

THERE'S SOMETHING DIFFERENT ON THE HORIZON

Learn how PNC Bank Canada Branch has developed an outstanding growth trajectory.

PNC Bank Canada Branch (PNC Canada) has more than doubled its business in Canada over the last 5 years. And leadership is determined to do the same over the next 5 years. Along the way, the team has inked cross-border deals with some of the marquee names in Canada.

We asked **Dave Olsen, Regional President and Principal Officer**, and **Eric Brock, Chief Operating Officer**, for PNC Canada to talk to us about why the business has grown so significantly and what makes them so confident about the future.

● WHY DO COMPANIES WANT TO DO BUSINESS IN CANADA?

According to the U.S. Trade Representative, Canada is the second-largest U.S. trading partner, with more than \$1 trillion in annual trade and investment, and the No. 1 trading partner for 38 states! It's an attractive place to do business for several reasons, including:

- A strong U.S. dollar makes acquisitions and investments appealing.
- An excellent transportation network connects well with the United States.
- Taxes are favorable.
- The legal system is similar (though not identical).
- Provincial incentives are offered for investment.
- A well-educated and skilled labor force is in place.

● WHAT ARE THE LIMITATIONS OF CONVENTIONAL COUNTRY-BASED BANKING RELATIONSHIPS?

Many U.S.-based companies have set up relationships with one or more of the domestic Canadian banks to support their deposit, payment and borrowing needs in Canada. As a result, there may be requirements for multiple logons. Relationship and treasury management officers at different banks may not always coordinate solutions for the best results. Uncoordinated customer service contacts can negatively impact response times.

EVEN MORE IMPORTANTLY, WE HAVE BEEN A STEADY RESOURCE THROUGH ECONOMIC AND BUSINESS CYCLES SINCE WE BEGAN OPERATING HERE IN 1998.

● CANADA HAS 88 BANKS. WHAT MAKES PNC STAND OUT?

PNC Canada is structured in a way that is fundamentally different from other banks in Canada. Our systems, processes and procedures are all designed to deliver a seamless, consistent cross-border solution delivered through a single relationship manager (RM) to support all of a company's financial activity in both countries.

Strong collaboration between relationship managers (RMs) in the United States and Canada allows us to deliver a suite of cross-border products and services that can improve efficiency in both markets. We also provide insight and introductions to financial and business advisors who can help companies thrive.

● WHAT DOES THAT LOOK LIKE DAY TO DAY?

We listen carefully and develop a deep understanding of business needs and the local environment throughout Canada. We collaborate with clients to customize the solutions and services that will meet their goals and provide ongoing consultation and financial insights through one point of contact.



● HOW ARE YOU PLANNING TO MAINTAIN THE TRAJECTORY OF GROWTH?

Our formula here is quite simple. We are focused on three primary tasks. First and foremost, our team here will continue to deliver the same level of service and advice to our clients and our U.S.-based partners.

Second, we are spending a lot more time making our sales teams and clients aware of our capabilities and how we can help our clients to be more successful.

Finally, we are investing a lot of time, energy and money to make sure that our technology and processes deliver the best and most seamless cross-border services to our clients. Progress is well underway.

These efforts will be shared with our clients and prospects when the PNC Canada leadership team conducts more than a dozen visits and client events across the PNC footprint in 2019.

● WHAT'S THE BIGGEST CHALLENGE TO YOUR GROWTH PLANS?

Clients and potential clients haven't always been aware of PNC Bank in Canada and the ways we can help streamline their operations and banking activities. PNC Canada may be North America's best-kept financial secret. So we need to build awareness.

● WHAT TOOLS WILL YOU USE TO BUILD AWARENESS?

We are investing in Canada, and we are doing a lot of public events. As one example, we have done an online webinar on payments and doing business in Canada — 700+ people signed up for it.

We are also building awareness in social media and maintaining an email campaign introducing new ideas to the Canadian market.

Most importantly, we are using every opportunity we can to meet with clients and prospects and talk about what makes PNC different. We get a significant amount of positive feedback and interest from these meetings.

● WHAT PRODUCTS AND SERVICES SET PNC APART FROM THE PACK, AND HOW WILL WE STAY AHEAD OF OUR COMPETITORS?

While our relationship model is the secret sauce that brings everything together for our clients, our products and capabilities are critical. We have great capabilities today, but we are constantly working to strengthen our offering. We believe that if a product exists in the United States, PNC Canada should offer the same or a similar product north of the border.

