



NETTING  
RECONCILIATION  
VENDOR PAYMENTS



**COPROCESS**  
THE NETTING SPECIALISTS

# “IT IS NOT JUST ABOUT PUTTING IT ON THE WEBSITE...”

## WHO ARE WE?

COPROCESS is a fully independent Swiss company, founded and based in Geneva since 1991. We were the first company to put netting on a PC and we quickly grew to become the leading provider in this key area of corporate treasury.

Today we are the world leader in Intercompany Netting solutions with more than 150 corporate clients and with the addition of reconciliation and centralized vendor payments we have expanded the key role we can play in corporates of any size.

### Product

Our state of the art system has been refined over 25 years. This powerful and flexible solution is simple to implement and easy to use. It consists of three parts:

- Intercompany Netting
- Reconciliation
- Vendor Payments

### Knowledge

Over 150 corporates use the Coprocess solution.

Our long history in this field gives us unrivalled experience in providing the right solution for your corporate environment. We are the largest source of netting expertise in the world.

### Support

One of the main differentiators of COPROCESS is our commitment and dedication to supporting the customer base.

More than 50% of our clients have been with us for over 15 years. Some of them for more than 25 years.



*Our 12 full time professionals can offer you unrivalled Commitment, Continuity and Competence in all areas related to netting and reconciliation.*



## WHO ARE OUR CLIENTS?

Today there are more than 150 corporates currently running our netting system throughout the world many of whom have been using our netting solutions for more than 15 years. From small corporates to some of the world's largest multinationals, they all use a system designed, developed and supported by COPROCESS.



since 1993



since 2004



since 2001



since 2000



since 2005



since 2015



since 2009



since 2002



since 1995



since 2007



since 2016



since 2016



since 1992



since 2014



since 1999



since 1999



## WHAT OUR CLIENTS SAY...



Our invoice data is imported from the ERP system using an interface. Around 30 subsidiaries are participating. We see the Coprocess Netting software as very reliable and user friendly. The ERP system we use is Infor M3.



Our company has been running a netting process for about 35 years, currently for more than 300 participants. In 2012, we implemented Coprocess.Netting. The preparation and support of Coprocess staff was excellent. We had a smooth transition from the old Coprocess System and have been working with the new system for more than five years now. Our netting process still runs as stable and predictable as it did before migration. We are very happy with the Coprocess



Over 270 subsidiaries use the system which settles more than 50,000 Invoices twice a month. The system interfaces with SAP, our global ERP platform. We run the system Receivable driven and make use of the matching and discussion capability to clean up the intercompany. Savings from the netting alone are in the region of USD 20 Million Per annum but the real global benefit to the group is the structure and discipline it brings to intercompany.



The netting tool is easy to use, and could be tailored to fit the specific needs of Groupe Faiveley Transport. Implementing the netting platform turned out to be very straightforward, as is the administration of the system. The numerous reports help smooth the whole netting process from one end to the other. Customer support is very responsive.



We have been using the Coprocess netting application since 2007 and now have over 150 subsidiaries integrated into the system. We have interfaced the system with SAP and other local ERP systems to allow for upload of both AP and AR items as well as download for booking. We are very satisfied with the functionalities as well with the performance of the Coprocess Netting system.



