantGard study of FX risk practices, the top three FX management challenges were difficulty in quantifying FX exposure, lack of confidence in data, and obtaining timely access to data. By ignoring certain sources of currency risk and under-hedging others, Koester says it is typical for companies that actively mitigate FX risk to—consciously or unconsciously—leave approximately 10% of their FX VaR (Value at Risk) unmanaged.

Most of the data for understanding a company’s FX exposure resides in ERP and accounting systems. Yet some companies can have 50–100 different ERP systems, making the task of collating all the data

needed even more challenging. Instead of relying on different people within the organization to send in data on spreadsheets, FIREapps’ software allows companies to pull in data from multiple systems and then provides workflow tools for defining the way a company wants to look at its exposures. Pirozzi says that using FIREapps, he is able to access FX exposure data across Red Hat’s global business in an easy-to-read format, from which he can gather detailed information on currency exposure and type of account (accounts payable or accounts receivable).

“I can pool all my balances at the end of July and compare them with the previous month’s balances, and sometimes that can show me an FX exposure I didn’t know about,” Pirozzi says, adding that he typically does this before he closes the books to make sure any FX hedges he has put in place to cover his exposures are correct. If his FX exposure is less or more than he anticipated, he then adjusts the hedges accordingly to ensure that he is not over- or under-hedged. “I can’t imagine going back to the Stone Age now and having to pull everything out manually,” Pirozzi says. “It is easy for spreadsheets to get corrupted or updated incorrectly.”

Koester says more companies are starting to understand how currency movements affect their business, probably as a result of the sovereign debt crisis in Europe and recent volatility in the FX markets. “Those companies that are managing their FX exposures well don’t have the negative impacts any more,” he adds. However, for some companies hedging may be deemed time-consuming and costly, and some believe that if they don’t hedge, over time they will end up in the same position they started with anyway.

But as a publicly quoted company listed on the NYSE, Red Hat is cognizant of how it is perceived by industry analysts, and by proactively managing its FX exposures, Pirozzi says, it is unlikely to create any confusion for analysts. “Any type of ... curve ball you throw analysts, positive or negative, is bad,” he explains. “They don’t want to have to worry about what FX is going to do to your earnings-per-share.” ■

Who's Who

Who's Who in Treasury and Cash Management **By Vanessa Drucker**



Donald E. Berk
*Senior Vice President,
Corporate & Institutional
Services*

Northern Trust

As director of product and process management for enterprise banking services at The Northern Trust Company in Chicago, Donald Berk serves customers in both corporate and institutional business, and personal financial services banking. His responsibilities include strategic planning, marketing, product management and product development. He is also responsible for the operation of the bank's federal savings bank, personal financial services business continuity and vendor management. Berk led the initiative to outsource check-processing services, developed the bank's first online capability and Web portal and recently oversaw the installation of a fully image-enabled teller platform.



Carole L. Berndt
*Global Corporate Banking,
Head of Global Treasury
Services, EMEA*

Bank of America Merrill Lynch

Carole Berndt is the head of global treasury services for Europe, the Middle East and Africa (EMEA), for which regions she is in charge of the end-to-end product, business, technology and operations and client sales management strategy for treasury business. Previously, Berndt led the client delivery team for Citigroup in New York, with global responsibility for end-to-end delivery of implementation, service and client technology for its global treasury products portfolio.



Alan Bieler
Vice President and Treasurer

Marsh & McLennan Companies

Alan Bieler is responsible for worldwide trea-

sure activities for MMC and its subsidiaries, which provide global services in risk, strategy and human capital. After starting at MMC in 2001 as assistant treasurer, Bieler was appointed treasurer in October 2006. Before joining MMC, he spent eight years at PepsiCo, where he served in a variety of positions, including director of corporate finance and director of international treasury. He has also worked at Cooper Industries and with GE Capital Corp.



