Unnoticed Raised Markups
caught and corrected with

FX Rate Integrity®

Flooring Manufacturer

Case study

Blades International, Inc.

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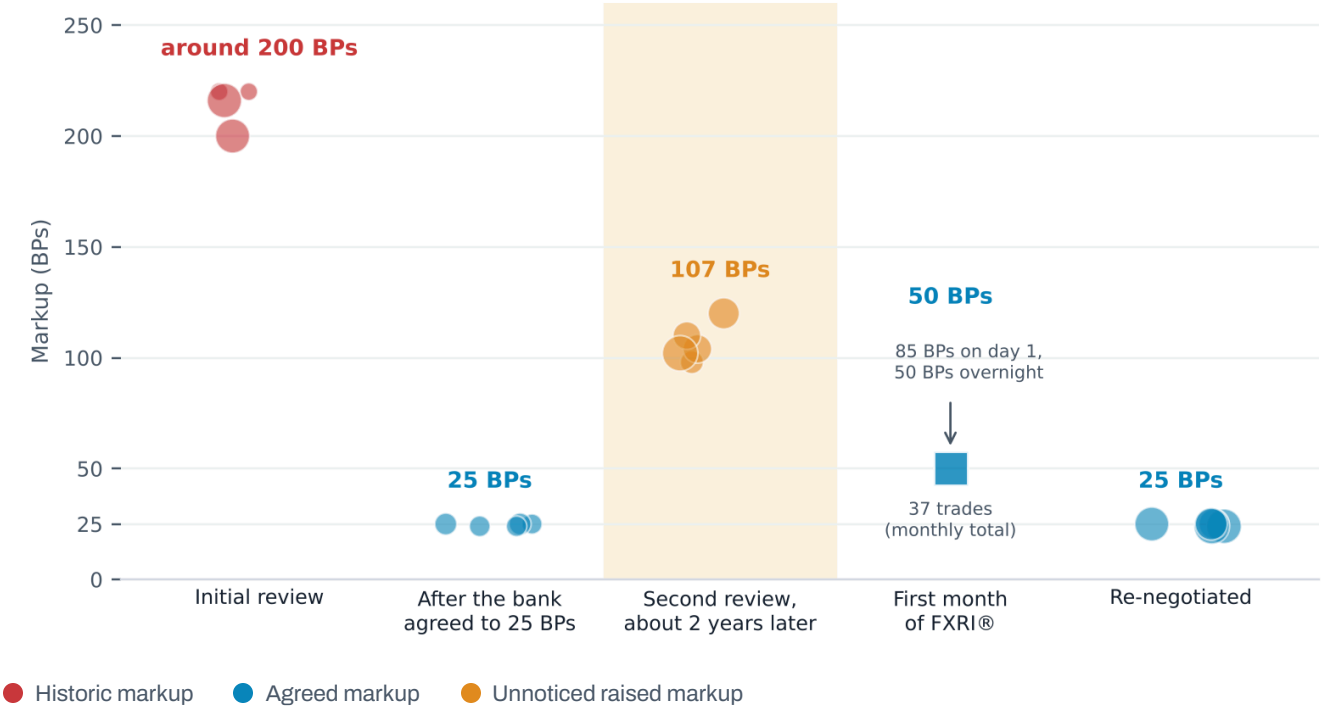
THE CLIENT

A client who believed they did not need FX Rate Integrity®

- The client was a U.S. flooring manufacturer that made regular foreign currency payments in British pounds, euros, Canadian dollars and Australian dollars.
- Upon initial review, the client's data showed BII they were paying around 200 BPs for a significant FX Flow. However, the company confronted the bank with the data and the bank readily agreed to lower the Markup to 25 BPs.
- The client was very appreciative of the help. However, since the bank lowered the spread the client decided they did not need BII's FX Rate Integrity® service.
- About two years later, the client was encouraged to have another complimentary review. BII then found the client was actually receiving an average markup of 107 BPs, and not the 25 BPs they had been quoted! Their bank had raised the markup without their knowledge.

Unnoticed Raised Markups

BP markup on each reviewed trade · each dot is one trade, sized by its US dollar amount



THE FIRST MONTH OF FXRI®

Half the markup from the first month

BII was finally mandated to conduct the **FX Rate Integrity®** process and coached the company on negotiating with the bank. In the first full month, BII compared all 37 transactions against the interbank market rate at the time of each trade and the bank had gone to 50 BPs.

HISTORIC MARKUP	FIRST MONTH	TRANSACTIONS	SAVED IN ONE MONTH
105 BPs	**50 BPs**	**37**	**$6,534**

Total USD paid to the bank	$1,201,614
Total USD at interbank market rates	$1,195,594
Total markup paid (about 50 BPs)	$6,020
Total markup at the historic rate (105 BPs)	$12,554
Total savings in one month	**$6,534**

BII Advised to Require the Bank to go to 25 BPs as previously agreed

BII coached the company to not settle for 50 BPs when the bank was supposed to be at 25 BPs. By pressing and using the FXRI data, they finally obtained 25 BPs and **FX Rate Integrity®**.

FX Rate Integrity® - Audit

The client then used **FXRI® - Audit** to maintain low FX Markups and Costs, so a raised markup could not go unnoticed again.