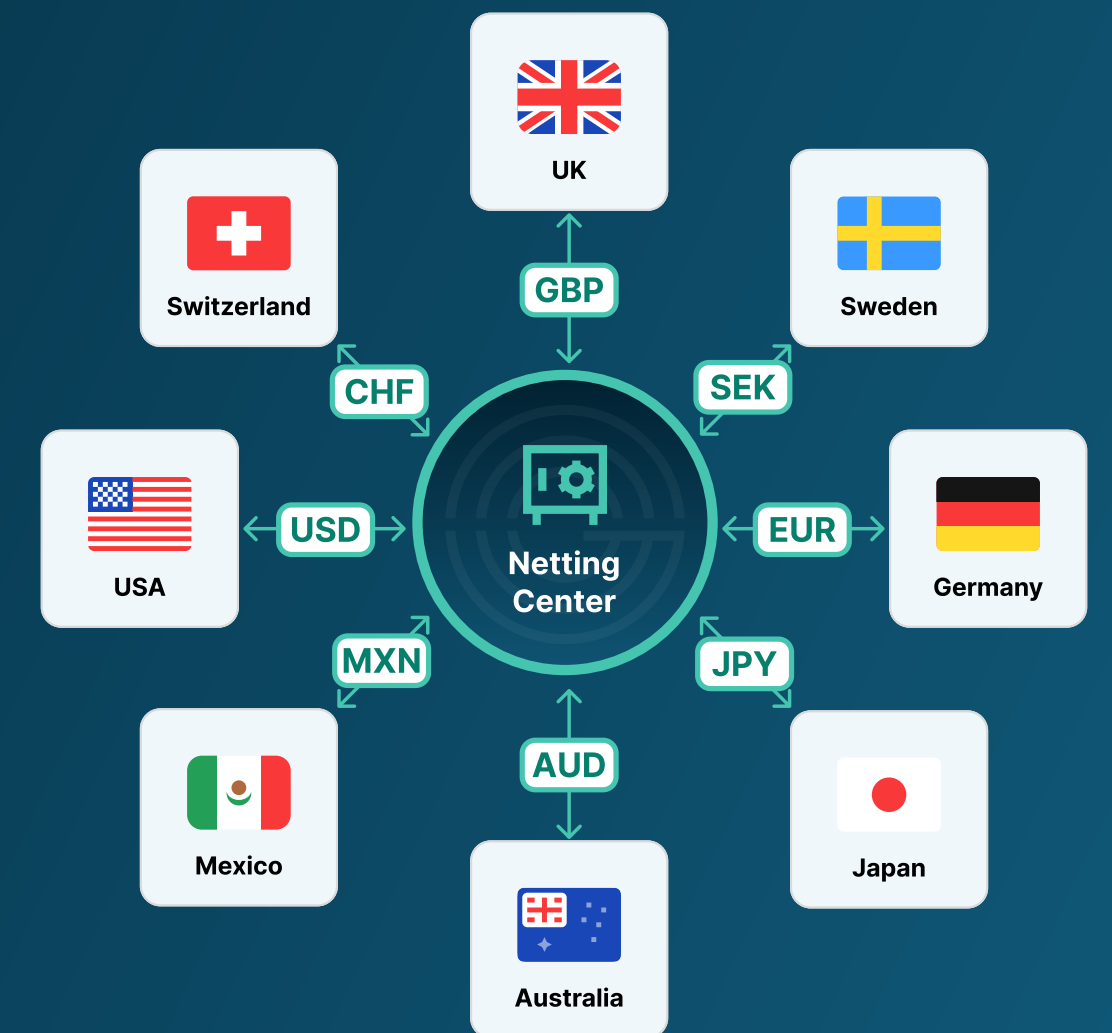


# Eliminate Unnecessary Payments and Centralize FX Exposures

GTreasury's multilateral netting module, **GT Netting**, allows treasurers to streamline their intercompany netting settlement process, add new automated efficiencies into their workflows, and cut costs significantly by reducing payments and FX volumes.

Netting



# Introduction to Netting

## What is Netting?

Reconciling Intercompany Exposures and Managing payments in multiple currencies between subsidiaries can be challenging. Each entity typically handles its own AR and AP and converts to base currency in order to make intercompany payments, which results in paying multiple transaction fees. With GT Netting, you can streamline the intercompany payment process by centralizing all your FX exposures and reducing cross border transfers by as much as 70%.

