National Chemical Credit Association
Houston, TX
November 20, 2025

Blades International, Inc.

FX Pricing Efficiency, Integrity, and Innovations!

CURRENT EVENTS IN PRICING TRANSPARENCY & INTEGRITY

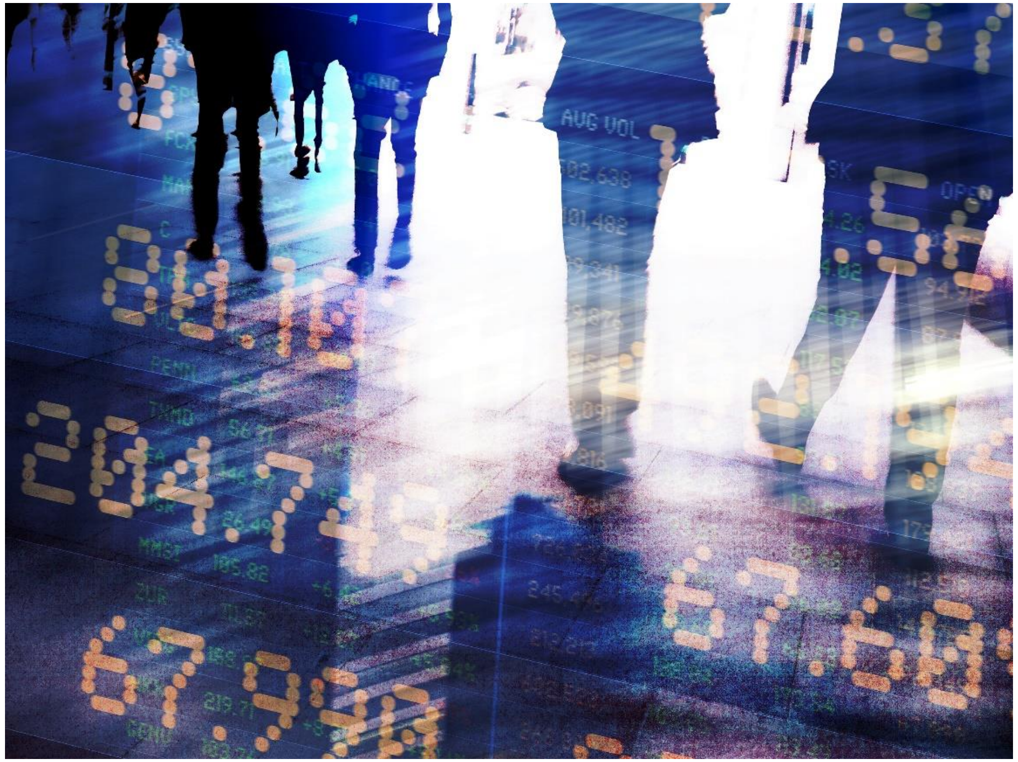
- **Real Page.** Justice Department Sues RealPage for Algorithmic Pricing Scheme Harming Apartment Renters.

- **Mark Cuban Cost Plus Drugs.** Pricing Medicine Direct to the Consumer at 15% Markups.

- **Visa Sued for Monopoly.** Department of Justice sues Visa, Alleges the Card Issuer Monopolizes the Debit Card Market.

- **Real Estate Brokers Commission Structure.** Large Antitrust Settlement due to anticompetitive practices to pay inflated rates.

- **Robinhood Brokerage.** Robinhood is Free! But, How Wide Are the Spreads? Free Trading Isn't Really Free. Robinhood Gets Payments for Order Flow.



FX PROVIDERS ARE OFTEN OVERCHARGING CUSTOMERS

Dealers systematically and consistently overcharge clients who don't have currency trading expertise…

Harald Hau,
University of Geneva
School of Economics

Rates can be 25 times higher [for smaller corporate clients] than for bigger, more sophisticated customers.

