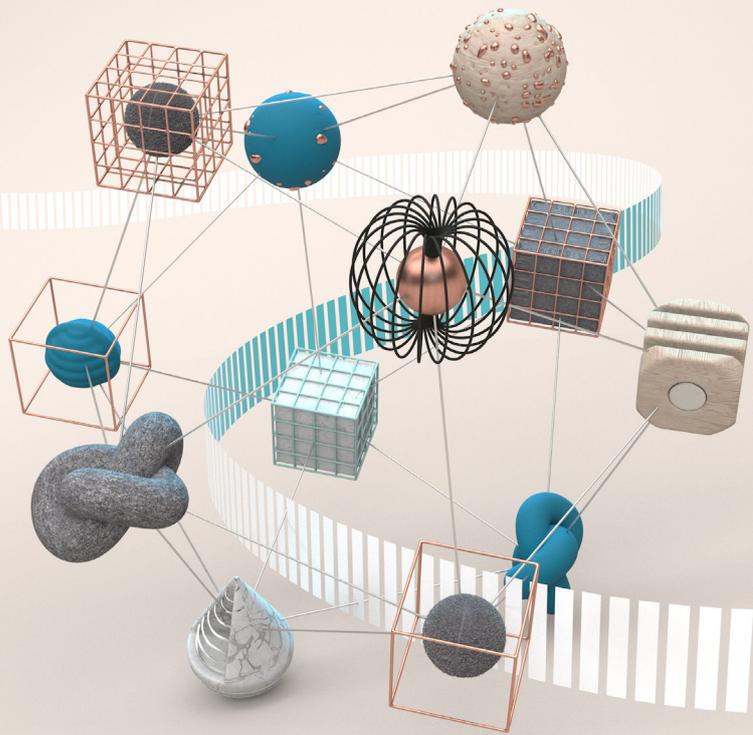


**BANKING
CIRCLE**



CASE STUDY | BANKS

How Banking Circle partnered with a German Bank to support its expansion into Scandinavia while delivering lower operating costs and fast payments

The Business Challenge

A medium-sized Bank in Germany had a growing number of customers that were looking to expand their commercial activities across Scandinavia. The Bank's existing correspondent banking arrangement meant that cross border payments were expensive and slow.

Our Solution: Virtual IBAN account solution for Banks

Banking Circle on-boarded the Bank within eight weeks and became its sole partner for correspondent banking across Scandinavia. Our API seamlessly integrated into the Bank's existing technology infrastructure, which gave them a direct connection to our payments platform for real-time processing.

A single nostro account was set up and unlimited addressable multi-currency Virtual IBAN accounts were provided

which the Bank could allocate to its customers. Using our 'Payments on Behalf of' and 'Collections on Behalf of' (POBO & COBO) functionality, these Virtual IBAN accounts allowed the Bank's customers to send and receive payments using their own name to their underlying customers. The bank's customers were able to benefit by having access to Banking Circle's network of local and direct clearing capabilities, and by using our intelligent routing system, they automatically benefited from using the fastest and most cost-effective payment rails.

Benefits to the Bank and its customers

- Only one on-boarding process was required for the Bank to set up unlimited accounts for its customers
- Quick and low cost set up – the Bank's customers were able to use their new accounts within eight weeks from the point of signing the contract
- The Bank was able to offer its customers multi-currency virtual accounts in new financial jurisdictions, without the need for a physical presence in those locations
- Using a single partner bank to manage all payments and accounts significantly reduced the Bank's network management costs, payment costs and eliminated many of the landing fees.
- By using Banking Circle's API, the Bank benefited from a 99%+ Straight-Through-Processing rate for its payments, reducing administration costs and delivering a better customer experience
- Allocating Virtual IBAN accounts to each of its customers significantly reduced the Bank's reconciliation costs under one bank account set up