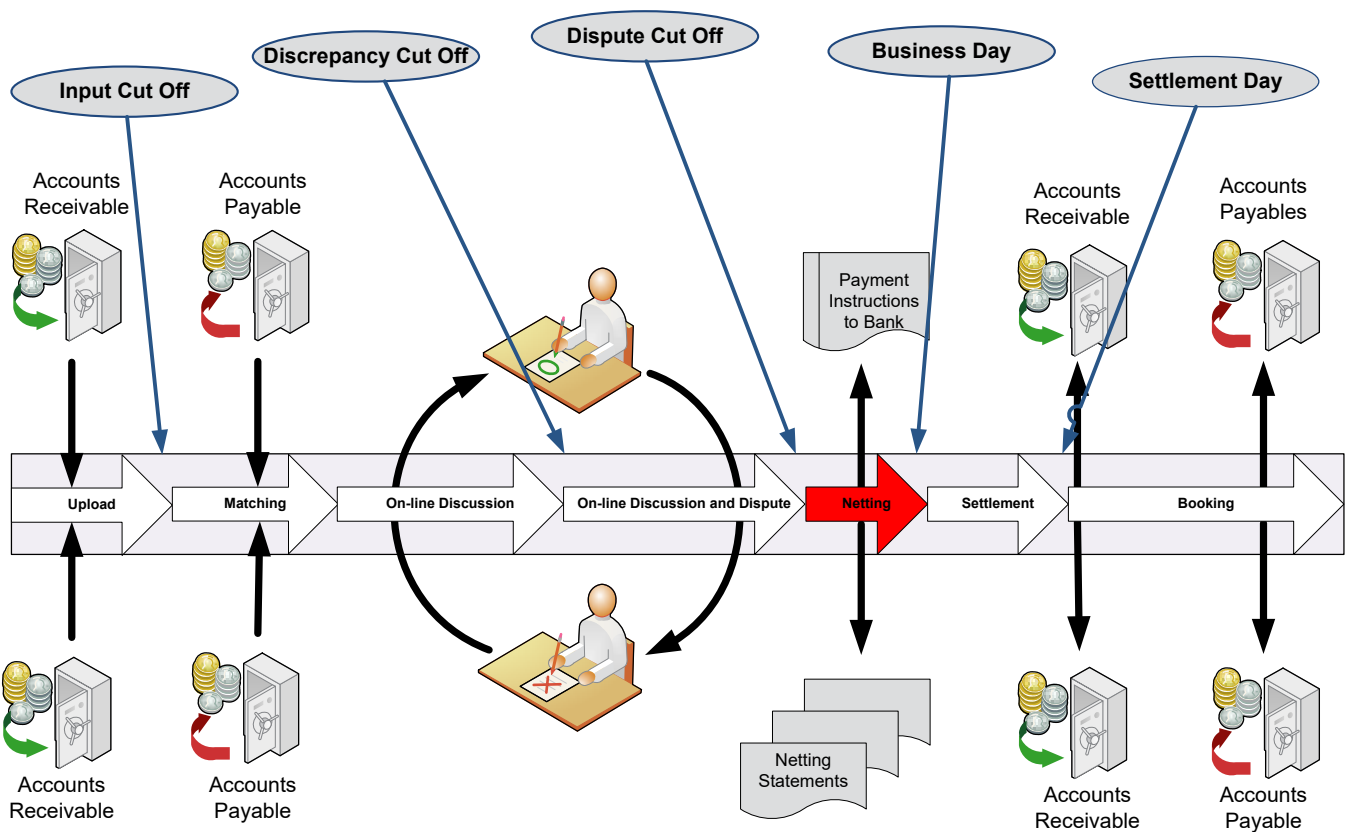
Very good customer service. One point of entry. Easily adaptable system. No software needs to be installed. Custom needs can be implemented in the system



# THE COPROCESS PROCESS

In addition to the standard benefits of netting the COPROCESS solution offers further potential savings by providing a complete solution for handling invoice processing by uploading AP and AR data for Matching as well as Reconciliation. A dialogue tool with the ability to discuss, flag and dispute invoices is available on-line inside the regular netting system.

The diagram shows the flows through a complete netting cycle



- The process starts with subsidiaries uploading their inter-company flows (payables and/or receivables). Optionally using API
- The subsidiaries are then able to match payables against receivables (optional) they can then dialogue and dispute invoices on-line (again optional).
- Once this process is complete the netting takes place (red arrow). This is the only part that is done by the netting centre when they fix the rates, deal the FX and make the payments.
- Lastly the subsidiaries can download a data file containing settled invoices for booking in their sub-ledger.

## NETTING

## PROBLEMS

- Small/numerous/costly FX deals at subsidiaries
- Many payments with high bank charges
- Uncertainty on the payment date
- Difficult/costly to hedge
- Time-consuming reconciliation work
- Large mismatch on intercompany bookings

## RECON

- Delays/incorrect booking of Accounts Payable
- Mismatches on the consolidated balance sheet
- P&L accounts are incorrectly presented
- Auditors are pushing for solutions and under time pressure
- Considerable manual workload at every subsidiary and centrally
- Reconciled data and documentation is often not stored centrally

## VENDOR PAYMENTS

- Many payments with high bank charges spread globally
- Small/numerous/costly FX deals at subsidiaries
- No corporate hedging can cost 1% on amounts sent
- To pay vendors the subsidiary may need financing
- No overview on the volume paid to each vendor



