

ONBOARDING

OPERATIONS

SETTLEMENT

TRANSACTIONS

INTEGRATION

HOW INVESTMENT
PORTALS BRING
QUICK WINS
IN EFFICIENCY
FOR TREASURY



What is a Portal Anyway?

RESEARCH

APPLICATIONS

TRADES

COMPLIANCE

SETTLEMENT

INTEGRATIONS

RISK MANAGEMENT



Corporate treasury departments investing excess cash in highly liquid, short-term investment products – Money Market Funds, Short-Duration Bond Funds, Time Deposits, etc. – often purchase and redeem these products through their relationship banks. But the complexities of managing multiple funds across various markets, short-term debt securities, geographies, and currencies, can make this route time-consuming and ineffective.

Independent investment trading portals make life simpler for treasury professionals. They offer secure, innovative cloud technology that is continuously maintained by dedicated I.T. teams and feature “follow-the-sun” client services teams. Often, they are integrated with treasury management systems, banks, and custody and clearing firms, completing an end-to-end, straight-through process.

Portals also offer tools for managing risk, so teams can make sure they are complying to corporate and industry policies and performing analysis on underlying fund assets to mitigate exposures. Finally, they offer consolidated reporting, reflecting the kind of data meaningful to your particular organization.

Whether you are like 30%* of your corporate treasury peers who are undertaking a treasury technology project, such as implementing a treasury management system (TMS), or simply looking for ways to optimize your current cash and investing processes, onboarding a trading portal for money market funds and other short-term investments can bring you quick wins in efficiency.

Understanding the areas where you and your team can gain time-saving advantages will help you hone in on how an investment portal can benefit your organization. Not all treasury organizations are alike, so efficiencies gained will vary, depending on how an organization chooses to configure its portal to fit the business. Regardless of how you run your organization, reclaiming time spent on low-value transaction processing can shift your focus to more strategic activities, such as analysis, risk management, and performance.

*Strategic Treasurer 2019 Treasury Management Systems Analyst Report

Efficiency Checkpoints

Portals afford corporate treasuries the luxury of an easy process, right from the start.

From selection to service, the following are key areas where an investment trading portal can make a difference.



Onboarding – Fast, easy, done.

Technology implementations are typically very involved and time-consuming. A TMS, for example, can take anywhere from six to 18 months, or longer, involving I.T. resources and, in many cases, external consultants to tailor the treasury solution to the desired end result.

The process involves multiple stakeholders and requires a dedicated internal sponsor to get the job done right and on time. In contrast, setting up an account with an investment portal is a simple process that is done for you.

After an initial consultation to discuss your investment needs, portal representatives will do everything from pre-filling documents to liaising with counterparties, to creating the account and entitling users. The whole process is days or weeks, compared to months or years.

“Thank you ICD team so much for all the help getting through the documentation and account opening processes.”

**- Andrea Nelson
Director, Treasury
Summit Utilities**

Settlement – Selected to deliver.

You can gain even more efficiencies, depending on the settlement model you choose:

Clearing – A clearing agent is assigned to the account that handles transfers of cash and executes trades. One application accesses all funds, and one trade ticket and wire can settle all purchases.

Custody – A custodial account is opened with a custody bank acting in a custodial capacity for the account. One application accesses all funds, and one trade ticket and wire can settle all purchases.

Direct – Accounts are directly registered with each individual fund company. Trades are directly settled with the funds.

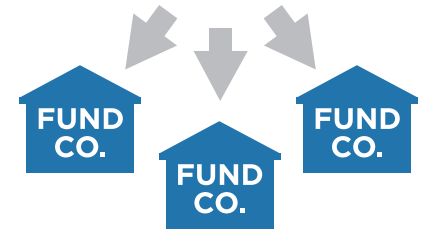
“We needed an automated payment methodology for our treasury department and ICD delivered a comprehensive and innovative solution that improves our efficiency while reducing Cisco’s trade settlement risk.”

**- Roger Biscay
Treasurer
Cisco**

Transactions – Powered by one.

If you have large transactions or a high-volume of transactions, especially around year-end, you may have to give prior notice to your various fund companies. Without a portal service provider, you will have to phone each fund company ahead of time to field questions about the trade.

Rather than conducting calls all on your own, the portal's trade desk will work with the fund companies to ensure your trades are accepted and executed according to your needs.



Streamlined execution
of large volume transactions

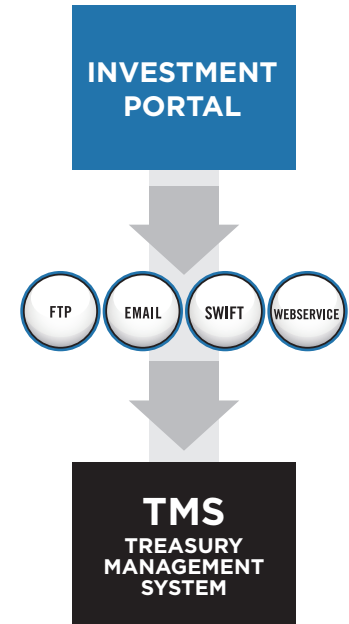


Integration – Amped for accuracy.

Integrating a portal with your TMS will turbo charge the efficiencies of your system. Rather than manually inputting data from your investment activities, a portal sends data directly to your TMS, updating cash positions, automatically.

Efficiencies gained by integrating these two technologies increases the accuracy of cash forecasts so teams can put more money to work and allows you to get a more robust picture of your counterparty exposures.