Eva Szalay,
Financial Times

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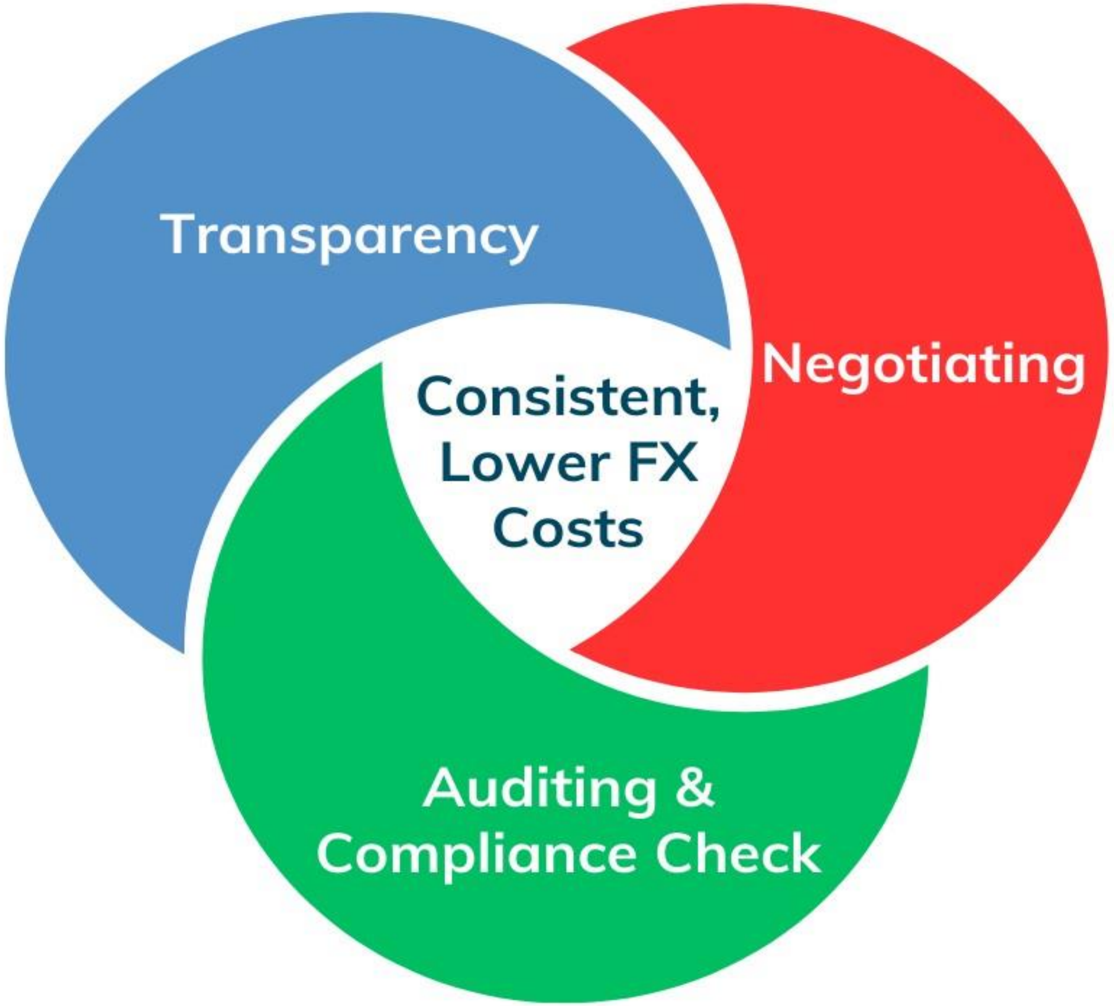
TREASURY PROFESSIONALS DISCUSS GETTING THE BEST RATES ON FX

The AFP APAC Treasury Advisory Council shares FX Best Practices, as written by the AFP staff in an October 2022 Article

1. **Have predetermined pricing for select currencies** and **"thresholds"**
2. **Utilize a transparent third-party reference tool**
3. **Timestamp each trade**
4. **Reconcile pricing**
5. **Conduct a relationship review**
6. **Review your process**