## SOLUTION

- Flexible calendar-based Netting system
- Upload both AP and AR (optionally using API)
- Automatic matching
- Invoice-level Discussion and Dispute tool
- Online browser-based solution
- Report writer
- Interfaces to Banks and ERP systems

- Flexible Reconciliation system
- Calendar with reconciliation cut-offs
- Upload ALL AP and AR for automatic matching
- Mismatch analysis with drill-down
- Dialoguing at invoice level
- Online browser-based solution
- Report writer
- Interface with consolidation system

- Centralize payments
- Use fixed payment runs (weekly/monthly)
- Upload all AP invoices to the system
- Upload vendor data from ERP system
- Payment interfaces with multiple banks (XML, SWIFT)

## BENEFITS

- Less payments - ideally, one per participant
- Less float - fewer banks are needed
- Less FX - remaining FX traded at better rates
- Simplified payment procedures across the group
- Brings structure and discipline to intercompany
- Visibility of intercompany across the group
- Improves forecasting

- Faster closing
- Cost savings - time less spent
- Subsidiaries can concentrate on mismatches
- Great online visibility of all transactions
- Flexible grid to filter/sort/find data
- Central storage of all AR and AP data for the group
- Flexible reporting
- Archiving of (and access to) historical data

- Less payments
- Centralized FX gives better rates
- Simplified payment procedures across the group
- Reduced payment fees
- Better Liquidity Planning
- Efficient Group financing
- Less time spent for payments in the Group

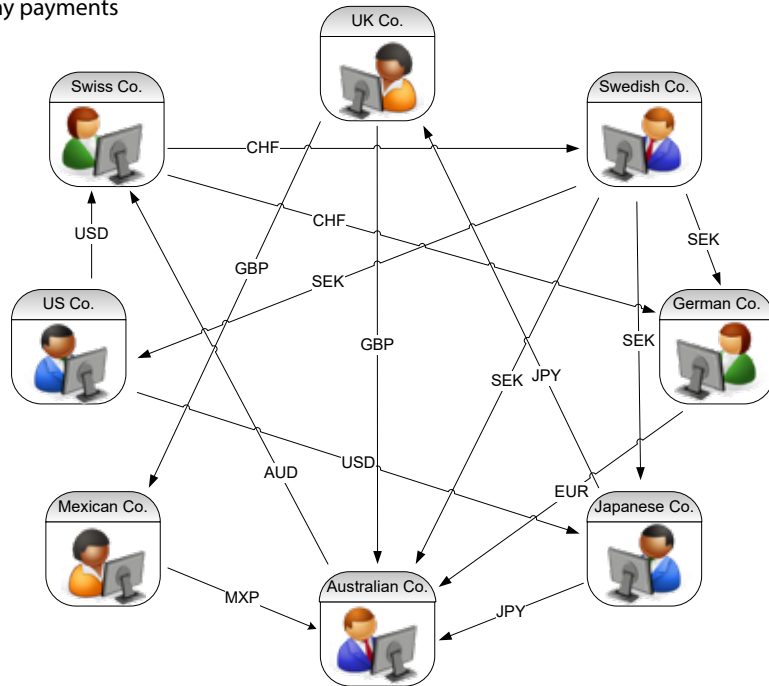
# THE NETTING

- Transaction costs are reduced because fewer payments are made
- Concentration of payments and reduction in the number of banks leads to a reduction in float
- FX is matched reducing exposure
- Non-matched FX is aggregated and dealt centrally at better rates
- Simplified payment procedures throughout the group
- Brings structure and discipline to inter-company payments

## Before

Before implementing a netting system each company may have several payments to make to other group companies, possibly in foreign currency. Each payment may cover many invoices.

