

Treasury Management



TREASURY MANAGEMENT: TREASURY ACUMEN SERIES

- Working Capital Management
- Advanced Liquidity Management
- Payments Fraud and Cybercrime
- Understanding Foreign Exchange, International Risk and Payments
- Advanced Cash Flow Forecasting: Statistical Techniques

**TREASURY MANAGEMENT:**
TREASURY ACUMEN SERIES

Working Capital Management

*Page 1 of 2***COURSE LENGTH**

Two 2-Hour Virtual Sessions or
One Half-Day In Person

DESCRIPTION

Cash flow resulting from changes in working capital is the lifeblood of the company. Positive working capital allows the company to meet obligations, to grow and to weather financial fluctuations. Cash flow from working capital is the most important measure of financial performance for any company.

In this forward-looking session, attendees learn how to become a strategic business partner through the management of global working capital, best practices in the management of working capital and how to integrate the management of global working capital with cash management and forecasting.

LEARNING OBJECTIVES

Learn the concepts and structures for the management of global working capital

Integrate the management of global cash with that of working capital

Use knowledge of working capital and cash to improve cash forecasting

Become a strategic partner through the effective management of global working capital

AGENDA

Working capital management essentials

General cash flows

- Operating cash flows
- Cash flow timeline and float
- Cash conversion of a business
- Current investment strategy

Alternative current asset financing policies

- Financing accounts receivable
- Elements of basic inventory policy
- Just-in-time inventory management
- Disbursement system considerations

Cash conversion cycle

- Calculation of the cash conversion cycle

Liquidity and working capital: liquidity sources and uses

Working capital measures (metrics)

- Current ratio
- Quick ratio
- Cash flow to total debt ratio
- Cash conversion cycle

Relationship between treasury and credit management

Continued on next page



Working Capital Management

Page 2 of 2

Days' receivables (day sales outstanding)

- Aging schedule
- Day's payable
- Accounts payable metrics
- Value add metrics

Establish the program

- Pathways
- Metrics
- AR and AP
- Outsourcing
- Monitor

Influence working capital outcome

- Straight through processing
- Customer contract
- Vendor contract
- AP processing
- Payment matrix
- Impact inventory
- Discounting
- Receivable financing

Global cash management

- Global cash environment
- Restricted cash countries
- Concentration alternatives
- Physical cash concentration
- National pooling
- In-house bank
- Types of netting
- Cash management best practices
- Interest optimization

Cash flow forecasting

- Forecasting horizons
- Cash flow forecasting components
- Degrees of certainty
- Data identification and organization
- Forecasting methods
 - Receipts and disbursement forecasts
 - Statistical forecasting
 - Statement of changes
 - Direct cash forecast method

**TREASURY MANAGEMENT:**
TREASURY ACUMEN SERIES

Advanced Liquidity Management

Page 1 of 2

COURSE LENGTH

Three 2-Hour Virtual Sessions or
One Full Day In Person

DESCRIPTION

As a business grows internationally there is a point at which it becomes necessary to open and hold foreign currency accounts. The question is then, when and where? The seminar examines the various options and looks at the tools available to treasury to organize itself in the most efficient manner for cross-border liquidity management.

The final challenge becomes one of putting in place a banking structure for managing global cash efficiently and understanding the various tools for optimizing cross-border liquidity, such as netting and cash pooling. The seminar examines the options available to treasury and the considerations when selecting appropriate banking partners. Examples are provided throughout of how different types of companies manage their global liquidity and the seminar ends in a practical case study in which participants will be asked to design an appropriate account structure.

LEARNING OBJECTIVES

- Understand the available options and implications when opening foreign currency accounts

- Review the internal structures treasury can use to better manage global liquidity
- Examine the tools available through SWIFT to manage liquidity
- Learn about the different ways in which banking structures and services can be used to optimize global liquidity

AGENDA

- Session 1: Managing foreign currency accounts
 - Why foreign currency accounts are needed
 - When to open one
 - Where to hold the FCY account
 - Multicurrency accounts
 - What to ask when opening an account
 - Regulatory issues with FCY accounts
 - Fees and charges
 - SWIFT tools for managing FCY accounts
 - MT101
 - SWIFT access for corporates
 - Latest developments
- Session 2: Liquidity management tools
 - Internal Liquidity Management Tools
 - Multilateral netting
 - Leading and lagging
 - Factoring
 - FX matching
 - FX swaps

Continued on next page



Advanced Liquidity Management

Page 2 of 2

- Exercise: Benefits of netting
- External liquidity management tools
- Cash pooling
 - Notional pooling
 - Interest enhancement
 - Cash concentration
 - Exercise: Notional pooling versus cash concentration
- Session 3: Efficient account structures
 - Summary of Tax and Regulatory issues
 - Single bank, single location
 - Multi-bank structures and partnerships
 - Network (global/regional banks)
 - Overlay structure
 - Multi-bank notional pooling structure
 - Pragmatic structure
 - Selecting appropriate banking partners

**TREASURY MANAGEMENT:**
TREASURY ACUMEN SERIES

Payments Fraud and Cybercrime

Page 1 of 2**COURSE LENGTH**

Two 2-Hour Virtual Sessions or
One Half-Day In Person or Self-Paced

DESCRIPTION

Payments fraud has been a significant problem for companies of all sizes for many years, and the growing incidence of cybercrime makes the problem even greater. This course provides participants with an overview of the basic types of payments fraud and discusses practices in fraud prevention and control. The session also covers the growing incidence of cybercrime and account takeover and presents best practices in dealing with the problem. Additionally, guidance will be provided on what to do when, not if, payments fraud and cybercrime occur.

