



Citizens Bank & Trust connects to SWIFT to set the foundation of its future growth

Citizens Bank & Trust is the sixth largest state chartered bank in Missouri, USA. Since 1889, Citizens Bank & Trust has been a leader in the financial services industry. The bank has operated as a community and investment bank but it is going through a process to expand its activities to include commercial banking initiated by moving into a nearby metropolitan area and with the addition of retail branches.

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Business Challenges

- Become a credible and competitive service provider to the medium-to-large companies segment
- Streamline operational processes to reduce back office costs for international transactions

Benefits for Citizens Bank & Trust

- International visibility and credibility
- Improved customer service
- Operational cost reduction
- Improved competitiveness



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"As we start to encounter commercial customers with international needs, SWIFT membership will give us a huge competitive advantage. It also puts us up there with the larger banks in our market."
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Mary Neptune, Senior Vice President, International Operations, Citizens Bank & Trust
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Business Challenges

From a community bank to a commercial bank

Located primarily in rural communities throughout Northern Missouri, Citizens Bank & Trust (CB&T) has been, for the last 120 years, a community bank serving mainly small- to medium-size companies.

Current assets of the bank amount to USD one billion. The bank's management objective is to reach three billion in a five-year period, a very challenging goal that the bank aims at achieving through an evolutionary process to become a commercial bank. By moving into metropolitan areas, the bank broadened its offering to the retail and larger corporate markets.

CB&T moved its executive headquarters to Kansas City, the second largest city in Missouri, and is in the process of opening two additional retail locations. A new commercial banking group has been created to promote the bank's service portfolio amongst larger firms, supplemented with a private banking practice.

Still, there is a long way to go, as larger companies typically have an international profile with more sophisticated needs.

SWIFT connectivity, an obvious way forward

Until recently Citizens Bank & Trust has had a limited international demand and did not consider SWIFT connectivity.

"Establishing connectivity to SWIFT became one of the obvious steps to support our new commercial strategy," says Mary Neptune, senior vice-president, International Operations, Citizens Bank & Trust

To attract larger companies, CB&T has to be able to provide international wires, foreign exchange and trade documentation services.

And with industry e-commerce development, smaller firms also get more easily involved with foreign counterparties.

The bank is being asked more often for its SWIFT Bank Identifier Code (BIC), as the counterparties of its customers abroad are looking to settle their transactions using SWIFT instructions.

However current volumes would not justify the deployment of a fully integrated solution at the bank.

“We originally thought that having our own SWIFT connectivity would be too expensive and too complicated. But when we heard about the packaged offer of Alliance Lite we realized that this option perfectly suited our needs,” Neptune adds.

SWIFT connectivity for CB&T is now ready to be used. As soon as larger volumes of international wires materialize, the bank will be ready to start using it in order to respond to the needs of its new customers.

Improving the customer experience

International wires can currently take up to two weeks. The bank will not be changing the settlement method through its correspondent, but having a SWIFT connectivity will enable it to send a direct advice message to the beneficiary bank in parallel. This message should result in an earlier release of the funds.

Turnaround time on payments-related enquiries should also be much shorter, as they could potentially be solved directly with the beneficiary bank instead of going across the whole payment chain.

Citizens Bank & Trust will overall gain a much higher transparency on the end-to-end payment chain which will benefit its customers.

As a conclusion on this topic Neptune says, “SWIFT allows us to give our commercial clients what they want and need.”

Streamlining operations and reducing costs

With the current stressed economic environment, cost has become much more important than in the past.

In addition to being a sales argument, Neptune also sees the benefit of using SWIFT connectivity to streamline the bank’s operations.

Using SWIFT’s network and message standards will help it improve its operational efficiency. In addition, its payment application provider is also working on the development of a SWIFT connector that will avoid manual processes.

Reduced operator time involved and fewer repairs on their instructions should definitely translate into lower costs.

Competitiveness

Becoming a visible active SWIFT member in the payment chain is important.

It provides the bank with an international credibility needed to be considered as an eligible partner by the larger corporates.

And Neptune concludes: “SWIFT membership will give us a huge competitive advantage. It also puts us up there with the larger banks in our market.”

About Alliance Lite

Alliance Lite is an Internet-based service that provides a direct, secure and low cost access to SWIFT. For banks with low volumes of international transactions, it is easy to install and use.

It is a packaged offer including all that a bank needs to connect to SWIFT for a very affordable monthly fee.

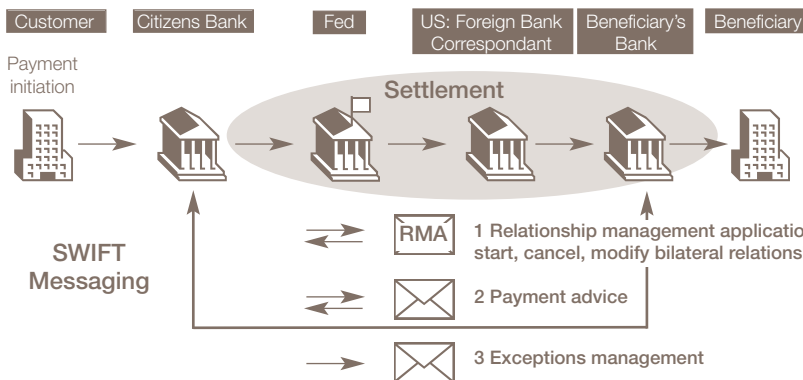
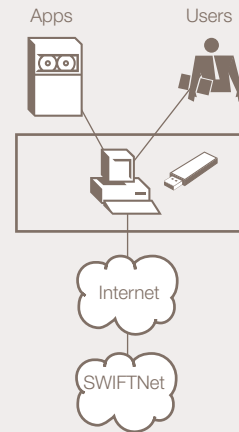
It functions with a standard Internet connection and a SWIFT-issued hardware security token.

Alliance Lite supports both manual operations, through a browser, as well as integration with the back office through a lightweight auto-client.

Detailed information, including price options, a product description, user documentation and a video tour, is available on: www.swift.com/alliancelite

Alliance Lite

Simplified, internet based, secure connectivity, more business oriented



SWIFT

SWIFT is the industry-owned co-operative supplying secure, standardised messaging services and interface software to over 9,000 financial institutions in over 200 countries.

For more information, please visit: www.swift.com