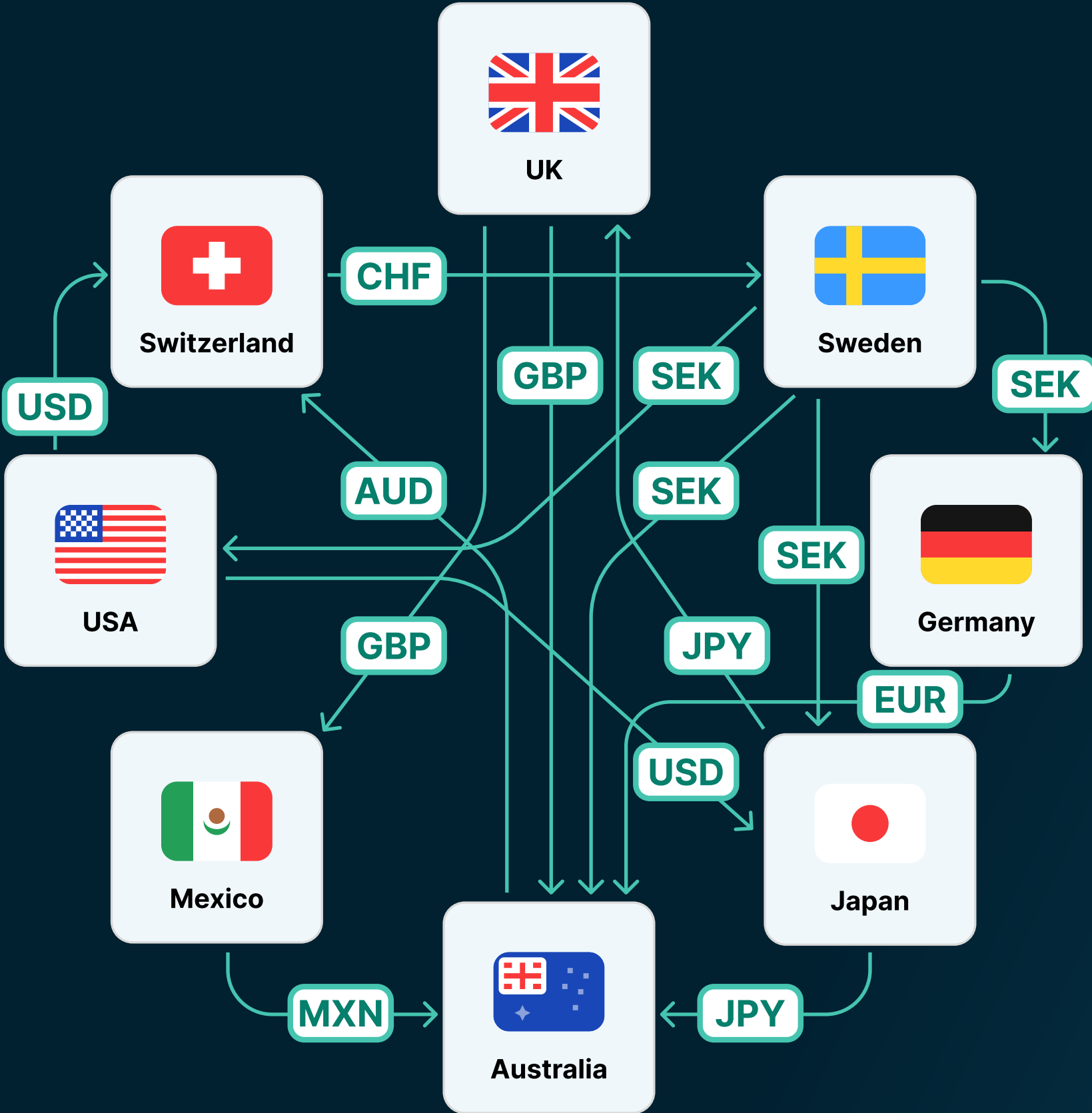
By unifying subsidiaries in a corporate group, they can convert all intercompany transactions into a single transaction in their home currency. This net amount is paid to—or received from—a central netting center, reducing your credit and settlement risks. This means lower costs, streamlined operations, and reduced exposures, all conveniently integrated with your GTreasury platform or offered as a standalone solution.

## How Does it Help?

Adding structure to your intercompany payment process has many benefits. By streamlining your intercompany payments, you're able to reduce costly FX deals and high bank fees. You also get full visibility over all payments, which makes it easier to manage deadlines and hedge accurately. Consolidating payments helps align intercompany bookings, reducing administration work and eliminating discrepancies in balance sheets.

Without netting, intercompany payments are constantly being converted. **Not only is it confusing, it's costly.** By funneling all transactions through a netting center, conversions can be minimized as payments are made in their original currency.