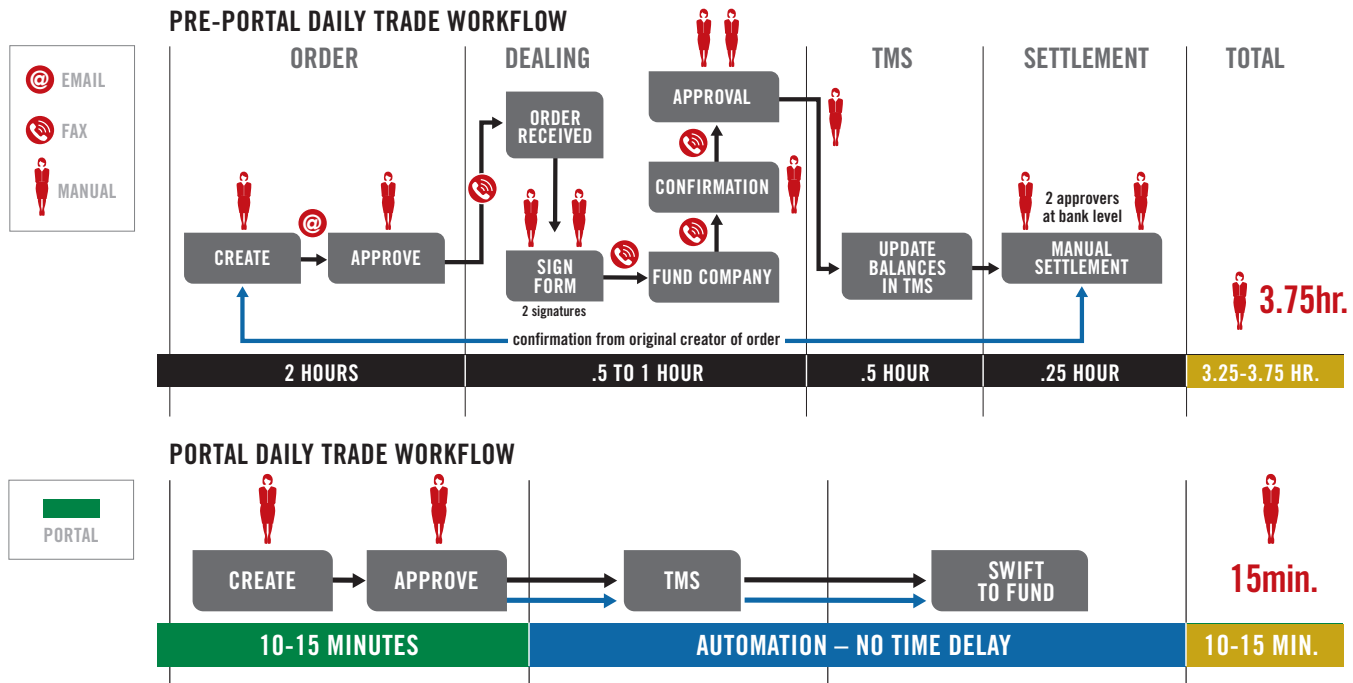
Independent portals that have a history with the treasury industry will have already integrated the market's treasury management systems.



Integration turbocharges the efficiencies of your treasury tech stack



Companies considering an overhaul of their treasury technology or improving their existing processing using technology will gain efficiencies quickly and easily with an independent investment portal. Not only does an investment portal deliver efficiencies with the power of a single platform, but also with the power of a single service provider.



Q&A with a Technology Titan

The Director of Treasury at a leading U.S. technology company explains how using a portal from ICD, the treasury industry's most trusted, independent portal provider, is helping his team win on efficiency.

How has using ICD Portal saved your team time?

Significant reduction in time and effort to complete trades. We previously traded directly with funds via phone which required multiple calls, required us to start trading well in advance of cutoff times resulting in inefficient cash positioning with excess cash left uninvested. Now that we have migrated our TMS to SAP, we also have implemented an interface from ICD to SAP, which eliminated the need to manually enter trades and settlements to the funds. This improves STP and further reduces the workload/time required and eliminates the risk of keying errors.



49%

Time spent transaction processing by financial professionals.

Reclaim your day!

Has using a portal helped your multinational team?

The portal is being used by our team in Mexico for U.S. trading activity and by our EMEA team in Poland for investment activities for our primary offshore cash pool. We also leverage the interface from ICD directly to Clearwater, which facilitates a consolidated view of our investments including Money Market Funds, Time Deposits and Separately Managed Accounts (SMAs). This is critical to us from a management reporting perspective for performance, cash flow projections, liquidity in the portfolio and counterparty exposure/policy compliance perspective.

What other efficiencies have been unlocked?

We leverage the compliance components of ICD to include preventative controls for the aspects of our investment policy related to MMFs by warning users when a trade will violate policy. For example, exceeding 5% of AUM for the fund or our cap of \$1B per fund.

Savings Costs Nothing

A portal is no cost to corporate treasury teams. The funding for the portal comes from a fractional share in the management fees associated with each investment product. These fees allow the portal provider to invest in new functionality and quality support professionals to serve clients. Large, established portal providers with a broad client base have more resources to re-invest back into their offerings.

Why did you choose the direct settlement model?

We allocate a sizable portion of our investment portfolio within our relationship bank group. They place value on the business we allocate to them, so we opted for the direct model to ensure transparency to them. In addition, we prefer the flows to be directly from the funds so we can escalate as needed for urgent redemptions in the \$500-\$1B range a couple of times each month as we fund our payables and intercompany netting settlement processes.

How has ICD's reporting and Transparency Plus added value for you and your team?

We use the T+ reporting specifically to measure the underlying risk in the MMFs since the fund holdings rather than the fund manager represents the true exposure for us.



Want to learn more about how a portal
will fit into your treasury workflow?

REQUEST A DEMO

ICD
Treasury First

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