Mikael Bjertrup
*Head of Cash Management
Products and Channels*

Nordea Bank

Mikael Bjertrup oversees the cash management products and channel development, which involves managing and developing Nordea's cash management global offering. His department is in charge of a broad range of collection, payment and treasury services, as well as electronic channel solutions directed primarily toward corporate customers. Mikael Bjertrup is known for his innovative ideas, customer-driven approach and his strong focus on involving Nordea's customers in product and channel development.

Mark Buitenhek

*Global Head of Payments &
Cash Management (PCM)*

ING Commercial Banking

Mark Buitenhek took up his current role in February 2010, following over 20 years of diverse positions in banking. He brings more than 13 years of high-level experience in payments and related areas. PCM is central to banking at ING. The unit outlines the strategy for all payment products and services, including the definition of business models and target architectures for all client groups within ING.



Paul Camp
*Global Head of Cash Mgt.
Financial Institutions,
Global Transaction Banking*

Deutsche Bank

Paul Camp has helped establish Deutsche Bank as a premier provider of payment and cash management services to financial institutions around the world. Camp's management expertise has helped the bank become a market leader across all major currencies. Deutsche Bank is the world's largest euro clearer, a top-five US dollar provider and the emerging leader in cross-currency payments via the bank's recently launched FX4Cash solution. Camp oversaw the bank's investment in Eurogiro, the financial messaging company for postal organizations and the world's second largest network for cross-border payments, providing linkage between Deutsche Bank's global product capabilities and Eurogiro's reach to over two billion customers.



Eric Campbell
Chief Technology Officer

Bottomline Technologies

Eric Campbell, a pioneer in the financial services industry, co-founded ICM, one of the first electronic banking companies to offer Internet-based cash management platforms. Since 2000, as Bottomline's chief technology officer, Campbell has worked with the largest financial institutions in the world to craft their cash management strategies. He also leads customer projects involving the WebSeries® Global Cash Management platform, designed to address the most complex payments and reporting requirements. The US Patent and Trademark Office has recognized Eric's innovations with the issuance of nine technology patents in his name.

Maria Natália Canêlo

Managing Director & Head of Corporate International Services

Millennium bcp, Portugal

Maria Natália Canêlo is head of corporate international services, an area within the international division of Millennium bcp, Portugal, which is composed of two competence centers: Millennium Trade Solutions and International Business Platform. Her responsibilities include support to corporates and medium-size companies in all types of trade-related and cash management products—from structured documentary business to risk management and liquidity management—offering clients innovative and tailor-made solutions to help their commercial activities succeed globally.



Jeff Cappelletti

Corporate Treasurer and Risk Manager

G4S Wackenhut

Jeff Cappelletti currently acts in two capacities: He serves at G4S Wackenhut, a \$2 billion multidivisional company with 4,000 employees worldwide, and also as president of Titania Insurance Company of America, one of the largest US captive insurance firms. From 1995 through 2000, he worked at NAL Financial Group, one of the main servicers of nonprime automobile finance contracts, operating a \$400 million servicing portfolio. Since 2007, Cappelletti has been on the board of Junior Achievement of the Palm Beaches, a nonprofit that educates pre-adults in financial literacy.



Pamela A. Carson

EVP, Group Executive for Global Treasury Management and Global Trade Services

KeyCorp

Pamela Carson's groups at KeyCorp provide cash management and trade solutions and services to the bank's commercial, corporate and consumer clients. Carson began her career at Key in 1992, forming and managing credit production management, channel management and Internet strategy for the commercial bank. She serves on the boards of Cuyahoga Valley National Park

Association, Ohio University and the Nature Conservancy.



Alberta G. Cefis

Executive Vice President and Head of Global Transaction Banking

Scotiabank

Alberta Cefis is leading the evolution of cash management, payments, trade services, correspondent banking, e-commerce and e-banking at Toronto-based Scotiabank. Cefis joined Scotiabank in 1999 and assumed her current position in May 2006. In 2008 she was named among the 25 Most Powerful Women in Banking by *US Banker Magazine*; she was inducted into the "Hall of Fame" of Canada's Top 100 Most Powerful Women in 2007; and in that same year the Federated Press awarded her the honor of Canadian Woman Leader of the Year.



