



Efficiency.

International Payment Account (IPA)

Helping Industries Worldwide with Cross-Border Payments

Collection of Industry Case Studies



Make and Receive Payments Globally Using a Single Account

Globalization has resulted in companies being able to expand their activities in the international marketplace. **Citi's International Payment Account (IPA)** is a comprehensive packaged solution that supports your company's international expansion.

IPA is an account-based solution consisting of domestic and cross-border payment capabilities and enables you to make multiple currency payments from your account domiciled in New York or London. IPA offers account services, receivables, payables and liquidity and investment options with state-of-the-art electronic banking functions.

To make it even more convenient, you may use the account to receive payments from anywhere in the world. Let Citi help you reduce the time and effort spent managing your cash flows and mitigate foreign exchange rate risk.

IPA is used in numerous industries and across many regions

A few example industries and regions

- Mining in Southern Africa
- Oil Development in Central Asia
- Fishing in South America
- Heavy Equipment Leasing in Australia
- Financial Services in Europe
- Airline in South Asia

Benefits to you

- Streamline domestic and cross-border payments
- Reduce maintenance and reconciliation processes
- Take advantage of optimal liquidity tools
- Benefit from multiple payment and delivery options
- Access accurate, timely information online at any time
- Minimize risk and limit exposure

Mining in South Africa

Using IPA flexibility to empower regional payment operations

The Challenge: maximize cash flows and liquidity

A mining company based in Southern Africa, operating in ten countries across four continents, grew exponentially through organic expansion, targeted acquisitions and integrations. To support this growth, the company needed to change the way it was performing its cash management activities, especially its payments and collections activities, to maximize its cash flows and liquidity.

The company's headquarters had a centralized process that managed all the financial needs of the operating units. As the company grew bigger and more complex, this process became inefficient and resulted in higher costs. A decentralized process was put in place enabling each operating unit to manage their cross-border flows, while headquarters maintained the ability to make policy decisions and provide additional supervision.

The mining company had the following requirements:

- Provide regional offices with a robust and integrated tool to make cross-border payments, transact FX and manage liquidity
- Gain transaction and pricing transparency through decentralization

- Streamline efficiencies by rationalizing the number of accounts
- Offer a range of low-cost payment options (such as ACH/GIRO and online checking)
- Simplify reconciliation while improving security and audit controls

The Solution: IPA accounts in New York and London linked to WorldLink® Payment Services and accessed via CitiDirect® Online Banking

Citi, relying on its seasoned relationship with the mining industry, its innovative products and people and its unsurpassed breadth of coverage, provided a suite of customized solutions to the mining company.

Citi offered the company a comprehensive account-based solution, opening USD IPA accounts in the U.S. and EUR IPA accounts in London. The company now uses these accounts for collections and to make payments all over the world via a fund transfer, ACH/GIRO payment or paper.



By linking WorldLink Payment Services to their USD and EUR IPA accounts, we helped the client streamline their payments and receivables processes by enabling them to make international payments in more than 30 different currencies and in more than 100 countries. Additionally, the company saved significantly in FX costs by realizing their collections/inflows faster and making payments in the same currency.

The client is now able to execute all their transactions and generate customized reports through CitiDirect Online Banking, our award-winning, Web-based global transaction and information delivery application. Through CitiDirect, every operating unit can initiate local and cross-border payments, FX and liquidity investments. In addition, by using CitiDirect, the company's headquarters gained better visibility and tighter control over the cash management functions in the regional offices.

Oil Development in Central Asia

Remotely located offices make local and cross-border payments and purchase foreign currency

The Challenge: a single solution for local and cross-border payments and purchasing foreign currency that integrates with the client's SAP ERP

Headquartered in Central Asia, this company is a joint venture owned by two world-class oil companies. As a newly formed venture, the company's mission is to develop deep-water oil wells in Central Asia. The company approached Citi looking for a solution that highlighted transparency, control and efficiency.

The oil development company had the following requirements:

- Provide a convenient, single solution for global and local payments and receivables (USD and EUR)
- Enable treasurers in remotely located offices in Central Asia to make local and cross-border payments and purchase foreign currency
- Provide the firm's Western European headquarters with the reports they needed while establishing risk controls for payments
- Integrate payment centralization and reconciliation with the company's SAP ERP

The Solution: IPA accounts accessed through CitiDirect Online Banking with WorldLink Payment Services

Citi presented the oil development company with a comprehensive solution by setting up EUR and USD IPA accounts where treasury could access CitiDirect Online Banking and WorldLink Payment Services. This allows the client to collect payments in USD and then send EUR to suppliers using a transparent FX platform. In addition, CitiDirect provides decentralized processing with centralized support and monitoring. The online solution is integrated with the firm's ERP system through automated file import/export and a customized reconciliation process. In addition, the company takes advantage of online tiered FX rates and transacts large deals directly with traders.

Agricultural Exporter in South America

Robust solution for complex business needs

The Challenge: total control over collections, payments and FX transactions, maximizing balances and liquidity in the currency of preference

A client based in South America is an exporter of agricultural products. The challenge involved setting up a cash management model that could support their complex business needs. The company's receivables are mainly from the United States, Japan and Western Europe and largely in USD, EUR and yen. Concurrently, their payments are mostly in local currency paid to offshore suppliers of machinery in USD and EUR. Additionally, the company was looking for ways to put their large cash balances to work.