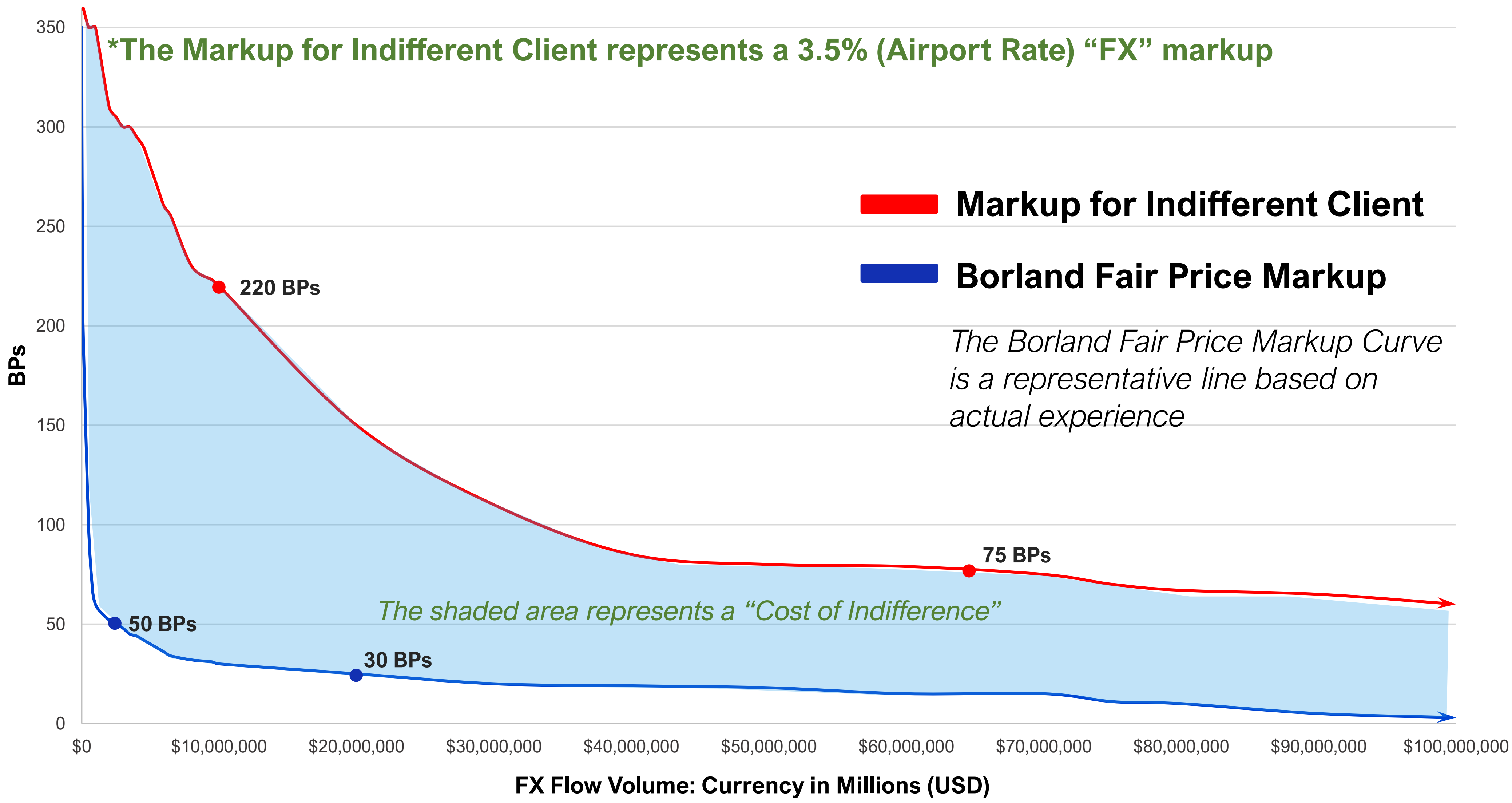
FX PRICING BEST PRACTICES



TRANSPARENCY

- "Back Test" and "Benchmark" your historic FX trades for true cost.
- Understand what you have paid relative to market costs.
- With FX data you can see if you deserve an FX pricing improvement.
- A key is accurate time stamps, which banks need to provide.