LEARNING OBJECTIVES

- Understand exposure to the types of payment fraud
- Analyze the elements of cybercrime and account takeover
- Review and understand best practices in managing the risk of payments fraud and cybercrime
- Determine what steps to take after an attack has occurred

AGENDA

- Background and trends of payments fraud
 - Corporate fraud control methods
- Checks
 - Check fraud
 - Check features
 - Best practices
- Cards
 - Corporate and commercial cards
 - EMV
 - Best practices
- ACH/Wire
 - Why organizations sustain ACH fraud
 - Best practices
- Internal fraud
 - Six signs of internal fraud
 - Best practices
- Malware
 - Ransomware
 - Phishing
 - Pharming
 - Dissecting an attack

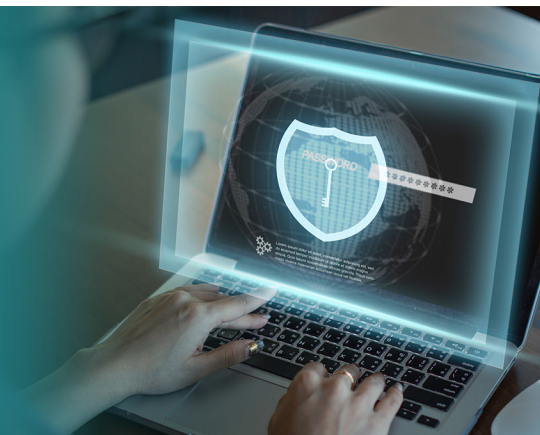
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TREASURY MANAGEMENT: TREASURY ACUMEN SERIES

Payments Fraud and Cybercrime

Page 2 of 2



- Corporate account takeover
 - Dissecting an attack
 - Data breaches
 - Password tips
- Response
 - Cyber risk management plan
- Cost



TREASURY MANAGEMENT: TREASURY ACUMEN SERIES

Understanding Foreign Exchange, International Risk and Payments

Page 1 of 2

COURSE LENGTH

Three 2-Hour Virtual Sessions or
One Full Day In Person

DESCRIPTION

This highly interactive course deals with topics crucial to the treasury professional who will be managing an international treasury. We start with a thorough understanding of the basics of foreign exchange—how to read the rates, apply forward points and perform currency conversions.

This leads into the topic of managing risk and the tools for managing global risks. Foreign exchange risk, as well as commercial and other types of risk are also covered.

Finally, we delve into the topic of international payments, where it is explained why cross-border payments and collections are still so inefficient and often prone to inexplicable delays and unexpected charges. We also examine how international payments are made and the ways in which payments and collections can be made more efficiently, including paper and electronic payments and the new SEPA instruments.

LEARNING OBJECTIVES

Learn how to read and calculate spot and forward rates

Understand how to manage and mitigate risk in international business

Evaluate the options for making international and cross-border payments more efficiently

AGENDA

Basics of foreign exchange

- Why do cash managers need foreign exchange?
- How to read foreign exchange rates
 - Spot
 - Forwards
- FX premiums and discounts
- Herstatt risk
- Continuous Linked Settlement (CLS)

International risk

- Identifying risk
- Determining a risk strategy
- Types of international risk
 - Foreign exchange exposure
 - Interest rate risk
 - Country risk
 - Commodity risk
 - Commercial risk

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Understanding Foreign Exchange, International Risk and Payments

Page 2 of 2

- Tools for managing risk
- Risk management strategy

International payment systems

- Payment system participants
 - The role of correspondent banks
 - The role of SWIFT

Making international payments

- Payment methods
 - How money moves across border
 - By check
 - By wire
 - Low-value options
- Fees and charges



TREASURY MANAGEMENT: TREASURY ACUMEN SERIES

Advanced Cash Flow Forecasting: Statistical Techniques

COURSE LENGTH

Three 2-Hour Virtual Sessions or
One Full Day In Person

DESCRIPTION

Statistical techniques provide extremely helpful tools for forecasting future cash flows. This course uses practical examples to show how various statistical methods can be used to forecast components of the cash budget. The advantages and disadvantages of each technique are discussed. The majority of the course covers the practical application of statistical methods using Excel; interpretation of the results is emphasized.

LEARNING OBJECTIVES

Apply univariate statistics to forecast cash flow components

Use time-series methods and smoothing techniques to forecast

Apply regression analysis to forecast components of the cash budget

Learn how to assess the adequacy of the cash flow forecast

AGENDA

Cash budgeting (two case studies)

Forecasting for stationary time series

- Moving averages and exponential smoothing

Forecasting for seasonal series

Evaluation of forecasts

Probability analysis

Conducting empirical analysis: an example

Forecasting nonstationary time series

Using regressions to forecast future cash flows

- Estimate and interpret correlation coefficients
- A simple regression
- Multiple regression analysis
- Dummy variables and seasonality

Regression issues and pitfalls

Ten commandments of forecasting