# Reduce FX Costs & Confusion with Intercompany Netting



Without Netting



With Netting

# Benefits of Netting

	Problem	Solution	Benefits
Netting	<ul style="list-style-type: none"><li>• Small/numerous/costly FX deals at subsidiaries</li><li>• Many payments with high bank charges</li><li>• Uncertainty on the payment date</li><li>• Difficult/costly to hedge</li><li>• Time-consuming reconciliation work</li><li>• Large mismatch on intercompany bookings</li></ul>	<ul style="list-style-type: none"><li>• Flexible calendar-based netting system</li><li>• Upload both AP and AR (optionally using API)</li><li>• Automatic matching</li><li>• Invoice-level discussion and dispute tool</li><li>• Online browser-based solution</li><li>• Report writer</li><li>• Interfaces to banks and ERP systems</li></ul>	<ul style="list-style-type: none"><li>• Fewer payments—ideally, one per participant</li><li>• Less float—fewer banks are needed</li><li>• Less FX—remaining FX traded at better rates</li><li>• Simplified payment procedures across the group</li><li>• Brings structure and discipline to intercompany</li><li>• Visibility of intercompany across the group</li><li>• Improves forecasting</li></ul>
Reconciliation	<ul style="list-style-type: none"><li>• Delays/incorrect booking of AP</li><li>• Mismatches on the consolidated balance sheet</li><li>• Reconciliation challenges, numerous e-mails</li><li>• Auditors are pushing for solutions and under time pressure</li><li>• Considerable manual workload at every subsidiary and centrally</li><li>• Reconciled data and documentation are often not stored centrally</li></ul>	<ul style="list-style-type: none"><li>• Flexible reconciliation system</li><li>• Calendar with reconciliation cut-offs</li><li>• Upload ALL AP and AR for automatic matching</li><li>• Mismatch analysis with drilldown</li><li>• Dialoguing at invoice level</li><li>• Online browser-based solution</li><li>• Reporting</li><li>• Interface with consolidation system</li></ul>	<ul style="list-style-type: none"><li>• Faster closing</li><li>• Cost savings—less time spent</li><li>• Subsidiaries can concentrate on mismatches</li><li>• Great online visibility of all transactions</li><li>• Flexible grid to filter/sort/find data</li><li>• Central storage of all AR and AP data for the group</li><li>• Many reports available</li><li>• Archiving of (and access to) historical data</li></ul>
Vendor Payments	<ul style="list-style-type: none"><li>• Many payments with high bank charges spread globally</li><li>• Small/numerous/costly FX deals at subsidiaries</li><li>• No corporate hedging—can cost 1% on amounts sent</li><li>• To pay vendors the subsidiary may need financing</li><li>• No overview on the volume paid to each vendor</li></ul>	<ul style="list-style-type: none"><li>• Centralize payments</li><li>• Use fixed payment runs (weekly/monthly)</li><li>• Upload all AP invoices to the system</li><li>• Upload vendor data from ERP system</li></ul>	<ul style="list-style-type: none"><li>• Fewer payments</li><li>• Centralized FX gives better rates</li><li>• Simplified payment procedures across the group</li><li>• Reduced payment fees</li><li>• Better liquidity planning</li><li>• Efficient group financing</li><li>• Less time spent for payments in the group</li></ul>



## GT Netting Features

GT Netting is one of the most advanced netting solutions that is part of a larger TRMS. Our solution is reliable, secure, and dependable. Beyond the solution, you will have full access to GTreasury's expert support to help with any questions or concerns that arise.



### Other features include:



Matching and Reconciliation



Vendor Payments Management



Flexible Currency Management



Discussion and Disputes Management



Real-time Netting Statements for all Participants



Excluded Module for Bilateral Payments



API Available to Automate Your Interfaces

# About GTreasury

GTreasury provides CFOs and Treasurers with **The Clarity to Act** on strategic financial decisions with the world’s most adaptable treasury platform, empowering them to face the challenges of today and tomorrow. Because each company faces different points of complexity and needs, our industry-leading solutions are purposefully designed, and amplified by GSmart AI, to support every stage of treasury complexity, from Liquidity Management and Cash Forecasting to Payments, Risk, and Netting.

With GTreasury, financial leaders gain comprehensive connectivity across all banks and ERPs to build an orchestrated data environment, enabling rapid value realization with implementations up and running in weeks. Plus, our unmatched industry expertise ensures your continued success through dedicated guidance and top-tier support.

Trusted by over 1,000 customers across 160 countries, GTreasury provides treasury and finance teams with the ability to connect, compile, and manage mission-critical data to optimize cash flows and capital structures. To learn more, visit [GTreasury.com](https://GTreasury.com).

GTreasury is headquartered in **Chicago**, with locations serving EMEA (**London**, **Geneva** and **Dublin**) and APAC (**Sydney**, **Singapore** and **Manila**).



# Contact

**North America** 847 847 3706

**APAC**  
Sydney +61 29262 6969  
Singapore +65 9612 2722  
Manila +63 9778022 835

**EMEA**  
London +44 203 787 4843  
Dublin +353 1 524 0552  
Geneva +41 22 311 13 83



 [GTreasury.com](https://GTreasury.com)  
 [ContactUs@GTreasury.com](mailto:ContactUs@GTreasury.com)