The agricultural exporter company had the following requirements:

- Implement a robust and integrated solution enabling the company to make cross-border payments to suppliers in the United States, Western Europe and Israel
- Reduce costs by aggregating USD, EUR and YEN receivables
- Pay locally for labor and raw materials using check-based payments in local currencies
- Support centralization and reconciliation with the firm's Oracle ERP system
- Have liquidity investment options for their USD and EUR balances

The Solution: IPA accounts in New York and London linked to WorldLink Payment Services and accessed via CitiDirect Online Banking

Citi offered the company a comprehensive solution that included establishing separate IPA accounts in the United States and London, and in-country accounts for their cross-border payments and collections needs. Citi provided the company with WorldLink Payment Services, which allows them to make payments in more than 100 countries without the need for a local account. To manage all the information, every operation within the company is channeled through Citi's award-winning Web-based electronic platform, CitiDirect Online Banking.

The client now has total control over their collections, payments and FX transactions, maximizing balances and liquidity in the currency of preference. Additionally, it has a fully automated reconciliation process with their ERP.

Heavy Equipment Leasing in Australia

Single point of access to multiple payment types, FX operations, liquidity alternatives and reporting tools

The Challenge: expanding their cash management operations while maintaining transparency and efficiency

Headquartered in Australia, this heavy equipment leasing company is engaged in business around the world with its main markets in Australia, Western Europe and the United States. As their business grew, the company decided to expand their operations into emerging markets, such as Southeast Asia. The company was looking for a cash management solution that would allow them to increase the complexity of their operations by including many currencies, payment methods and liquidity alternatives while maintaining transparency and efficiency.

The heavy equipment leasing company had the following requirements:

- A single point of access to multiple payment types, FX operations, liquidity alternatives and reporting tools
- Ability to pay salaries/wages and suppliers, in up to ten countries and in seven different currencies, using a single USD or EUR account and multiple payment methods (ACH and remote checks)
- Seamlessly integrate the company's ERP system to Citi's systems for automated usage, easy control and reporting

The Solution: USD IPA accounts in New York and London instead of multiple local accounts

Citi was a perfect fit for the client's needs, as we offered them USD IPA accounts in New York and London. Through these accounts, the company is able to concentrate collection funds, make local and cross-border payments in different currencies and invest excess cash in liquidity options. This solution allows the company to reduce the number of local accounts it needs to open in each new country/market and have better control of foreign exchange prices, as our system allows them to aggregate foreign exchange purchases from the different operating units.

Airline in South Asia

Manage multiple payment functions using one online platform

The Challenge: maximize payment and FX capabilities using centralized control

Headquartered in South Asia, this company is a major international long-distance airline with operations all over the world. With operating units in many countries and cities, the airline's objective was to maximize payment and FX capabilities using centralized control and to minimize manual reconciliation processes.

The airline company had the following requirements:

- Establish a concentrated Bank Account Structure that automates cash flow between all accounts and reduces account complexity
- Maximize use of funds and put the company's idle balances to work
- Centralize treasury operations into a single treasury center at headquarters



- Limit risk exposure by concentrating funds with a global partner bank
- Implement an Internet-based electronic banking system to interface with the company's Treasury Management system
- Streamline all payment and collection processes by rationalizing the way the company managed their cash to pay for gasoline, payroll and airport fees

The Solution: WorldLink Payment Services and USD and EUR IPA accounts enable them to implement standard banking procedures throughout their company

Citi provided the client with a solution in which the company has centralized collection accounts in the United States and London, and has in-country accounts for payments denominated in other currencies.

By using WorldLink Payment Services and USD and EUR IPA accounts, or local accounts as funding accounts, the company is able to make non-account-based local currency payments to suppliers in more than 100 countries and in more than 30

local currencies. They can pay for gasoline, personnel and airport fees on a consolidated basis, taking advantage of the best method and currency for payment (such as wire versus ACH or payment in local currency versus payment in USD or EUR). The result is a simpler and more streamlined offshore payments solution funded by their local cash accounts or USD or EUR IPA accounts, depending on the client's needs.

Additionally, all of the client's transactions are administered through a single and global electronic banking platform, CitiDirect Online Banking. Their transactions can be administered centrally while at the same time provide full functionality locally. This solution allows full integration with the company's ERP system to automate upload of data and reconciliation.

Learn More

Backed by the Global Reach of Citi

The Citi International Payments Account is backed by an unmatched global network and suite of products designed to help you better manage accounts and information, as well as gain more control over your domestic and cross-border transactions. With an on-the-ground presence in over 102 countries with local currency clearing in over 70 countries, Citi is one of the major players in the global foreign currency market—and the financial partner of choice for hundreds of businesses around the world.

For more information about the Citi International Payments Account, contact your Citi representative.

Citi Transaction Services

Citi Transaction Services is a leading provider of integrated cash management, trade finance and securities services for corporations, financial institutions, intermediaries and governments around the world. Citi's award-winning operating systems and Internet-based delivery channels enable clients to manage and monitor working capital and investments more efficiently, streamline transaction processing cycles and re-engineer receivables and payment processes.

Citi Transaction Services provides clients with access to Citi's full range of capabilities and solutions along with an on-the-ground presence and in-depth knowledge of more than 90 local markets.

For additional information go to www.transactionservices.citigroup.com.

Citi Transaction Services
www.transactionservices.citi.com

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