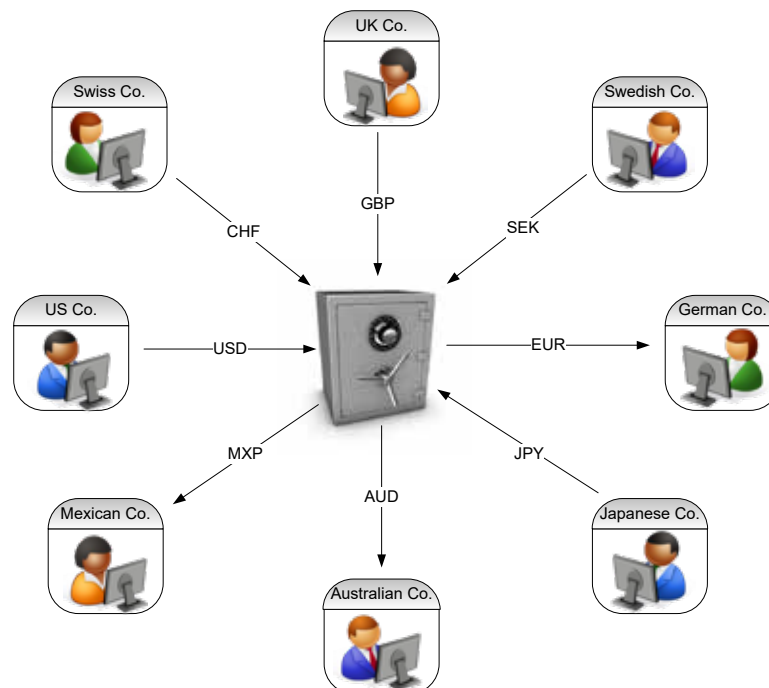
They will have to make the payments and then inform all the receivers of the specific invoices that are covered by the payment, which in turn need to be reconciled.



## After

Instead of making the payments directly, each company sends the payment information (or invoices themselves) to the Netting Centre.

The Netting Centre calculates each subsidiary's net position in its home currency, deals the corresponding FX centrally and makes the payment to the company or, in the case of a receipt, instructs the company to send the payment to the Netting Centre.





# THE SYSTEM

Features in the standard COPROCESS solution are...

- Modern architecture (fully .NET, n-tier with Microsoft SQL Server database)
- In House or Hosted (SaaS) solution
- Single Sign-On (SSO) with SAML 2.0 or Active Directory (AD)
- Role-based security with pluggable authentication
- Flexible interface builder allowing simple interfacing with any external system
- Integrated report writer
- Synchronisation with vendor data in the ERP (Payment Factory)
- Link to image of any invoice ...and...

## ...THE MODULES



### MATCHING

By allowing uploads of both AR and AP, the system has the ability to match your Intercompany transactions and display the result. This allows the users to flag and discuss the differences at an invoice level.

**R Invoices from AR** All participant types

New Delete Edit Download Discuss/Flag Show Rematch Refresh Import Export

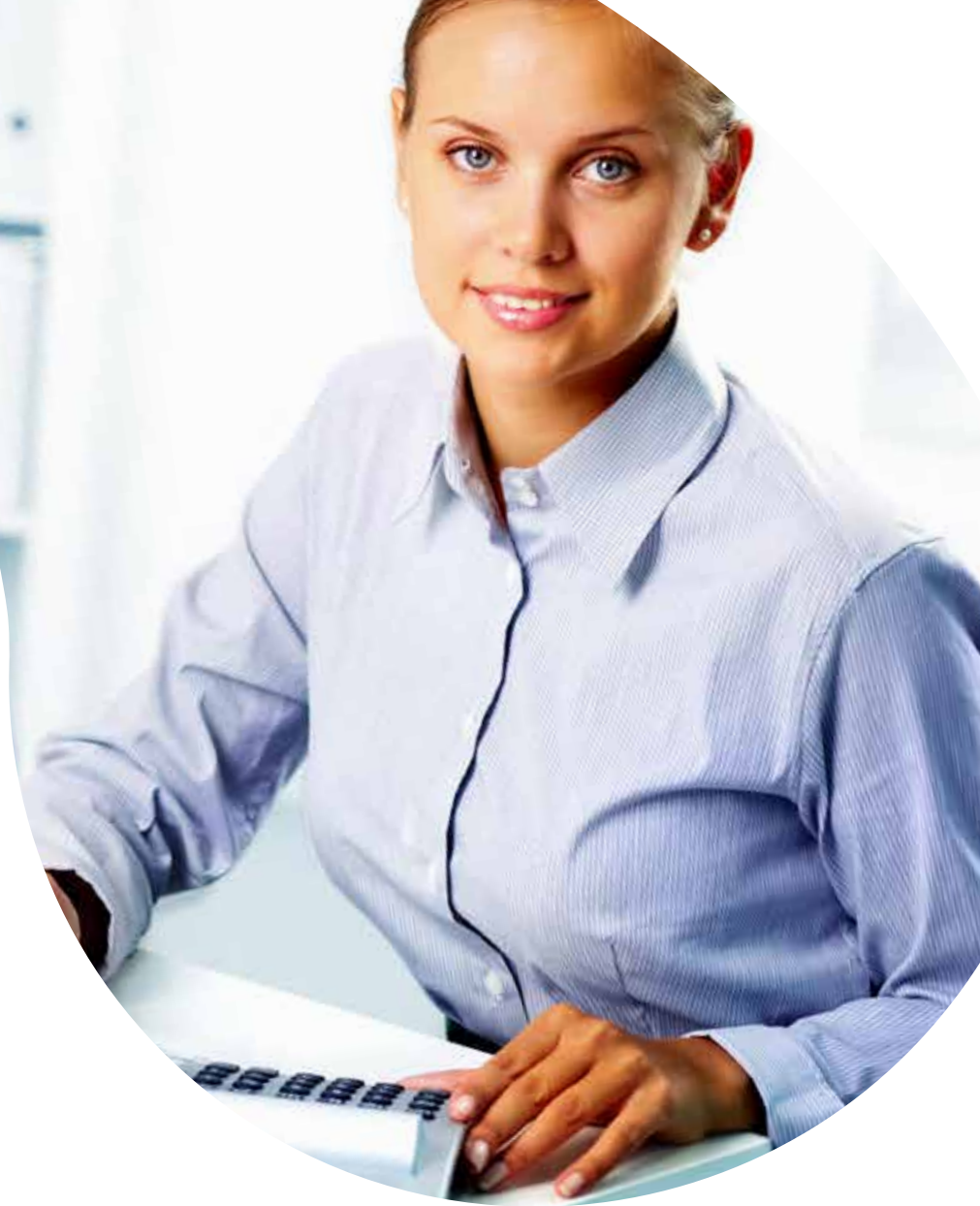
Drag a column header here to group by that column

