

IBOS Association

What is IBOS Association?

- An international banking alliance, focused on providing corporate customers with International Cash Management Solutions.
- IBOS is based on its 12 members and their subsidiaries, each of which is a leading supplier of local banking services in their domestic markets.

The IBOS offering consists of:

- Competitive local services at the IBOS bank in the country concerned.
- Meshing of local services into regional, multi-country Cash Management arrangements using the IBOS cross-border services.

How is the service delivered?

- The offering is brought to the corporate customer via its local member – the Host Bank.
- The Account-Holding Banks work to the Host Bank as regards establishment of accounts and services, electronic banking and relationship management.

Typical Set-Up

- Central Treasury of the customer uses Host Bank electronic banking to receive MT940/1/2 on all accounts and to operate them using MT101 and MT103.
- Subsidiaries use the electronic banking of their in-country Account-Holding Bank to instruct their Payables, manage day-to-day liquidity, and to receive statements for reconciliation.

Network Co-Ordination

- IBOS Association has a central support office in London, which coordinates the streams of work and the definitions of messages and processes that make IBOS a network.

What is the service?

- Streamlined account opening
- Local payment, cash management and treasury services
- Local payments based on MT101
- Cross-border payments based on MT101 and MT103
- Previous-Day and Intraday Balance and Transaction Reporting
- Automated Cross-Border Zero-Balancing in Euro

What benefits does IBOS bring to customers?

Streamlined account opening

- The process & required documentation for every bank is known at outset.
- The account opening forms are completed by the receiving bank on behalf of the customer.
- There is a process in place to deal with any blockages to account opening.

Hands-on adoption of new customers

- Dedicated staff at all banks to make and receive introductions.
- Introducing bank creates detailed profile of each customer and their business.
- Customer is promoted within the receiving bank's IBOS team.

Consistent process & service across a big area

- Familiarity of the IBOS banks with the processes, across multiple countries.
- STP payments with short turnaround.
- Large number of countries covered in depth.

Transparent & competitive pricing

- Explicit pricing provided by member banks for all services.
- No charge on inter-company credits.
- PGS pricing reduces price level.

Local and cross-border banking all under one roof

- Customers can deal with one bank per country.
- Knowledge of local market & practices.
- Banks work together-without overlay-to enable a regional cash management solution.

What benefits does IBOS bring to members?

Basis for a compelling proposition to customers

- Retention of existing customers with an ICM requirement.
- RFP questions can be answered, both for domestic & cross-border services.
- Contact network for responding in pre-sales phase & in-production.

Cost benefit to building own network

- No cost involved in creating new agreements as they are already in place.
- Low entry fee.
- No need to commit to volumes of business sent.

Wide reach via one set of agreements

- Access to the IBOS services in 28 countries via the IBOS agreements.
- Further reach through nominated affiliates of Member banks.
- Depth within each country.

Guaranteed Service Levels: high quality, commitment, issue resolution & redress

- A documented Guaranteed Level of Service is provided by all IBOS members.
- Dedicated multi-lingual teams in each bank to operate the service: banks always know who to call.
- Quality assurance and escalation procedures.

Why is IBOS different to competitors?

Other Banking Clubs (Tes/Unicash/Connector)

Top tier banks

- Strong market position in home country.
- All are commercial banks.
- Membership of all local clearing systems.

Formality & depth of structure

- IBOS has a clear framework & governance structure, which is supported by legal agreements.
- Member banks are represented on the IBOS Working Group Committees.
- Minimum of 10 Working Group meetings per year in total.

Central office, legal entity & permanent secretariat. Three ongoing workstreams versus one

- Permanent central office support & monitoring of processes & services.
- The three separate IBOS workstreams are run by committee, and are comprised of the IBOS member bank representatives.
- There is a commitment by members to dedicate resources to these workstreams.

Why is IBOS better than competitors?

Other Banking Clubs (Tes/Unicash/Connector)

Higher service level

- Short guaranteed timeframes for account openings & payments.
- Harmonised pricing & same-day value payments.
- DZero daily cash concentration.