Michael Connolly

Vice President and Treasurer

Tiffany

Mike Connolly has spent over 21 years with Tiffany, the world-renowned jeweler and specialty retailer with retail stores and manufacturing and distribution facilities throughout the US, Europe, Asia and Latin America. His primary areas of responsibility include treasury operations, global tax matters, financial risk management, operational risk management, credit, accounts receivable and insurance. He is also a member of the Tiffany & Co. pension, enterprise risk management, business recovery and continuity, security and safety committees.



J. David Cruikshank

EVP, BNY Mellon, Head of Global Sales & Relationship Management

BNY Mellon Treasury Services

BNY Mellon's Dave Cruikshank joined the bank in 2003, following service with Citibank and ABN AMRO Bank in various global transaction services management positions. These roles included European head of marketing, sales and service; global head of working capital management solu-

tions delivery; and head of client service and implementations for North and South America. Appointed head of global sales for BNY Mellon Treasury Services in 2008, he was promoted to executive vice president last fall and serves on BNY Mellon's operating committee.



Francesco Vanni d'Archirafi

CEO Global Transaction Services (GTS)

Citi

Francesco Vanni d'Archirafi leads one of Citi's strongest businesses. GTS maintained its track record of steady growth despite ongoing market challenges, with 1Q 2010 income up 3% year-on-year and 3% quarter-on-quarter. Under d'Archirafi the business has expanded its commitment to growth and innovation and continued to attract top talent. A global provider of transaction services and infrastructure to top corporations, financial institutions and government entities in every region, GTS is an essential participant in the arteries of the global financial system and a cornerstone of Citi's services strategy.



Christopher Donus

Assistant Treasurer

Freescale Semiconductor

In July 2008, Christopher Donus joined Freescale Semiconductor in Austin as assistant treasurer, where he is in charge of all aspects of corporate finance, financial risk management and cash management. Before coming to Freescale, Donus was the assistant treasurer, corporate finance, at Hertz Global Holdings for three years. During that tenure he oversaw all financing activities, including asset-backed facilities and traditional corporate loans. Before joining Hertz, Donus worked in the treasury department of Lucent Technologies.



Karen Fawcett

Group Head, Transaction Banking

Standard Chartered

Karen Fawcett oversees the global per-

formance of transaction banking, encompassing trade finance, cash management, securities services and the global electronic channel suite. Her group's efforts to drive rapid revenue growth across transaction banking products support wholesale banking's core strategy. Fawcett joined the bank in 2001 from Booz Allen Hamilton, where, as vice president and partner, she focused on the financial services sector in Asia Pacific. She is a member of the BAFT transaction banking global leaders group and was recently named "Transaction Banker of the Year" in The Asset Triple A Transaction Banking Awards 2009, by *The Asset* magazine.



Kenneth Frier
Chief Investment Officer

Hewlett-Packard

Kenneth Frier's team at Hewlett-Packard is responsible for the investment of \$30 billion in retirement plan assets in the US and at HP's foreign subsidiaries. Under Frier's leadership, HP was one of the first companies to fully immunize its US defined benefit plan, moving entirely out of public equities and into a fixed income asset/overlay strategy, near the stock market peak in 2007. During Frier's 25-year treasury career, primarily at HP, Disney and Oracle, he has raised over \$15 billion of funding in the term debt market and more than \$30 billion in share repurchase spending (including three large structured transactions) and supervised over \$100 billion a year of derivative transactions.



Michael B. Gallagher
EVP, Global Head of Financial Institutions Payments and Clearing, Head of Payments and Cash Mgt. North America

HSBC Bank USA

Michael Gallagher is in charge of HSBC's payments and cash management for North America. In addition, he has overall responsibility for all of the HSBC Group's currency clearing activities for the financial institutions sector worldwide. Gallagher, who has accumulated more than 25 years of banking experience, joined HSBC in 1997. Prior to HSBC, he held a variety of senior positions at

CoreStates Financial in Philadelphia, Tokyo and New York. Gallagher is a member of The Clearing House's PayCo Board and of the Federal Reserve's payments risk committee.