	Invoice Number	Payer	Payee	Currency	Amount	Status	Due Date
					237,270.90	Red X	
	V0Y273	BEWIN	DEJUG	EUR	29,281.07	Yellow !	3/2018
	YPXE90	BEWIN	CHASP	EUR	9,000.00	Yellow !	018
	A9DX13	BEWIN	CHASP	EUR	9,000.00	Yellow !	18
	TI6745	BEWIN	USADH	EUR	4,000.00	Yellow !	8
	S8BA53	BEWIN	USADH	EUR	235,100.00	Green ✓	8
	D08178	BEWIN	GBGAR	EUR	228,084.00	Green ✓	18
	IJJU10	BEWIN	BEGUI	EUR	2,662.50	Green ✓	18
	AYSRS4	BEWIN	USADH	EUR		Green ✓	18

AP value 900.00

When you upload your Matching file, different colored icons appear: **Red** - Missing, **Yellow** - Mismatch and **Green** - Matching.

Hover over the high-lit area to view the mismatch details. Flag it to make the counterparty aware of the mismatch and start the **Discussion and Dispute** process...



## DISCUSSIONS & DISPUTES

The payer can flag invoices and start a dialogue with the counterparty. In order to start a dialogue the payer must choose from a list of categories that define the reason for his discussion. This list of categories is modifiable by the netting administrator.

Ultimately if the payer cannot get a satisfactory resolution of the problem they have the option to dispute the invoice which will result in the invoice not being paid.

A disputed invoice can either be carried forward to the next month's netting or paid to a holding account for a dispute committee to rule on. This is set in the configuration.



## EXCLUDED

A module of Coprocess Multilateral Netting that allows participants based in countries with Netting or Currency restrictions, to take part in the company netting.



## API

The Coprocess.Netting API is a flexible and powerful new module which allows external applications to automatically trigger actions within the netting in a secure way without any manual intervention.

