

Radically improving effectiveness in managing your global corporate payments



Effectively addressing your challenge of minimizing international corporate payment costs and risks

As a multinational corporate with subsidiaries at various jurisdictions supported by local banks, you face enormous supply chain costs of conducting your business internationally, especially due to cross-border payments, currency exchange (FX), volatility and risks, lending, and account maintenance. Our innovative service *SKYIHB™* helps mid-size companies to achieve **substantial savings on their banking costs** and provides better risk management.

BELPAY's solution: SKYIHB™ In-House Bank services

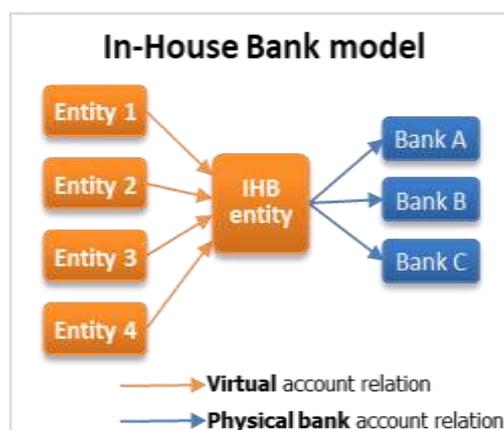
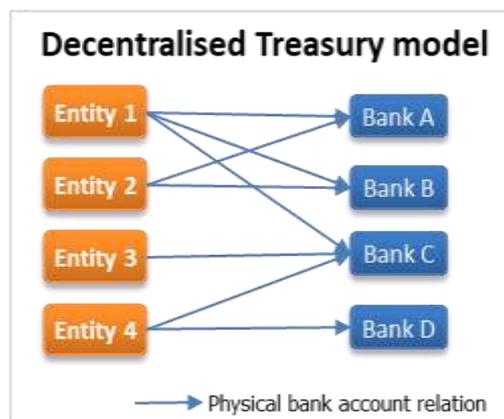
Concept of In-House Bank

The term *In-House Bank (IHB)* is used when a special corporate division provides complex financial services to the subsidiaries of the business group, such as cash management, payments and collections, FX, loans and deposits, factoring. All corporate subsidiaries get IHB managed virtual multi-currency accounts linked to the physical bank accounts owned by the IHB HQ.

Main benefits of an IHB

Improved liquidity management

- Liquidity of the business group is stored in a set of master accounts, in the currencies strategic to the overall corporate growth, thus eliminating exchange costs.
- Intercompany loans and other transactions eliminate banking and clearing fees, and avoid excessive payments in high-interest jurisdictions.





Payment optimisation and improved transactional cost

- Centralised corporate activities leading to improved payment processes
- Improving HQ's visibility of global controls, transactions, positions and forecasting
- Achieving reduced cross-border payment costs for your global supply chain
- Rationalising bank relations and accounts, thus reducing bank account maintenance costs
- Internal currency pools substantially reducing costs of currency payments and FX, and improving hedging
- Eliminating banking fees for intercompany transactions

Challenges of the IHB model

As IHB grows in support of corporate worldwide expansion, it might be compelled by financial authorities to obtain banking or payment licences and be regulated as a Financial Institution. New payment regulations are placing much compliance pressure on corporations that run IHB's to operate as transparently regulated financial entities.

Consequently, the huge upfront technology, human and regulatory investments might be attractive for top multinationals, but are not as cost effective for mid-size corporations.

SkyIHB™ offer

Our advanced In-House Bank services have been optimized to support multinational mid-size corporations, operating with numerous local subsidiaries, to achieve substantial savings on high costs of international payments, FX, short-term lending and hedging.

Your company could benefit from sophisticated IHB service without huge investments necessary to implement an IHB and the regulatory hassles of running it internally. As a part of IHB services, we could help you to optimize corporate payments and to substantially reduce your worldwide payment costs. We would also take full care of the complex regulatory, compliance, operational, human resources and IT issues for the specialised operations of the corporate IHB.

Our offer ensures cost-effectiveness of IHB services for selected corporations with revenues above \$10M that conduct business internationally. Such mid-size businesses and their supply chains are now able to compete with top multinational corporations, ensuring efficient and cost-effective international payment management.