James G. Graham
Executive Vice President and Head of Domestic and Global Treasury Management

PNC

James Graham's PNC experience includes positions as business leader for national corporate and business banking, and deputy head of corporate banking, where he expanded the array of products and financial services offered by PNC. Prior to joining PNC in 1992, Graham was managing director of Bank of America global payments services. He currently serves on the internal boards of PNC International Bank and Harris Williams and as chairman of the board of the Jefferson Regional Medical Center Foundation.



David J. Gutschenritter
Executive Vice President and Treasurer

State Street

As head of global treasury, David Gutschenritter oversees State Street's balance sheet, investment portfolio, liquidity and interest-rate risk management activities worldwide. He joined State Street in May 2004 as the director of capital planning and has also served as managing director of global liability and capital management. In 2006, Gutschenritter was appointed assistant treasurer. Before joining State Street, Gutschenritter spent 22 years at FleetBoston Financial (now Bank of America) and one of its predecessor banks, BankBoston.

Scott A. Henderson

Senior Vice President, Treasury Services Consulting

Northern Trust

Scott Henderson joined Northern Trust in 2003 with 25 years of banking industry experience, including more than a decade in the treasury management services field. Henderson's treasury consulting division has developed and integrated a remote lockbox capture service for corporate cli-

ents. The capability helps clients develop new payment strategies by converging payment systems through imaging and electronic forms of payment clearing. Remote lockbox capture is one of several ways Northern has been fostering migration to paperless processing.



E. Judd Holroyde
Senior Vice President, Head of Global Product Management, Wholesale Banking

Wells Fargo

Based in San Francisco, Judd Holroyde oversees wholesale and consumer foreign exchange, global treasury management, global financial institutions, global payments services and trade. In 2000, Holroyde joined the newly formed wholesale Internet and treasury solutions team, leading the strategy and design of the customer experience for Wells Fargo's Commercial Electronic Office business Web portal. Within five years of its launch, 75% of the bank's wholesale customers became CEO portal users.

Xavier Hourseau

Director, IS & Operations

Alcatel-Lucent

When Xavier Hourseau needed to connect disparate systems and worldwide offices, his commitment to innovation and ongoing development helped Alcatel-Lucent manage its growth more effectively. The company, which delivers voice, data and video communications to end-users in over 130 countries, implemented AvantGard Treasury and AvantGard Payments under Hourseau's supervision. As a result, his group has improved visibility of cash payments, reduced costs of payment processing and streamlined banking relationships. The system is now widely deployed throughout the world at 200 business units with more than 700 users.



Marcus Hughes
Director of Global Marketing

Bottomline Technologies

Recognized globally as an authority and thought leader on transaction banking,

Marcus Hughes is a frequent contributor to publications and trade events, authoring articles and speaking on topics such as the convergence of cash and trade, optimizing working capital management, Swift for corporates, the changing payments landscape and European regulations. In addition, he has participated in a number of banking industry initiatives, including Swift's Trade Services Utility User Group and the Euro Banking Association's e-Invoicing Working Group, where he advocated the use of e-invoicing as a means of mitigating risk in supply chain finance.



Eric D. Kamback

Executive Vice President, BNY Mellon, Chief Executive Officer

BNY Mellon Treasury Services

Having managed the successful integration of BNY Mellon's heritage treasury services operations, Eric Kamback is now directing the implementation of a strategic growth strategy aimed at key market segments and global geographies. BNY Mellon covers locations in 34 countries on six continents and serves a network of more than 2,000 correspondent financial institutions. Leveraging that global strength, Kamback's leadership combines BNY Mellon's tradition of innovation in the treasury services space with an emphasis on client relationships.