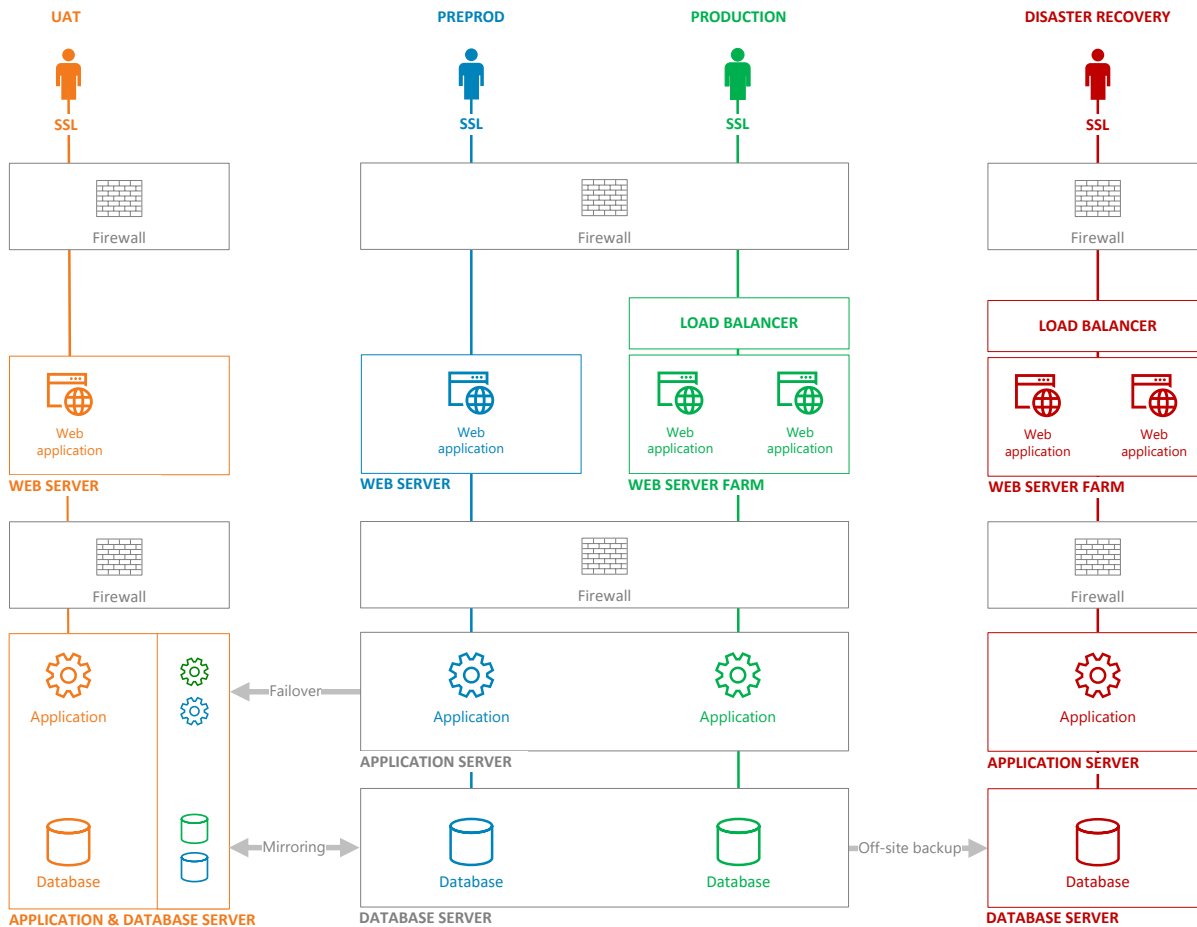
It is part of our continued effort to streamline straight-through-processing. For example, it would now be possible for a developer to implement an automated bulk import of invoices from a specific secure folder location within your corporate network, or even directly from an ERP system such as SAP.

The API supports bulk importing and exporting of invoices and will support data querying and report generation.

# A SAAS SOLUTION

The COPROCESS SaaS platform is a secure, shared, multi-tenant solution. It is a scalable and fully redundant architecture with automatic load-balancing and failover ensuring no single point of failure.

The platform has been live for more than 10 years and today has over 130 corporate clients running netting. It delivers a 24/7 service with a guaranteed and delivered up-time of 99.9%. The platform also includes a Test Environment (UAT), a Pre-Production Environment as well as a dedicated off-site Disaster Recovery Environment.



## SSAE 18 - IT Audit/Penetration Testing

The SaaS environment is audited annually according to the SSAE 18 Type 2 standard. The latest report is available on request at our website.

Coproprocess also commissions an external security firm to perform a detailed annual penetration test on both the application and our SaaS infrastructure.

## Outsourced netting

The system has been developed as a Multi Corporate Solution making it ideally suited for a bank or treasury service provider to offer the best possible netting service to its clients.

