

Cash Management Services in Germany



Since 1985, Danske Bank has been represented in Germany. Out of our branch in Hamburg we offer a full range of products, including trade finance to international companies operating in Germany.

With our in-house settlement of domestic and international payments as well as on-line integration with the bank's central IT platform in Copenhagen, Hamburg Branch offers flexible and sophisticated cash management solutions to our corporate customers.

Currency:	EUR
Time zone:	GMT + 1
Central bank:	Deutsche Bundesbank
SWIFT BIC	DABADEHH

Danske Bank ratings:	Moody's	S&P
Short-term:	P-1	A-1
Long-term:	A2	A

Clearing and local market conditions

Foreign exchange regulations

None in force; distinction between residents and non-residents for central bank reporting purposes.

Clearings systems

Participation in all principal clearing systems run by the German central bank:

- TARGET2 for urgent and high value domestic and cross-border payments in EUR
- RPS: Electronic clearing system for low value bulk payments, direct debits, and paperless cheque collection (BSE) or collection of cheques > EUR 6,000 (GSE)
- SEPA – Single Euro Payments Area. Danske Bank Hamburg is able to effect and receive SEPA credit transfer and SEPA Direct debits

Payment instruments

- Credit transfer is the most common mean of payment transmitted to the bank via electronic banking systems.
- Cheques: Volume continues to decline, and are rarely used for business-to-business payments.
- Direct debits are widely used and make up nearly 50% of all non-cash payment transactions in Germany. Two types exist; preauthorised and non-preauthorised by the payer.

Cards

A variety of cards with debit, credit, cash and e-functions are increasingly popular.

Cash cards enjoy widespread acceptance. International credit cards are accepted, but are not as common in Germany as in other European countries.

Electronic Banking

Germany has a long tradition within electronic banking as the entire banking industry builds on MultiCash, a bank independent platform.

The system provides multi-bank access and supports multi-bank formats. MultiCash is offered as both a PC-based system and as a web-based system. It is also offered and supported under own-brand names such as db direct^{MC}, COTEL or DreCash.

Web-based solutions are becoming more advanced and include payment transactions, account information, inter-company netting solutions, FX dealings and information etc.

Restrictions

There are no restrictions or limitations in connection with central bank reporting, neither for local payments in foreign currency nor for foreign payments in general.

Residents are required to report most payment transactions with non-residents exceeding the amount of EUR 50.000. This includes payments for credits or deposits with a maturity of more than 12 months.

Taxation

The aggregate corporate tax is around 30%. A company is considered resident and thus fully liable to tax in Germany if it has its statutory seat or place of management in Germany. Resident companies are subject to tax on their worldwide income whereas foreign companies are liable to tax on German-sourced income only. For further details, please consult a local tax advisor or auditor.

Cash Management Products and services of Danske Bank

Accounts

Resident and non-resident accounts in EUR and foreign currency. Account opening forms available in German and English.

Domestic payments

Danske Bank is fully integrated with and has direct access to the German clearing systems.

Foreign payments

No restrictions.

Liquidity management

Danske Bank offers several flexible liquidity management solutions to help you streamline your daily cash flows. We offer both domestic and cross-border cash pool.

- Real-time zero balancing services in the Nordic countries, Germany, Poland, Ireland and the United Kingdom including Northern Ireland. International cash sweeping is subject to restrictions concerning the status of the beneficial owner.
- Domestic zero balancing (per transaction) cash pools in all major currencies. Resident and non-resident accounts may be included and no central bank reporting is required.

- International multi-currency interest netting system (interest enhancement) in all major currencies across Danske Bank's northern European branch network, Germany, Ireland and the United Kingdom including Northern Ireland.

Electronic banking

Danske Bank Hamburg offers two solutions of electronic banking.

MultiCash is the dominating electronic banking system used in Germany. Due to its high compatibility, companies working with more than one bank usually only require this system to handle all their bank accounts. MultiCash enables you to initiate domestic and foreign payment orders and retrieve account information for domestic accounts.

Danske Bank's online banking system - Business Online is a web-based system, which provides rapid access for setting up payments, viewing account information and authorising several payments at once.

All information is in real time, so you can always stay informed of your company's current liquidity situation.

Business Online consists of various modules you can choose from according to your needs. The cash management modules, which are available for Denmark, Sweden, Norway, Finland, Germany, United Kingdom incl. Northern Ireland and Ireland, enable you to make local payments in each country.

Business Online also supports online collection, via local Direct Debit schemes, or electronic and paper based invoicing.

Data can also be integrated in the company's accounting system or communication can be set-up directly from your own system to Danske Bank's EDI Gateway. Danske Bank Group supports a various number of local file formats, EDIFact and ISO 20022 XML.

Links to other banks

Reporting via MT940 and MT942 statements, if required. Danske Bank can also report via EDIFACT (DEBMUL, CREMUL or FINSTA).

Further information

If you require more information about Cash Management in Germany, please visit our Website www.danskebank.de.