

Corporate POOLING.SERVICE

What is Corporate POOLING.SERVICE?

Does your group of companies maintain numerous accounts for group companies that show liquidity peaks at different points in time according to the course of business? Do you want to optimize both group liquidity and net interest income in your corporate group?

Then Erste Group's **Corporate POOLING.SERVICES** is the right solutions for you!

Erste Group's Corporate POOLING.SERVICES not only provides you with an up-to-date overview of your entire group liquidity, but also optimizes it with the help of the right cash pooling solution for your corporate group - locally and internationally.

Optimization
of group
liquidity and
interest result

Benefits

Ensuring that your **cash resources are being used efficiently** is a complex undertaking. With Erste Group's Cash Pooling products you will gain a truly coherent and up-to-date view of all cash positions in your company.

The **overview of the liquidity** situation is an important prerequisite for any further optimization of account balances, interest payments and the avoidance of borrowing additional funds. In this regard, Erste Group's **Corporate POOLING.SERVICES** support you regardless of which cash pooling solution you choose.

Corporate POOLING.SERVICES

Corporate NOTIONAL.POOLING provides a flexible way to benefit from a cash pooling service without effective movements of funds among participating accounts. Erste Group recalculates credit and debit interest for your group of companies, based on the notional balance across the accounts.

Corporate EFFECTIVE.POOLING ensures all accounts are swept into one master account every day. In this way, the credit and debit balances offset each other, thereby avoiding unnecessary debit interest. Also, all cash is concentrated in one place, which facilitates efficient treasury operations.

Corporate INTERNATIONAL.POOLING – Cash pooling is possible even if more than one country or more than one currency are involved.

No matter which scenario you prefer – Erste Group's corporate POOLING.SERVICES support your Corporate cash management strategy perfectly.

Functionality

Corporate NOTIONAL.POOLING

Imagine your company holds a number of accounts. Some of them show a credit balance, others show a debit balance. With Corporate NOTIONAL.POOLING the actual funds are not physically transferred to one master account, but fictively offset to optimize your overall interest result.

If you want to improve your company's position with regard to interest paid/earned, Corporate NOTIONAL POOLING provides a flexible way of exploiting the benefits of cash pooling without requiring the physical transfer funds between accounts.

- Optimization of interest results
- Cash remains in the participating account, thereby supporting a decentralized organization
- Optional combination with Corporate CASH.VIEW for analysis and calculation of intercompany interest calculation

Corporate EFFECTIVE.POOLING

Corporate EFFECTIVE.POOLING or Zero Balancing is the most traditional method of liquidity pooling. Both credit and debit balances are balanced against a defined pooling master account. The accounts participating in the pooling are balanced to zero on a daily basis, and interest is only calculated on the main account.

Additional parameters, such as target balances on included pooling sub-accounts or amount limits for balancing transfers, enable an individual, customized pooling solution for your group of companies.

- Optimization of the consolidated interest result
- Effective balance concentration on a defined pooling master account
- Optimizing liquidity management and financial control
- Freely selectable pooling parameters (e.g. target balances or settlement transfers)
- Optional combination with Corporate CASH.VIEW for analysis and calculation of intercompany interest calculation. We would like to point out that effective cash pooling can have legal and tax implications and recommend appropriate advice from your legal advisor or auditor before implementation.

Corporate INTERNATIONAL.POOLING

Erste Group's Corporate POOLING.SERVICES also offer suitable cross border solutions:

Cross Border Target Balancing enables the integration of accounts held at Erste Group banks in Central and Eastern Europe or at third-party banks into an effective pooling solution. The bank to be included reports the account balances daily to Erste Group's pooling engine on the basis of SWIFT MT940/942. The engine automatically balances local debit balances against the defined pooling master account or initiates corresponding transfers of credit balances from the integrated pooling sub-account to the pooling master.

Cross Border Zero Balancing also enables the inclusion of accounts held at Erste Group Banking in Central and Eastern Europe. In contrast to Cross Border Target Balancing, the pooling process is technically mapped via nostro accounts of the Erste Group Bank to be included, which allows for a value-optimized pooling process. Cross Border Target Balancing and Zero Balancing - the advantages at a glance:

- Optimization of interest results
- Integration of accounts abroad into an effective pooling solution
- Actual concentration of the company's liquidity for treasury purposes across several countries
- Optional combination with Corporate CASH.VIEW for analysis and calculation of intercompany interest calculation



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