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INFORMATION

Overcoming Jurisdictional Complexities While Establishing Strong Banking Relationships

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Post Mandate Challenges

- **Various country documentation requirements**
- **Negotiating bank documents based on the number of countries**
- **Maximizing cash management efficiencies in light of jurisdictional complexities**
- **Choosing the right partner bank**
- **Back to the basics**

Bombardier Corporate Information

- **Corporate office based in Montréal, Canada**
- **Workforce of some 70,000* people worldwide as at December 31, 2011**
- **Revenues of \$18.3 billion for fiscal year ended December 31, 2011**
- **93% of revenues generated outside Canada**
- **Listed on the Toronto Stock Exchange (BBD)**

Overview



Bombardier Aerospace

Revenues*	\$8.6 billion
Backlog*	\$22.0 billion
Employees**	33,600

Bombardier Transportation

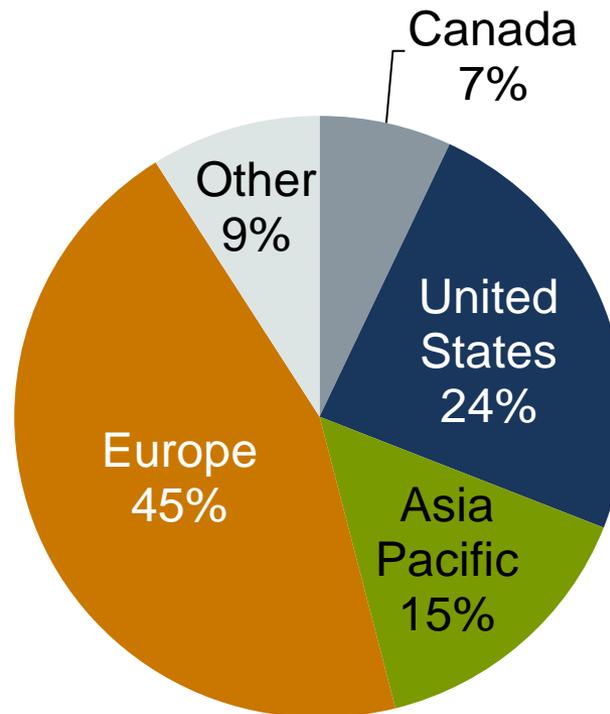
Revenues*	\$9.8 billion
Backlog*	\$31.9 billion
Employees**	36,200

* As at December 31, 2011

** As at December 31, 2011. Includes contractual employees.

Overview

Breakdown of revenues by geographic location



For the fiscal year ended December 31, 2011

Bombardier Today

Worldwide Presence

- Australia
- Austria
- Belgium
- Brazil
- Canada
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Hungary
- India
- Israel
- Italy
- Mexico
- People's Republic of China
- Poland
- Portugal
- *Russia*
- *Spain*
- Sweden
- Switzerland
- Thailand
- United Kingdom
- United States

76 production and engineering sites in 25 countries

Bombardier's Global Cash Management

- **Cash Management**
 - Aerospace is centralized in Americas
 - Transportation is centralized in Switzerland
- **Corporate Policy for Banking**
 - Defines Corporate Treasury's responsibility for bank selection and account opening process
- **Strategy**
 - Develop a Global banking solution to manage our cash

Bombardier's Global Cash Management

- **2010**
 - Legal Entity reorganization at Transportation
 - Replacement of all banking documentation required
 - Approached Deutsche Bank for solution
 - Developed a special project with Treasury, Legal, Tax and business units
- **2011**
 - Migration of legacy documents to global solution with Deutsche Bank
 - Other bank relationships required review of all legacy documentation

Documentation Woes

- **Local Legacy Documents**
 - Specific T&C's
 - Local jurisdiction & legal opinions
 - Cost of legal review by internal counsel plus local counsel advisors
 - Local bank systems often required
 - Tax advisory by internal and external advisors
 - Additional Treasury manpower to assist legal and tax
 - Documentation updates to previously negotiated submissions

