

# Multi-Currency Settlement Service

Leveraging the benefits of the existing EUR and USD suite of Settlement Services, Eurogiro is pleased to introduce our new Multi-Currency Settlement Service (MCSSP), an innovative option to easily settle payments through the Eurogiro network in a wide range of currencies.

## Key Features and Benefits:

- Through the use of integrated foreign exchange capabilities, Eurogiro Members can make payments from up to 40 funding currencies to receiving Eurogiro Members in their local currency
- MCSSP is easy to implement. It does not require the sender or receiver to open new accounts to utilize the service. Instead, existing account relationships can be used including ESSP and USSP accounts.
- Multi-Currency Settlement Service provider (MCSSP) delivers rate transparency using 24 hour guaranteed fixed rates. These rates are delivered via email in your time zone and permit you to communicate the exact values of the debited amount and the received amount in foreign currency to your customers.
- Internet access to the tools you need. Access full account and trade information, manage investigations with an online inquiry capability and support your operations through a helpful Currency Guide which provides information on cut off times, currency restrictions and formatting requirements.
- Use one bi-lateral legal agreement with the MCSSP regardless of how many Eurogiro Members you connect to.
- Take advantage of a highly regarded implementation consultancy. Every MCSSP set-up receives a dedicated implementation project manager to ensure a smooth transition.
- Members gain the potential for new revenue opportunity by adding a mark-up to the core daily rate, benefitting from competitive daily FX-rates provided by the MCSSP.

The USSP has been selected under the supervision of the Eurogiro Board and Eurogiro recommends to its Members to make use of the opportunities provided by this service. Deutsche Bank has been approved as provider of the Multi-Currency Settlement Service for Eurogiro Members.

## How MCSSP Can Work for Your Organization

### Situation and Requirement:

- A Eurogiro Member for instance based in Europe (Member A) wishes to send payments in receiving country's currency to a Receiving Eurogiro Member located in Asia (Member B).
- Neither the sender nor the receiver wish to open a local currency account with the MCSSP.
- Instead, the sender wishes to fund these payments from their existing ESSP account with Deutsche Post Bank.

How to achieve this through MCSSP?

### Solution Using MCSSP Solution:

- At the start of day, MCSSP sends a daily rate sheet to Member A via email. This rate sheet provides a fixed, guaranteed 24 hour rate for the currency pairs for which the member is registered. In this case, the sell currency will be in EUR.
- Member A submits MT103-nn payment instructions via Eurogiro for Member B in the local Asian currency. They also send the MCSSP an MT202 settlement instruction.
- MCSSP determines the equivalent currency amount in EUR which Member A funds to the MCSSP from their account with the ESSP.
- MCSSP will deliver local currency MT202 funding to the Receiving Member B through their preferred correspondent.
- Optionally, the Receiving Eurogiro Member can also register for a 910-30 settlement notification. This notification will advise that funds have been released by the MCSSP. *(Note: this is not a credit advice).*

### Highlighted Benefits:

- Competitive and Transparent rates
- Enables additional currencies without the need to maintain additional accounts
- Lowers the cost of making cross-currency payments
- Provides potential new FX revenue opportunity

### Differences in Multi-Currency vs. EUR/USD Settlement Service

- ESSP and USSP both require sending and receiving member to maintain an account in their respective settlement currency to support transaction advising, investigations and reference handling.
- With the MCSSP there is no need to establish specific accounts for using the MCSSP. E.g. existing accounts with ESSP/USSP may be used.

