

BANKNOTE PARTNERSHIPS FOR FINANCIAL INSTITUTIONS

Financial Institutions have many considerations when navigating the current environment for banknote operations. In this document we provide an overview of the trends in the market, challenges to overcome, and what a successful banknote partnership looks like.

THE GLOBAL BANKNOTES LANDSCAPE

Global De-risking

Large global financial institutions used to dominate the wholesale banknotes system. However, increasingly these institutions are de-risking their portfolios and exiting non-core markets or significantly downsizing their exposures.

Regulatory Pressures

Regulators are bringing to bear additional scrutiny and reporting requirements on financial institutions around the globe. These requirements often result in increased reporting and a renewed focus on reputational risk.

Logistics Management

Supply chain issues originating from the global pandemic are still being resolved and successful global shipping operations require superior logistics management and relationships with the best-in-class vendors.



RISKS & CHALLENGES FOR FINANCIAL INSTITUTIONS

Vendor Concentration Risk

The pandemic's impact on global logistics and the shift towards on-shoring and near-shoring has led to a focus on core markets, causing Wholesale Banknote Suppliers to exit traditional markets. Financial institutions should consider onboarding backup vendors for wholesale banknote transactions to maintain uninterrupted banknote flow and mitigate liquidity issues from single vendor non-performance.



Reputational Risk

Partnering with Wholesale Banknotes Suppliers who uphold the highest standards in compliance, governance, and risk management is crucial to protect financial institutions from the reputational risks associated with financial scandals in their networks.



Operational Risk

Effective wholesale banknotes management necessitates partnering with leading Cash-In-Transit (CIT) providers with global reach. Choose a partner experienced in global operations and with extensive CIT relationships to meet your logistical needs.

A BANKNOTES PROVIDER TO TRUST

Exchange Bank of Canada (EBC) can offer you the solution to the challenges financial institutions face in today's environment:

Compliance & Governance

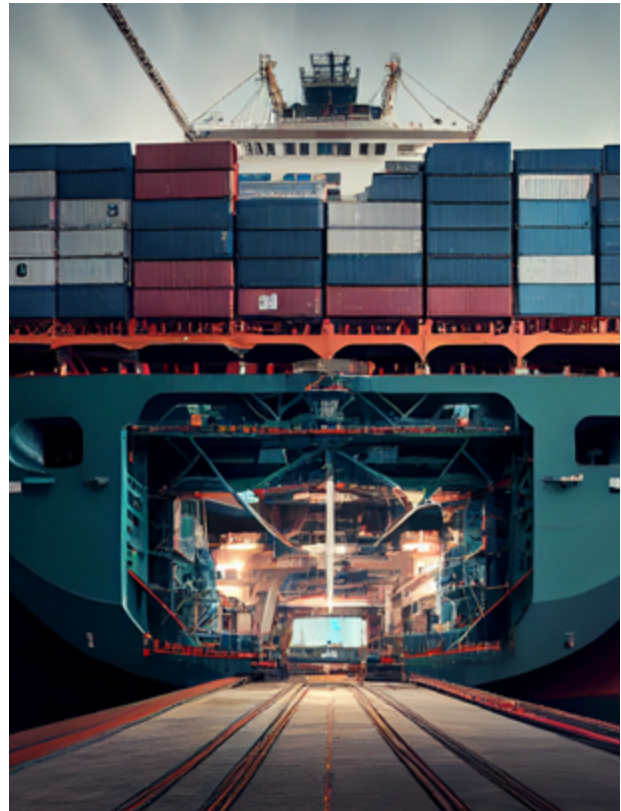
EBC is a Canadian Schedule 1 Bank regulated by the Office of the Superintendent of Financial Institutions (OSFI), a globally recognized leading banking regulator. We maintain strong compliance management and governance programs overseen by our independent Board of Directors comprised of many banking and payments industry veterans. We are proud of our compliance regime and will readily share details with FI partners.

Primary or Secondary Vendor

EBC serves many financial institutions across North America, Europe, Latin America, and Asia as a primary or secondary Wholesale Banknotes Supplier. We help FIs reduce their vendor concentration risk and ensure business continuity in their banknote operations. Many relationships have moved EBC from secondary to primary vendor position due to our superior service and delivery.

Superior Logistics Management

EBC partners with the best Cash-In-Transit providers: IBI, Brinks, Loomis, and more. We are confident that whatever your logistical needs are for shipping banknotes, we've got you covered. Please contact us at your convenience for an updated list of CIT partners.



CHOOSE EBC

EBC is a global wholesale supplier of banknotes specializing in North American currencies, offering:

Direct Access to the Fed

EBC is one of two banks domiciled outside of the United States participating in the FRBNY's prestigious Foreign Bank International Cash Services (FBICS) program. This allows EBC clients to access:

- Same day placement of orders for USD banknotes from the FRBNY and other Federal Reserve banks
- Expedited processing of large denomination USD banknotes deposited with the FRBNY
- Having USD currency orders fulfilled solely with new USD banknotes (as opposed to previously circulated banknotes)

Strategically located processing centers

New York	Toronto
Los Angeles	Montreal
Miami	

Excellent Client Service

Supported by an 85 NPS score with dedicated support purely for Banknote relationships.

Our staff can interact via phone, email, Reuters' messaging service, and SWIFT.

LET'S CONNECT

General Inquiries **1-888-223-3934**

Corporate FX Trading Desk - Toronto
1-888-729-9716

Corporate FX Trading Desk - Montréal
1-888-336-2744