PNC Canada became a direct issuer of Canadian commercial cards in Q4 2018. This was an important addition to a full suite of treasury management services that includes a lockbox facility outside Toronto. Over the next few years, more Canadian payment services will be integrated into PINACLE®, PNC's top-rated online multicurrency platform and treasury management payments engine.

PNC's Treasury Management group has initiated a strategic multimillion-dollar project to align with Payments Canada, the entity responsible for the clearing and settlement infrastructure, processes, and rules essential to billions of dollars of exchanges each year in Canada. So look for new and redesigned client offerings such as remote deposit capture, with more to come.

PNC is also a leader in fintech with strategic relationships with RippleNet, investments in artificial intelligence solutions, its early investment in digital payment platform Zelle®, and recognition by *Forbes* as a top blockchain company.²

● WHY SHOULD A COMPANY CHOOSE TO WORK WITH PNC RATHER THAN BANKS IN EACH COUNTRY?

While the two countries are similar, differences do exist. U.S. companies need to understand those differences and opportunities as they invest. That's why it is important to have a single trusted partner like PNC with the resources, capabilities and commitment to help them navigate both countries in a coordinated way.

For example, we are heavily involved in the payments modernization activities up here to give our clients a voice as these new solutions develop.



ABOUT DAVE OLSEN

David Olsen is a financial services executive with more than 20 years in the industry and is the Regional President and Principal Officer for PNC Bank Canada Branch in Toronto, Ontario.

Working across a broad spectrum of financial services in the United States and Canada, Mr. Olsen has developed expertise in corporate banking, treasury management, business and retail banking, and risk management.

Prior to his current role, Mr. Olsen held a number of leadership positions, including chief operating officer, regional sales director and division manager.

Mr. Olsen serves on the Payments Committee of The Canadian Bankers Association. He is the chairman of the Board of Directors for the Greater Toronto Area Chapter of The American Chamber of Commerce and the founding chairman of Select USA in Toronto.

Mr. Olsen holds a Bachelor of Science from Miami University, Oxford, Ohio, and a master's degree in business administration from Case Western Reserve University, Cleveland, Ohio.

ABOUT ERIC BROCK



Eric Brock is Chief Operating Officer and Chief Financial Officer of PNC Bank Canada Branch in Toronto, Ontario. Mr. Brock has more than 20 years of financial services experience in sales, business management and regulatory compliance across retail banking, commercial banking and investment banking.

Prior to joining PNC Bank Canada Branch, Mr. Brock held senior domestic and international roles with Canadian, American and British banks in commercial banking sales, operations, compliance and AML, and finance.

He holds a master's degree in law from the University of Toronto Law School and a master's degree in business administration from the Schulich School of Business at York University, Toronto.



READY TO HELP

One bank, one RM and a singular focus on client service mean that PNC can help improve efficiencies, lower costs and develop strategies to meet the future of cross-border commerce.

For more information, please contact Eric Brock (eric.brock@pnc.com) or David T. Olsen (david.t.olsen@pnc.com).

¹ <https://ustr.gov/countries-regions/americas/canada>

² <https://www.forbes.com/sites/michaeldelcastillo/2019/04/16/blockchain-50-billion-dollar-babies/#34a4c74e57cc>

This article was prepared for general information purposes only and is not intended as legal, tax or accounting advice or as recommendations to engage in any specific transaction, including with respect to any securities of PNC, and does not purport to be comprehensive. Under no circumstances should any information contained in this article be used or considered as an offer or commitment, or a solicitation of an offer or commitment, to participate in any particular transaction or strategy. Any reliance upon any such information is solely and exclusively at your own risk. Please consult your own counsel, accountant or other advisor regarding your specific situation. Neither PNC Bank nor any other subsidiary of The PNC Financial Services Group, Inc. will be responsible for any consequences of reliance upon any opinion or statement contained here, or any omission.

Zelle and the Zelle-related marks are wholly owned by Early Warning Services, LLC and are used herein under license. Must have a bank account in the U.S. to use Zelle.

PNC, PNC Bank and PINACLE are registered marks of The PNC Financial Services Group, Inc. ("PNC").

In Canada, PNC Bank Canada Branch, the Canadian branch of PNC Bank, provides bank deposit, treasury management, lending (including asset-based lending) and leasing products and services. Deposits with PNC Bank Canada Branch are **not insured by** the Canada Deposit Insurance Corporation or by the United States Federal Deposit Insurance Corporation.

©2019 The PNC Financial Services Group, Inc. All rights reserved.