TRANSPARENCY: THE BORLAND CURVE



BORLAND CURVE AXIOMS

1. Size & Trade Number

2. Currency

3. Credit Issues

4. Operations

5. Off Hours Trading

6. Trade Methods

7. Relationship Issues

8. Competitive Bid Issues

TRANSPARENCY: THE IMPORTANCE OF TIMESTAMPS

TimeStamp

SAMPLE

Deal Date	Pay CCY	Bank Sell (Client Buy)	Recv CCY	Bank Buy (Client Sell)	All In Spot Rate
Mar 13, 2012 10:51 AM	GBP	2,635.20	USD	4,160.82	1.578900000
Mar 21, 2012 11:01 AM	GBP	17,078.39	USD	27,147.52	1.589600000
Mar 28, 2012 3:36 PM	EUR	918.00	USD	1,226.65	1.336200000
Jan 6, 2012 12:40 PM	JPY	1,635,200.00	USD	21,287.68	76.820000000
Apr 23, 2012 9:21 AM	MXN	658,863.90	USD	50,000.00	13.180700000
Apr 13, 2012 10:04 AM	GBP	350.00	USD	557.70	1.593400000
Jun 1, 2012 11:15 AM	EUR	475.00	USD	591.53	1.245300000
Jun 7, 2012 3:17 PM	EUR	1,304.00	USD	1,643.92	1.260700000
Jan 9, 2012 5:48 PM	MXN	2,600.00	USD	190.53	13.648400000

Time Stamp Sample data from a client's internet banking system.

08/04/2015 11:49:54 AM CDT

FX Payments - Foreign Exchange Contract Reference

Status: Confirm Completed **Ticket Number:** **Contract #:**

Deal Date: June 19, 2015 **Deal Time:** 09:27:33 AM CDT **Deal Type:** Priced Payment

Acronym:
Alias:
Name:
Value Date: June 19, 2015

	Currency	Amount
Sell (Client Buy):	EUR	155.00
Buy (Client Sell):	USD	176.72

Price: 1.1401270000

Pays EUR **Balance:** 0.00
JPM Pays: 155.00 Type: SWIFT Settlement #: S0000000
Swift Reference ID:

One page confirm of trades.

NEGOTIATING

- Back Testing and Data Analytics Are Keys to Being Prepared.
- Negotiate a Fair Markup Agreement as FX Flows are Valuable to Banks.
- Get Your New FX Markup Agreement in Writing.

NEGOTIATING: FX WRITTEN AGREEMENTS

With FX data, clients are confident to broach better FX arrangements in writing.

Suggestions for FX Agreements:

- Pre-agreed FX spreads
- Outline the payment channels, locations, and subsidiaries
- Spread over the interbank mid-market rate to calculate true cost
- Require FX provider to advise if they will have variances to the agreement

AUDITING & CHECK FOR COMPLIANCE

- Checks for Compliance to Maintain Rate Integrity by Monitoring New FX Arrangements.
- Regular **Foreign Exchange Rate Integrity®** reviews will highlight when a Bank or Fintech FX provider makes a mistake.
- Banks should be diplomatically confronted with the FX trading data if there are variances.
- Significant mistakes can warrant a refund.

