



Supporting your Treasury risk management

Accord for Corporate Treasurers

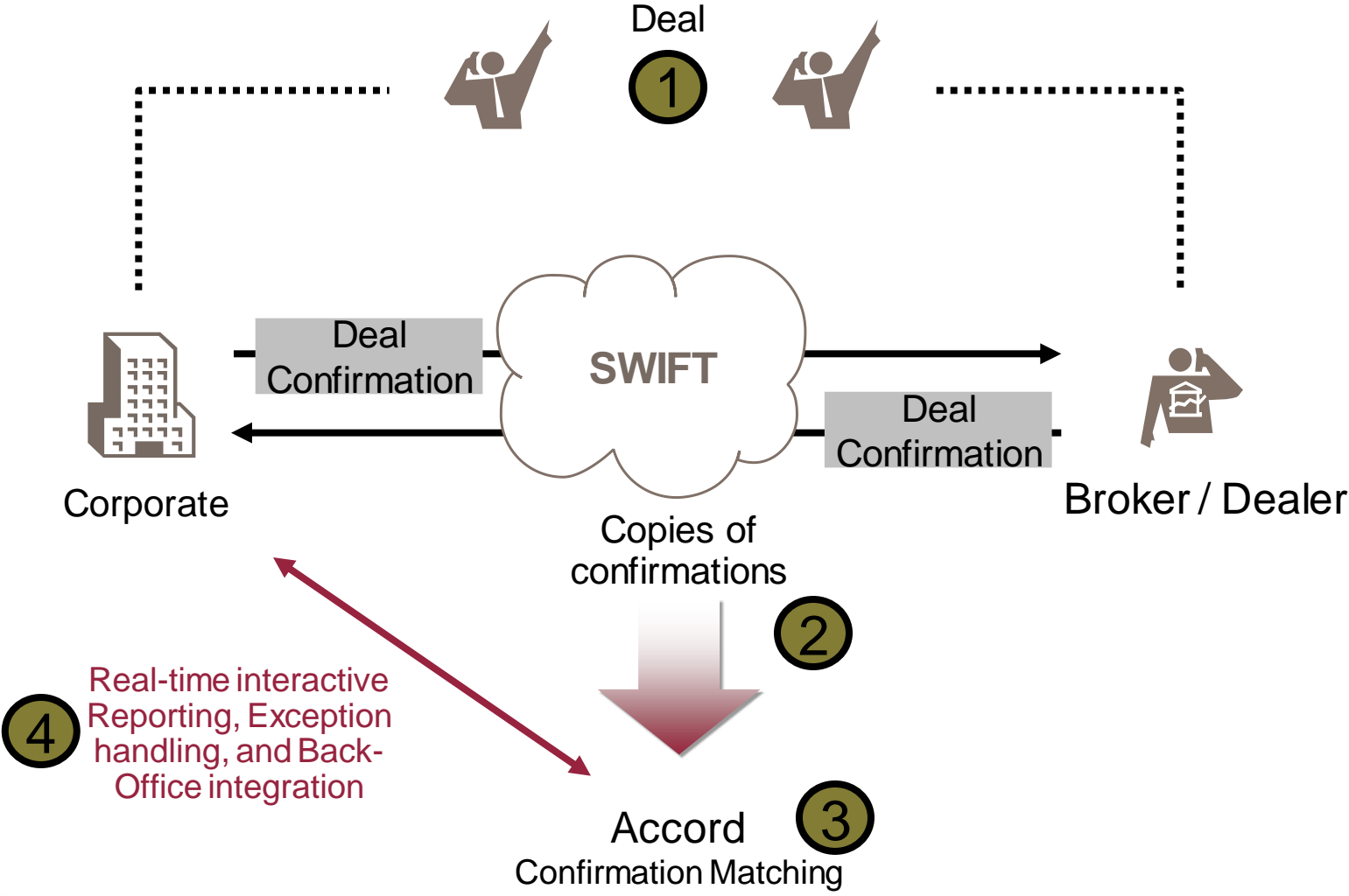
Some facts impacting currency risk management

- **Volatility** has significantly increased further to the global financial crisis
- In view of these high levels, corporates are now looking to mitigate even smaller risks (hence **higher volumes**)
- Divergence between developed – but uncertain – countries and booming emerging markets calls for a further differentiated approach towards risk management
- As a result, Treasury risk management will become increasingly sophisticated

Streamlining and automating processes in this area will become key



Automating the matching of Treasury deal confirmations



Accord for Corporate Treasurers

Key features

- SWIFT's central confirmation matching service
 - Software as a Service (**SaaS**); “cloud computing”
- **Real time** matching + **interactive** exception handling
- Covers:
 - **FX** (spot, forwards, NDFs, swaps);
 - **FX options** (vanilla, exotic);
 - **Deposits** (fixed or variable rate);
 - **FRAs, IRS + Reset/Advice** of payment;
 - **Commodities** (spot & forwards for precious and base metals);
 - **Chaser** messages.
- Can be **integrated** or totally embedded in your Treasury Management System



