

CGI Trade360®

LEVERAGING OVER 27 YEARS OF TRADE FINANCE EXPERIENCE

MAJOR MILESTONES

1984- CGI launched the TradeLine suite of products, still used by many banks today including Bank of America, Barclays Bank, Wells Fargo Bank, Comerica Bank, Royal Bank of Canada, and Scotiabank to name a few.

2001- The first client bank, Australia New Zealand Bank (ANZ), went live on CGI's Trade360 Global Trade Platform that delivered the full range of traditional trade finance capabilities in a Software as a Service (SaaS) delivery model.

2008- CGI expands Trade360s offerings to include end-to-end processing for the complete range of Trade Finance, Open Account and Supply Chain Finance activities.

2009- CGI adds Receivable Management and Cash Management to the Trade360 Global Trade Platform.

2010 & 2011- CGI adds Comerica Bank and Scotiabank to the Trade360 Global Trade Platform bringing to total number of clients to five.

TRADE. TRANSFORMED.®

At CGI, we're committed to helping banks grow their global trade finance business. Our Trade360 offering is delivered as customizable Software as a Service (SaaS) in a secure community cloud, providing banks with end-to-end trade and supply chain solutions to reduce costs and enhance customer service. CGI's Trade360 is unique in that it delivers all the software, infrastructure and support resources necessary to power a bank's global trade business. As a result, CGI allows banks to provide the full range of trade and supply chain finance services anywhere, anytime to their corporate customers.

The world of trade finance is changing. Are you changing with it?

World trade still dominates, even during these difficult economic times, yet the use of traditional trade service products continues to be overshadowed by open account as adoption continues to grow. With stronger ties, trading partners are relying less on Letters of Credit – and more on Open Account. In fact, nearly 90% of trades are now on an Open Account basis.

This shift in the market means that buyers and sellers want to work with banks that move beyond traditional products, such as Letters of Credit, and provide innovative new services to make their supply chains more financially efficient. Corporate customers need a broadened set of solutions from their banks, to include supply chain finance, open account, accounts receivables management and cash management to help them manage the financial and processing challenges created by global supply chains.

However, banks' traditional trade services are typically supported by older, inflexible technology and significant capital investment is required to upgrade technology to meet today's needs. Often, trade services lack adequate profitability, but are required to cement the bank's relationships with key customers; pricing strategies center on meeting the competition, rather than accounting for costs and risks. This leads to an investment dilemma: banks are reluctant to invest more capital in a high fixed-cost business with falling or static volumes, yet, the risk of *not investing* is huge. Large customers will find services antiquated and irrelevant if the bank's offerings are limited to what their outdated systems can support despite the availability of suitable software alternatives. As a result, they may move to competitors with better Open Account and SCF services, or they may leave the bank altogether.

How can you participate in the supply chain finance revolution?

CGI's Trade360 is a customizable Software as a Service (SaaS) that delivers all the software, infrastructure and support resources necessary to power a bank's global trade business and the full range of trade and supply chain finance services. Banks can provide additional services that generate more revenue from their corporate customers and add new sources of revenue from their customers' trading partners. Furthermore, the bank can gain sustainable competitive advantages with always-current features and rapid time-to-market. And as a SaaS solution, Trade360 provides predictable operating costs, significant processing efficiencies, always-current features, and faster time to market for new capabilities.

Key Elements of CGI's Trade360 Solution for Open Account and Supply Chain Purchase order/invoice data management. Documents such as purchase orders (POs) and invoices are the foundation of trade and are a necessity for SCF solutions.

- Downloading and linking POs/invoices to open account and trade finance instruments
- Invoice matching
- PO tracking

Bank-assisted open account. This is a hybrid product that eliminates exposure fees associated with LCs, yet provides some of its benefits. Typically, it is based on POs and issued like a LC, and it provides the framework for supply chain finance.

Open account payment. Open account payments are similar to straight trade payments, but are initiated when the bank receives invoices from the buyer with instructions to pay immediately. It can also execute dynamically discounted invoice payments.

Export/seller finance. The usual order-to-pay trade cycle places the financial burden squarely on the shoulders of the seller. It is the seller that must prepare and ship orders, and then wait for payment, often without available or affordable short term financing. Trade360 offers a range of financing for the seller.

- Pre and post shipment finance for export trade finance
- Approved Payables Financing for open account
- Receivables finance

Buyer finance. In buyer financing, the bank provides financing to fund the buyer's obligations under an open account, import trade finance or other instrument.

Receivables management. Provides accounts receivables reconciliation of payments to invoices and invoice financing prior to payment receipt.

Cash management. Provides online account query, transfer between accounts, single and bulk domestic and international payments.

Benefits across the board

Everyone – buyer, seller and bank – benefits from Trade360's supply chain finance capabilities.

Bank Benefits	Buyer Benefits	Seller Benefits
<ul style="list-style-type: none"> • Stronger, collaborative relationships with customers 	<ul style="list-style-type: none"> • Decreased cost of goods purchased 	<ul style="list-style-type: none"> • Reduced cost of capital through improved Days Sales Outstanding (DSO) and lower finance costs
<ul style="list-style-type: none"> • Enhanced customer retention 	<ul style="list-style-type: none"> • Reduced working capital requirements through improved Days Payable Outstanding (DPO) 	<ul style="list-style-type: none"> • Increased flexible, predictable cash flow
<ul style="list-style-type: none"> • Increased bottom line by supporting customers' entire supply chain from end-to-end 	<ul style="list-style-type: none"> • More stable supply base 	<ul style="list-style-type: none"> • Access to low-cost finance rates
<ul style="list-style-type: none"> • Increased reach of Trade Finance organization 	<ul style="list-style-type: none"> • Stronger relationships with sellers 	<ul style="list-style-type: none"> • More secure source of Working Capital
<ul style="list-style-type: none"> • Expanded profile of Trade Finance organization 	<ul style="list-style-type: none"> • Improved visibility across the financial supply chain 	<ul style="list-style-type: none"> • Improved visibility into the payment process

_experience the commitment™

CORPORATE PROFILE

At CGI, we're in the business of satisfying clients. For 35 years, we've operated upon the principles of sharing in our clients' challenges and delivering quality services to address them. As a leading IT and business process services provider, CGI has approximately 31,000 professionals operating in 125+ offices worldwide, giving us the competitive advantage of close proximity to our clients.

Through these offices, CGI offers local partnerships and a balanced blend of global delivery options— including onshore, nearshore and offshore expertise—to provide clients with the combination of value and expertise they require.

CGI defines success by exceeding expectations and helping clients achieve superior performance.

FOR MORE INFORMATION

Email

banking.solutions@cgi.com

Online

www.cgi.com/banking