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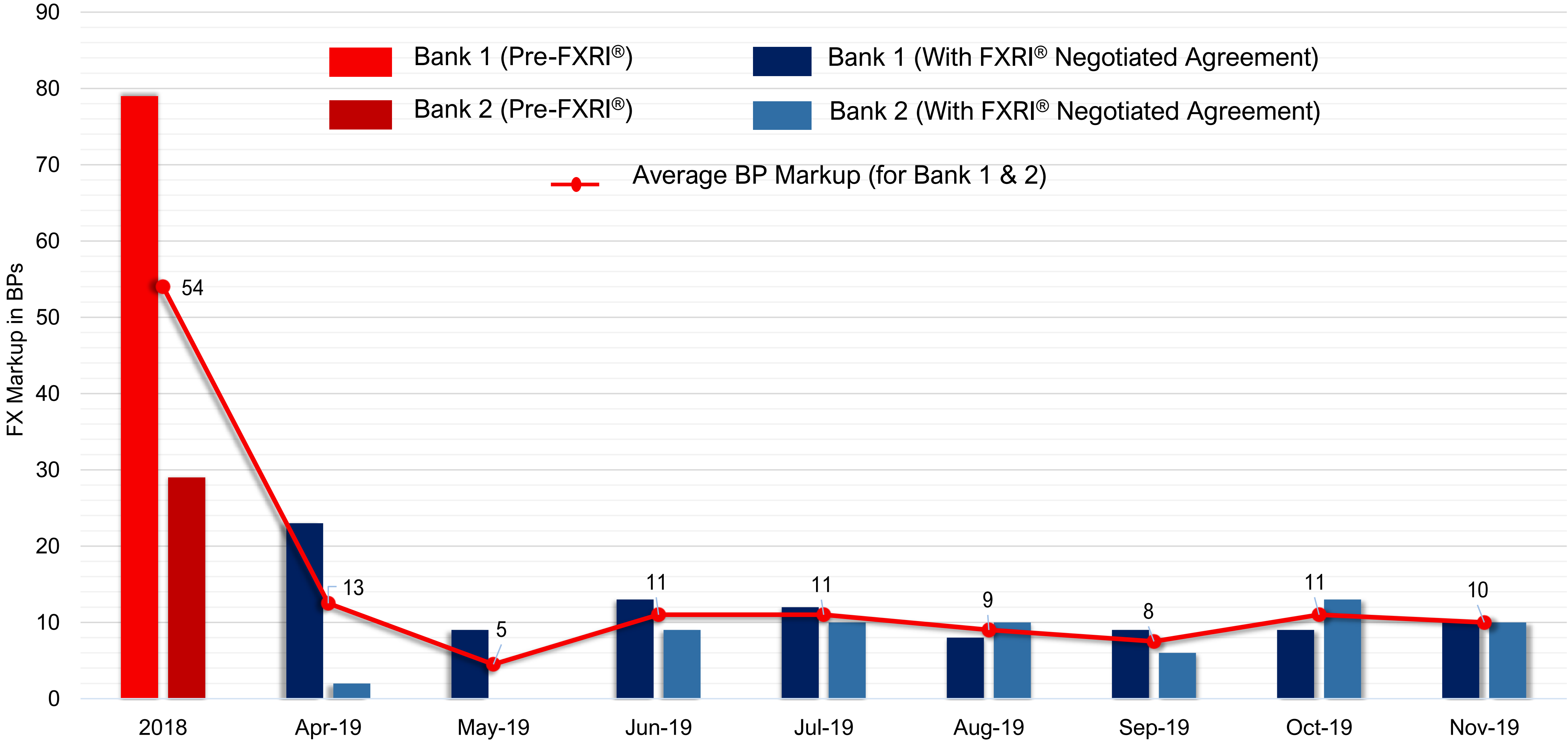
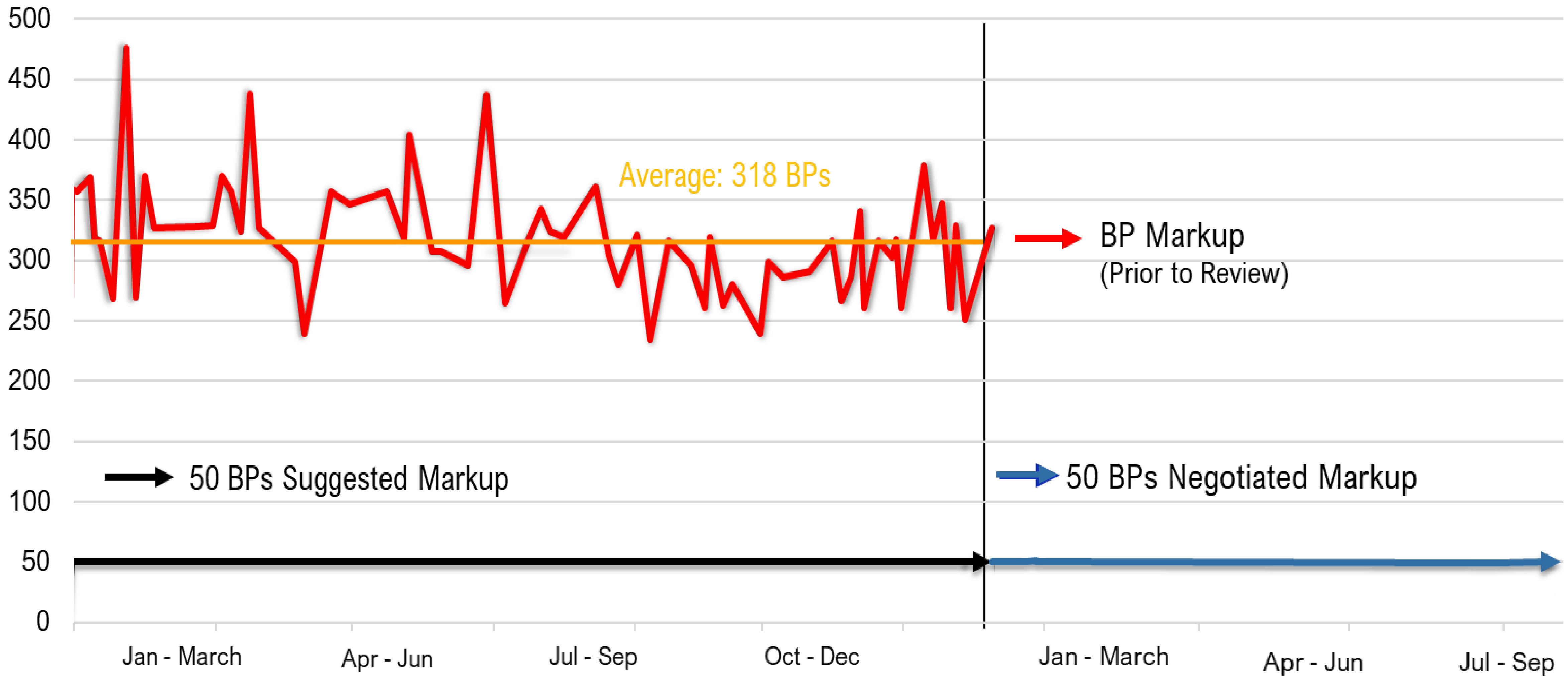
CASE STUDIES