Marnie Kinsley

Executive Managing Director, Global Treasury Management

BMO Capital Markets

Marnie Kinsley is responsible for delivering treasury management services in Canada, United States, Europe and Asia. Joining the bank from KPMG in 1985, she has moved up the ranks to chief operating officer of mbanx (Canada's first virtual direct bank), then to executive vice president, e-business, and most recently to head of global treasury management. Kinsley has been a member of the board of the Canadian Payments Association, chairperson of the inter-bank operations committee of the Canadian Bankers Association and a member of the board of Symcor. She has received the Met-

ropolitan Toronto YWCA "Women of Distinction Award" and been honored as one of Canada's Top 100 Most Powerful Women.



Chris Leone

Group Vice President, Fusion and GRC Applications Development

Oracle

Chris Leone's Fusion applications suite includes ERP and CRM functional domains. As group vice president, Leone drives the business requirements, functional investment priorities and broader business strategies for these areas, as well as strategy and development processes of the emerging GRC applications suite. For nearly 20 years, Leone has been developing enterprise software applications for large and mid-size companies. Before joining Oracle, he managed the financial management and enterprise performance management product lines at PeopleSoft.



Phillip Lindow

Head of International Liquidity and Investment Management, Head of International Cash Management, Americas

Royal Bank of Scotland

Phillip Lindow directs product management, strategy and solutions development in liquidity management, transactional FX and netting, and investment advisory services. Additionally, in his cash management capacity, he is responsible for overseeing the development and deployment of payments, delivery channels and liquidity management solutions for corporate clients across the region. Lindow co-authored the second edition of the International Cash Management Handbook, published in September 2006.



Andrew Long

Group General Manager and Head of Global Transaction Banking (GTB)

HSBC

Andrew Long has headed GTB, an HSBC global product group, since 2008. He first joined HSBC's Hong Kong office in 1978. After working throughout Asia, Australia, New York and the UK, he became head of operations and processing for the Asia

Pacific region in 2001 and then chief operating officer for HSBC in the region in 2004. Long has also participated in the 100-kilometer Oxfam Trailwalker event in Hong Kong three times, as well as in the UK equivalent.



Kelly J. Kuna Marek

Treasurer

CBIZ

Kelly Kuna Marek originally came to CBIZ in December 1998 and was appointed corporate treasurer in April 2005. CBIZ divisions deliver professional services in accounting, business consulting, wealth management, employee benefits, healthcare consulting, medical practice management, internal audit and insurance. The firm, headquartered in Cleveland, Ohio, has 150 offices in 36 states. Marek served as corporate controller in the firm from 1999 through 2005, and before joining CBIZ, was associated with KPMG from 1992 to 1998 as a senior manager.

Lee Meddin

Director and Global Head, Structured and Securitized Products

International Finance Corporation

Since joining IFC, the private sector arm of the World Bank Group, in 2000, Lee Meddin has built up a global team that has structured and credit-enhanced more than \$12 billion of securitizations and structured debt issues for clients in more than 25 developing countries. This has facilitated the introduction of mortgage-backed securities, asset-backed securities, structured corporate debt and bilateral structured financings in numerous new markets. Before he joined IFC, Meddin's work as an investment banker in the US, Europe, and Asia spanned interest rate and credit derivatives, structured products and debt capital markets.



Lars Millberg

Head of GTS Corporate

SEB

Lars Millberg is head of the most-awarded GTS unit in Europe, which holds a dominant position in the Nordic/Baltic region,

with 90% of the 100 largest corporates in the region as its clients. Millberg is leading the GTS Corporate unit toward increased integration, with innovative solutions like its corporate financial value chain (a holistic approach to clients' whole supply chain). He also originated The Benche, a successful, first-of-a-kind B2B internet community for trade finance and cash management professionals around the world.



William "Dub" Newman-
*Global Corporate Banking,
Global Treasury Sales
Executive*

Bank of America Merrill Lynch

Dub Newman is responsible for the sale of treasury, trade, card, deposit and investment solutions to corporations and financial institutions globally. Newman joined Bank of America in 2007, having spent 31 years in the financial services industry in senior client management, operations and commercial payment roles. Most recently, he was responsible for product management, investment and initiative governance and sales enablement related to Bank of America's treasury, trade, card, debt and liquidity.