List of Corporate Treasuries using Accord 25 Groups; >50 sites, status January 2011

Alcatel-Lucent
Areva
Boissiere Finance (Schneider)
BSH Bosch und Siemens Hausgeraete
Daimler AG
Diageo PLC
Electricité de France
Eskom Holdings Limited
European Aeronautic Defence & Space (EADS)
Fiat Finance SPA
France Telecom sa
Gaz de France
General Electric
Intel Corporation
Nestlé SA
Norks Hydro ASA

Pirelli Finance
PPR Finance
Renault Finance SA
SAB Miller Holdings Limited
Suez SA
Telecom Italia Capital
Telecom Italia Finance
Total Treasury
Tyco International Management Company
Unilever
Veolia Environment
Volkswagen Bank GMBH
Yara International ASA



Accord for Treasury

Strengths: why do we have 475 customers? (1/2)

- **Low Total Cost of Ownership (TCO) through outsourcing**
 - Installation, testing, upgrading, capacity planning, hardware/software/dbase management... SWIFT takes care.
 - Complex housekeeping by SWIFT (entity renames, mergers, reorgs...)
- **Operator efficiency**
 - rich, well-organised, continuously updated toolkit for exception handling
 - Highly sophisticated, frequently tuned, shared set of matching rules to minimise frequency of spurious exceptions
- **STP through easy integration in Treasury System**
- **Truly global system**
 - fully scalable to any volume; any number of sites / operators
 - flexible deployment ; dynamic workload distribution (central, hubbed, follow-the-sun, mutual resiliency, job rotation in global team....)



Accord for Treasury

Strengths: why do we have 475 customers? (2/2)

- **Unparalleled Reliability, Security and Availability**
 - SWIFT taking full financial liability for correctness (R&L policy)
 - “My match = your match” when both using Accord
 - 100% fraud resistant (database records fully shielded from operators)
- **Highly secure Long Term Archival service**
 - 11 years of matching history and audit trail + search engine
- **Award winning 24x7 Customer Support**
 - in minutes, an expert can see a problem they way you see it
 - pro-active monitoring of efficient usage
- **Stable provider, capable of tackling root cause of STP gaps**
 - working with community to upgrade Standards, define Usage Guidelines, ensure Standards know-how, coach developers
 - Portfolio of training and consultancy to ensure efficient usage



Integration of Accord in your applications

Data integration, or fully embedded service

- **Data integration for STP**

- your Treasury System (TMS) uses Accord API to query the live database
- matching results + decision table triggers settlement → matched items will be settled automatically

- Available from

- IT2 Treasury Solutions – www.it2tms.com
- MUREX – www.murex.com
- Sungard AvantGard – www.sungard.com

Accord Label

- Thomson Reuters – Kondor+ TP an Kondor TP www.thomsonreuters.com

Accord Label

- Wall Street Systems – www.wallstreetsystems.com

- **Fully embedded service to reduce the number of applications**

- One screen approach: data integration + Accord GUI functionality is (partly) available through GUI of the TMS:

- Available from

- Bloomberg – www.Bloomberg.com



Requirements

Connectivity and infrastructure

- **Connectivity** can be via:
 - your own SWIFT infrastructure,
 - a Service Bureau, or can be
 - included in the fully embedded service.
- The **Accord GUI** is part of the service; needs to be available for each end-user (not applicable in the case of a fully embedded service).
 - Till end Q3/2011: Requires a WebStation to be installed on end-user PC
 - From end Q3/2011: Accord GUI installable on Web Platform (from Service bureau or your own)
- For audit reasons; **a personal PKI certificate** per end-user is required (each at 250 € +50 €/year)



Accord Usage Costs

A few examples

- Cost for **Connectivity** and **PKI certificates**
- **0 € joining Fee**; Accord is a service “in the cloud”
- **4K €** for the **initial training** (2 days on site & hands-on, travel included)
- **2,300 €/year annual fee** (or 6K €/year if you match more than 60 derivatives or commodities/month; =MT 305, 306, 34x, 36x, 600)
- **Matching Fee**: tier based, aggregated per group; (separate tiers for FX/MM and Derivatives/commodities).

Examples:

Monthly volume FX/MM (msgs sent)	Yearly Cost
100	942 €
500	4,710 €
2,000	18,840 €
5,000	42,600 €

Monthly volume Derivatives/ commodities (msgs sent)	Yearly Cost
50	1,020 €
150	3,060 €
500	10,200 €
2,500	48,000 €

- Costs related to **integration** of Accord matching results in your back-office/Treasury application, contact your provider. A list of integration providers with Accord experience can be obtained from SWIFT.





Thank you

For more information, check

http://www.swift.com/products/accord/accord_for_treasury

or contact your local SWIFT Office