Global Solution

- **Head Office control of bank structure and relationships**
- **Demystification of local banking complexities**
- **Mitigates risk on cash**
- **Alleviates different legal opinions**
- **Head Office has ability to see what locals are doing**
- **Central bank platform**

Global Solution

- **1 central negotiated document for T & C's**
 - Example of countries with “exceptions” have a schedule
 - Spain has specific local requirements local disclosure, liens, rights to set-off and non-resident certificate tax
 - Italy has liens and check specific's
 - Germany has operations of accounts; banking secrecy and disclosure of information; rights to set-off; standard of service; security for the bank's claims against customer; liens; security interests; and deposit protection

Global Solution

- **1 jurisdictional law to cover the agreement**
 - The central agreement is covered under UK law
 - Eliminates “most” laws of individual countries
 - Eliminates requirement of local external counsel for reviews
 - Cost savings for legal opinions
 - Empowers Corporate Legal team with centralization
 - Corporate Legal becomes central legal advisor

Global Solution

- **1 bank contract**
 - Head Office has one agreement for all legal entities
 - Better control on bank account management
 - Corporate Treasury becomes a global advisor
 - Efficient process
- **1 bank platform**
 - Head Office have a view on cash in and out flows
 - Control of administration by Treasury over local business rights

Implementation and Improvements

- **Implementation**

- Full rollout from start of negotiation to signed document agreements – 1 year
- Corporate Legal reviewed all documentation
- Corporate and Group Treasury reviewed documentation and services
- Corporate and Group Tax provided advice

Implementation and Improvements

Countries impacted at Bombardier

- Austria
- Belgium
- Czech Republic
- Denmark
- France
- Germany
- Hungary
- India

- Italy
- Luxembourg
- Malaysia
- Netherlands
- People's Republic of China
- Philippines
- Poland

- Portugal
- Romania
- Singapore
- *Spain*
- Sweden
- Switzerland
- Taiwan
- Thailand
- United Kingdom

Implementation and Improvements

- **Improvements**

- Streamlined documentation
 - 2-3 items now need signature without additional legal review
- New country additions simplified
 - Legal input only required on new country exception items
- Account opening more efficient
 - Less documents allow for speed opening of accounts

Why Not eBAM?