# THE COPROCESS TEAM



## Geneva

Andrew Goldie  
Director

Clare Goldie  
Director

Daniel Cugni  
Senior Treasury Consultant

Robert Jonsson  
Technical Support

Marcela Bonkova  
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Robert Anderson  
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Keith Harris  
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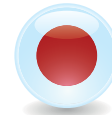
## Las Vegas

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## Gothenburg

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Sales and Consultancy



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Sacha Monachon  
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# COPROCESS DELIVERS

## Commitment

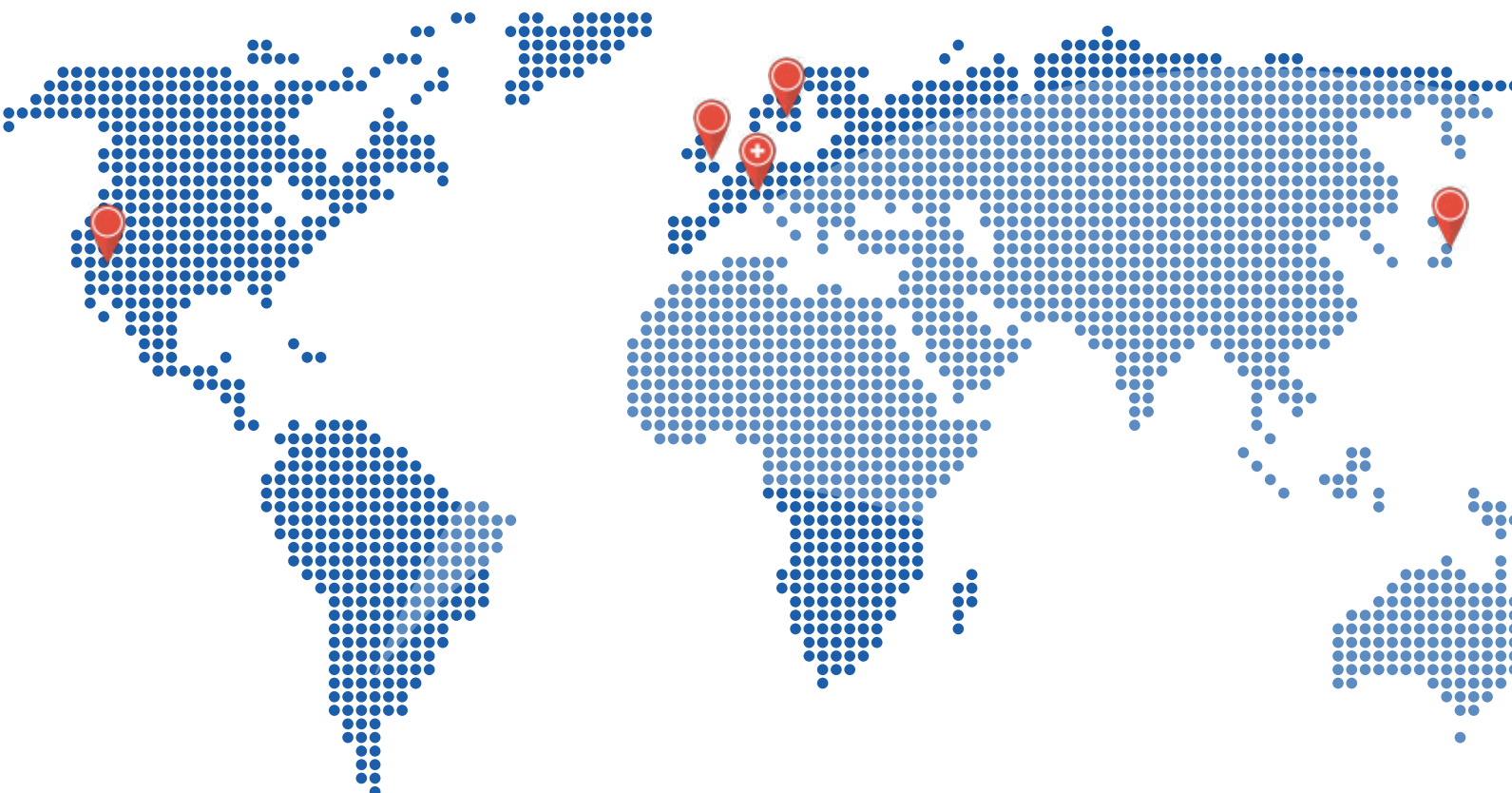
More than 25 years in the netting business.

## Continuity

Customers stay with us - more than half of our clients have been with us for more than 15 years

## Competence

The world's first source of netting expertise





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THE NETTING SPECIALISTS

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