Russell L. Paquette
*Corporate Treasurer and
Director of Risk Management*

REI Recreational Equipment

REI, a \$1.4 billion national retail cooperative, sells quality outdoor gear and clothing. Russell Paquette is responsible for all aspects of corporate treasury, ranging from the investment portfolio, line of credit, enterprise-wide risk management and insurance to banking structure, cash management operating platform, investment relationships and foreign exchange. He is chair of the 2010 Pacific Northwest Enterprise Forum, a collaboration among three nonprofits that focuses on governance, risk, ethics and compliance.



Daniel Peltz
*Executive Vice President,
Group Head of Treasury
Management*

Wells Fargo

Daniel Peltz directs treasury management

services for Wells Fargo's corporate and commercial clients, overseeing a team of 1,900 product, sales, delivery and marketing professionals. He also manages Wells Fargo Health Benefit Services, a top-tier administrator of health savings accounts. As a 20-year Wells Fargo veteran, Peltz was involved in developing the bank's commercial electronic office portal; its desktop deposit service, the bank's patented Check 21 solution; and a mobile service, which distinguished Wells Fargo as the first major US bank to offer corporate mobile banking.



Jean-Luc Robert
Chairman and CEO

Kyriba

Kyriba provides treasury solutions delivered under the software as a service (SAAS) model. Before joining Kyriba in 2003, Jean-Luc Robert started EES Finances, an asset management software firm that he sold to SunGard in 1998, and Eurosept Associates, a management consulting practice that was sold to EDS in 1994. Robert has taken Kyriba from a small XRT spin-off, initially focusing on selling to banks, in a new direction, now selling to corporations. Having anticipated the success of the ASP model for corporate treasury, he led Kyriba to redesign the first ASP treasury management solution available on the market.



Thierry Roehm
*Global Head, Worldwide
Corporate Cash Management*

Société Générale

Thierry Roehm's worldwide corporate cash management business line provides domestic and international cash management to corporates in more than 50 countries. A dedicated sales force embedded in the Société Générale network, centralized product management teams, operations and IT staff focus together on the delivery of innovative solutions and quality service. Before taking on his current role, Roehm successfully built a centralized payments and account management platform for Société

Générale's wholesale customers in seven European countries.

Midge Scelzo

Chief Financial Officer

PlusOne Solutions

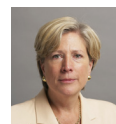
In 2005, Midge Scelzo, CFO of PlusOne Solutions, identified a need to introduce a strategic payments process into the then newly established company that manages a network of over 45,000 independent electronics service providers. She deployed SunGard's AvantGard solution for outsourced payments processing, relinquishing that responsibility to a third-party provider. That achieved multiple benefits, including renewed focus on core business objectives, lowered costs with check-to-ACH conversion, reduced staffing requirements, improved customer service and improved payment visibility.



Paul Simpson
*Global Head of Treasury and
Trades Solutions*

Citi

Paul Simpson runs TTS, the largest division of Citi's GTS business, which offers integrated cash management and trade solutions to corporate, financial institutions and public sector clients worldwide. Since taking over his current position in May 2009, Simpson has helped the bank expand into new markets and double the size of government business through an increased focus on the public sector. He has driven supply chain solutions, benefiting small and medium-size enterprises, and has innovated with the launch of Citi's "virtual card" solution.



Marilyn Spearing
*Head of Trade Finance and
Cash Management for
Corporates, Global
Transaction Banking*

Deutsche Bank

Under Marilyn Spearing's leadership, delivery of Deutsche Bank's trade finance and corporate cash management businesses was united in a market that sees convergence of cash and trade. As a result, Deutsche Bank can provide clients with

award-winning products like its supply chain financing solutions. Spearing drives investment in its technology solutions backed by the overall business expansion of Deutsche Bank's global transaction banking business, as exemplified by the bank's recent ABN AMRO commercial asset acquisition in the Netherlands.