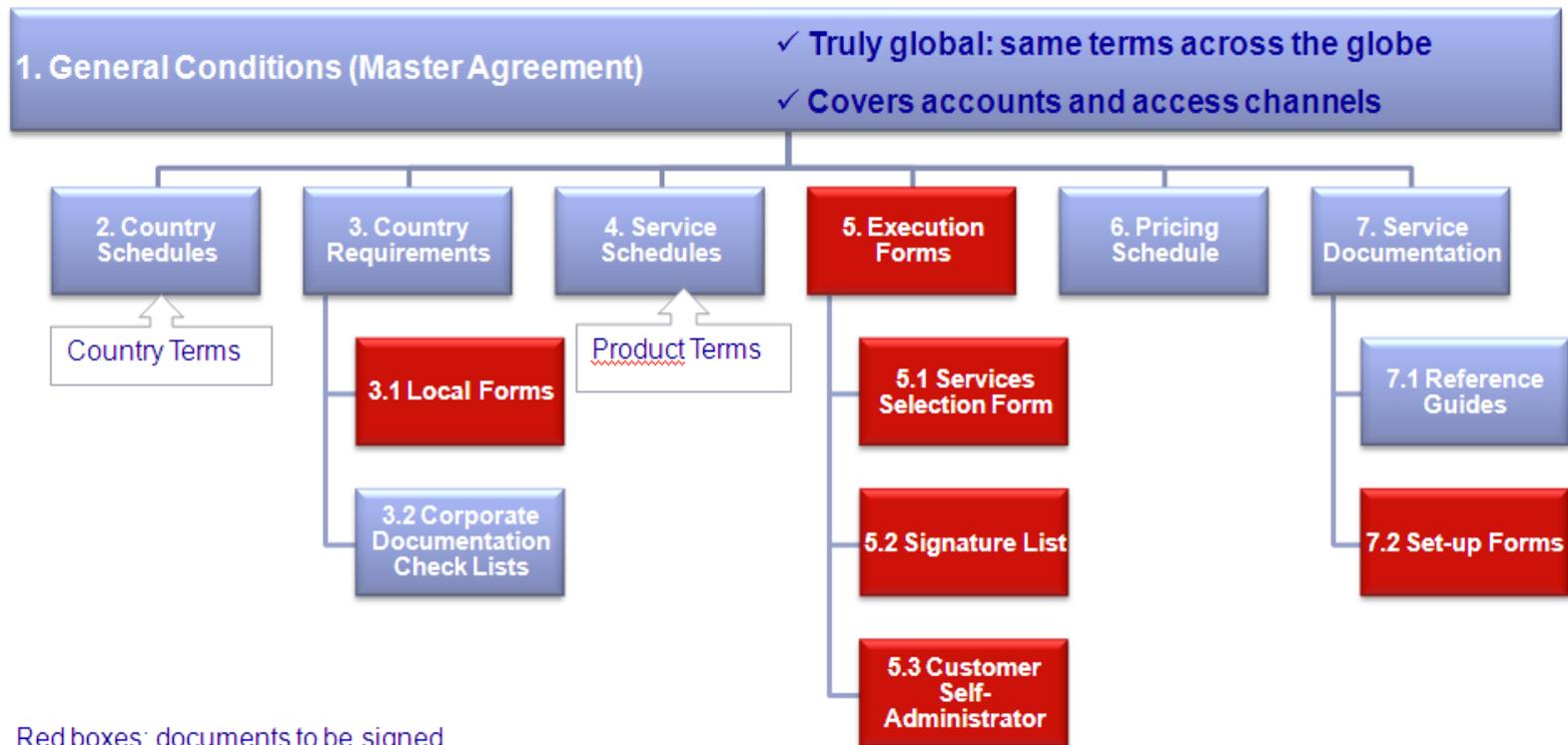
- **Bank agnostic solution**
 - Not prepared to do individual bank specific
 - Want a standardized approach for all global banks
- **Not prepared yet to have corporate documentation in a “cloud”**
 - Want to ensure confidentiality and security is in place

A Leap Forward

- **Deutsche Bank's new legal documentation, the "Transaction Banking Services Agreement", has been designed to:**
 - Standardize globally the legal provisions for account and cash management services.
- **Streamline and simplify paperwork significantly.**
 - Provide a single master document solution that is easy to read and user friendly
 - Ease of use across the globe.

A Global Agreement

Transaction Banking Services Agreement: One Single Master Document Solution



Red boxes: documents to be signed

Blue boxes: documents to be acknowledged, no signatures required on this documents



Countries Which Benefit

- **Americas**
 - USA
- **Europe**
 - Austria
 - Belgium
 - Czech Republic
 - France
 - Germany *
 - Hungary
 - Italy (local forms include Italian language)
 - the Netherlands
 - Poland
 - Portugal
 - Spain
 - Switzerland
 - Turkey (bilingual, English prevails)
 - UK
 - Ukraine (bilingual, English prevails)
- **MENA**
 - Kingdom of Saudi Arabia (bilingual, English prevails)
 - UAE
- **Asia**
 - China
 - Hong Kong
 - India
 - Indonesia (bilingual, local language prevails)
 - Japan
 - Malaysia
 - Pakistan
 - Philippines
 - Singapore
 - South Korea (bilingual, English prevails)
 - Sri Lanka
 - Taiwan (bilingual, English prevails)
 - Thailand (bilingual, English prevails)
 - Vietnam (bilingual, English prevails)

More countries on boarding: **Brazil, Argentina and Russia**

Q & A

BOMBARDIER
the evolution of mobility

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