More robust quality assurance

- Members have a legal commitment to provide the IBOS level of service.
- There is ongoing monitoring by the IBOS central office.
- Members have recourse via the IBOS Board of Directors.

Better cohesion

- The IBOS private extranet holds extensive information about IBOS member banks & countries, IBOS products, processes & pricing.
- There are designated IBOS contacts at each member bank.
- Regular Working Group meetings in each workstream – strategic, technical, business development.

Why is IBOS different to competitors?

Bilateral Arrangements

IBOS is a many-to-many model with a single protocol, rather than multiple one-to-one arrangements

- To obtain the IBOS Association Service Levels from IBOS members, a bank can sign up via one Accession Agreement to all existing agreements.
- Administration of the IBOS Service Levels requires changes to one set of documentation only.
- There is a guaranteed level of service for all IBOS services, across the IBOS Membership.

Harmonised terms

- One process & service level to open an account with any IBOS Bank.
- One pricing tariff for select services in key Euro countries.
- One Euro cash concentration product for multiple countries.

Focus is corporate customer, not the relationship between 2 banks

- IBOS products & related agreements have been designed to meet the needs of corporate customers.
- Pricing not dependent on interbank flows.
- No measurement of reciprocity, or revenue-sharing.

Why is IBOS better than competitors?

Bilateral Arrangements

Commitment to cooperation

- IBOS Association Members have agreed to cooperate with all member banks not just one.
- The IBOS Service Level is the same for all members.
- New banks can be introduced to the existing IBOS services relatively quickly.

Banks coordinate the full package: customer does not have to do it

- Customer can access full IBOS services via one member bank.
- Member banks co-ordinate all aspects & liaise with the receiving bank/s on behalf of the customer.
- Cuts implementation time.

DZero service

- Movement of full end-of-day available balance.
- Cut-off time independent.
- Results posted on today's statements.

Why is IBOS different to competitors?

Network Banks

Depth of in country network

- Full service branch network in the key countries of operation.
- Represented in key regional centres.
- Capabilities beyond payments (leasing, pensions, insurance).

Range of in-country services

- IBOS banks have ability to provide extended services in-country.
- Handling of paper instruments.
- Cash and ATM services.

Can support both customer service models, decentralised & centralised

- Branch-level RMs available.
- Central service in each country.
- Fully centralized model through Host Bank & IBOS Representatives.

Why is IBOS better than competitors?

Network Banks

Specialists in country of operation

- Branch network.
- Service range.
- Local relationship management.

Direct integration of retail with treasury solutions

- DZero & day-to-day operations occur at same bank.
- No need for overlay.
- IBOS cross-border solutions as good as Network Bank ones.

Every component has scale

- Banks rank in top 3 per country.
- Major local payments share.
- Balance by region & line of business.

IBOS Value Proposition



Argentina	Santander Argentina	Latvia	UniCredit Latvia
Austria	Bank Austria	Lithuania	UniCredit Lithuania
Belgium	KBC Bank NV	Mexico	Scotiabank Mexico
Brazil	Santander Brazil		Santander Mexico
Bulgaria	CI Bank	Netherlands	KBC Netherlands
Canada	Scotiabank	Norway	Nordea Bank Norge ASA
Caribbean	Scotiabank	Poland	Kredyt Bank SA
Chile	Santander Chile	Portugal	Banco Santander Totta
Colombia	Santander Colombia	Puerto Rico	Santander Puerto Rico
Czech Republic	CSOB Czech Republic	Romania	Unicredit Tiriatic Bank
Denmark	Nordea Bank Denmark A/S	Russia	CJSC UniCredit Bank
Estonia	UniCredit Estonia	Slovakia	CSOB Slovakia
Finland	Nordea Bank Finland plc	Slovenia	Banka Koper
France	HSBC France	Spain	Banco Santander
Germany	UniCredit Bank AG	Sweden	Nordea Bank AB (publ)
Hungary	K& H Bank	UK	Royal Bank of Scotland
Ireland	Ulster Bank	Uruguay	Santander Uruguay
Italy	Intesa SanPaolo	US	JPMorgan Chase Bank NA
	Unicredit S.p.A		Silicon Valley Bank
			US Bank NA

IBOS Value Proposition