Loren M. Starr

Senior Managing Director and Chief Financial Officer

Invesco

Loren Starr has served in his current position at Invesco since October 2005. Previously, he spent from 2001 to 2005 as senior vice president and chief financial officer of Janus Capital Group, after working as head of corporate finance from 1998 to 2001 at Putnam Investments. Prior to these positions, Starr held senior corporate finance roles with Lehman Brothers and Morgan Stanley. He now serves as director and is past chairman of the Association for Financial Professionals.



Claus A. Stehr

Head of Cash Management Sales and Trade & Project Finance

Nordea Bank

Claus Stehr manages global trade & project finance and is responsible for Nordea's cash management sales organization in the Nordic region. His organizations are committed to offering their corporate customers the Nordic & Baltic's leading trade and export finance products and services, payment/collection, ledger integration and treasury products and services, as well as a variety of electronic banking solutions. With over 20 years of experience at Nordea, Stehr brings a broad background from the financial industry, having served the largest corporate customers in the Nordic and Baltic Sea region.



Markus Straussfel

Head of Cash Management Sales

UniCredit

Since 2005, Markus Straussfeld, the head

of cash management sales at UniCredit, has been in charge of several functions in cash management at UniCredit. He oversees cash management and e-banking sales to large multinationals in Europe, the US, Asia and EMEA, for which he consults and advises on solutions. He is also involved with product development and participates in various Swift modeling groups.



Dennis Sweeney

Deputy Treasurer

General Electric

Dennis Sweeney has been with General Electric since 1992. He is currently responsible for global cash management, which his team operates from their base in Stamford, Connecticut, and through regional treasury centers in Dublin, Delhi, Shanghai, Tokyo and São Paulo. Earlier this decade, GE and its software vendor co-developed the first Web-enabled Treasury workstation. Sweeney later pioneered corporate access to the Swift network and has led General Electric to be the largest corporate user of Swift services. He is also the driving force behind the Twist BSB standard for electronically invoicing international bank service fees.



Anne Clarke Wolff

Managing Director, Global Client Executive, J.P. Morgan Treasury & Securities Services

J.P. Morgan

Despite the significant global market challenges that have been facing banks throughout the past year, J.P. Morgan treasury and securities services achieved solid revenue growth. Anne Clarke Wolff has been a prime driver of this performance, having refocused the sales and relationship management organizations. She has expanded and reinvigorated the sales force and hired top industry talent to support clients in 180 countries and territories. Wolff has offered modified performance incentives, instilled sales disciplines and forged additional synergies across the lines of business to increase client cross-sell.

Xu Ya

General Manager, Payments and Cash Management

ICBC, PRC

Xu Yan is in charge of marketing, product development, other related teams and channels of cash management, corporate finance and agent business. She served in the past as general manager and deputy general manager of ICBC Accounting Department. In addition, she is a director of the China Financial Accounting Association, a member of the China Accounting Society, and a senior member of the China Accounting Standards Committee.

Bavesh Zaveri

Group Head, Wholesale Banking Operations and Cash Management Product

HDFC Bank, India

After a stint at Barclays Bank, Bavesh Zaveri joined HDFC Bank in 1998, where he established the cash management business for the bank. He has made it one of the Indian market leaders in all major products and services segments. Zaveri also heads the entire portfolio of transactional banking operations, overseas branch operations, operational risk management and related technology project management. He was a founder of the National Payment Corporation of India, helping shape the next-generation payment systems landscape of that country.



Erik Zingmark

Head of Global Transaction Services International

SEB

Erik Zingmark is in charge of cash management, trade finance, leasing and factoring (including supporting securities services) in the United States, the United Kingdom, France, Singapore and China, as well as representative offices in Brazil and India. Erik is also a member of the SEB UK, US and Asian advisory boards. Previously, he was global head of cash management at SEB for four years, where he established a new sales methodology, new concepts, segmentation and a customer relationship management system and received numerous global quality awards. ■