CASE STUDY 1 – GLOBAL ENGINEERING



CASE STUDY 2 – TRANSPORTATION COMPANY (MIDDLE MARKET)



Prior to a **Foreign Exchange Rate Integrity®** Review

After a **Foreign Exchange Rate Integrity®** Review

CASE STUDY 3 – GLOBAL CHEMICAL (95% SAVE)

IN CONCLUSION…

We see FX Markups going lower, influenced by the following factors.

1. **Competition for FX Flows**

2. **Advances in Technology, Artificial Intelligence and Data Analytics**

3. **Innovations in Pricing such as Pre-Agreed Spreads, Integrity, and Compliance.**

If you are involved in FX,
we believe you are wise to pursue
FX Rate Integrity®

Blades International, Inc
2425 Fountain View, Dr.
Houston, TX 77056
(713) 977-7400

John Welch, Managing Director
welch@bladesintl.com

Jack Borland, Managing Director of FX
borland@bladesintl.com

Sharon Martin, Accounting Manager
sharon@bladesintl.com

Grant Johnston, Managing Director
grant@bladesintl.com,.

Juan Pereira, Vice President
juan@bladesintl.com

Priscilla Aguilar, Administrative Associate
priscilla@bladesintl.com

Bob Blades, President
bb@bladesintl.com

Foreign Exchange Rate Integrity® Standards & Representations

1) BII uses the latest technology and multiple leading market data services to determine, by back testing, the Foreign Exchange Interbank market rates on client trades.
2) BII relies on the client submission of FX trade data including date, time stamp, and time zone information. There is a reliance on the quality of the data and time stamp provided.
3) It is the policy of BII to sanitize any data submitted by the user and data submitted by third parties such that any sensitive data (including but not limited to account numbers and payee identifying information) is removed.
4) Recommendations are based on the results of the quantitative review of the markups, FX market conditions, comparable trading, and a customized review of the qualitative aspects of bank relationships.
5) We will discuss and review all FX Rate Integrity® results and encourage questions regarding the data. If requested, documentary support for specific trades and our composite views and calculations can be provided.