

# Cash Management Services in Poland



The Danske Bank Group is one of the largest financial service providers in the Nordic region. We provide cash management services based on a single IT platform across our markets.

Danske Bank A/S S.A. Branch in Poland was founded in 2000 and is located in the centre of Warsaw. The branch primarily serves northern European companies doing business in Poland.

We provide our corporate customers with a broad range of financial solutions tailored to the Polish market. Our relationship managers and advisers have extensive experience in the needs of international companies in Poland and provide proactive advice, cash management services, international trade finance and hedging solutions.

Local expertise, combined with the international profile of the Danske Bank Group, ensures high-quality solutions that meet the specific needs of each customer.

Currency:	PLN
Time zone:	GMT + 1
Central bank:	National Bank of Poland
SWIFT/BIC:	DABAPLPW

## Clearing and local market conditions

### Foreign exchange regulations

In Poland, transactions between resident companies can be settled both in PLN and foreign currencies.

### Clearing systems

The following clearing systems exist in Poland:

- ELIXIR is a net settlement system operated by the Polish clearing house KIR (Krajowa Izba Rozliczeniowa S.A.). The system is used for low-value standard payments and all ZUS (social insurance) and tax payments (US). Paper-based payment instructions are accepted by banks but are converted into electronic messages in ELIXIR.
- Express ELIXIR, introduced by KIR in June 2012, is a payment clearing system that enables immediate interbank transfers in real time. KIR is both a clearing and a settlement entity, thus enabling payments 24/7 throughout the year. Payment orders are carried out in PLN only and to accounts held with other Polish banks that are members of the Express ELIXIR scheme. Express ELIXIR does not support payments to the Polish tax and Social Security (ZUS) authorities. The amount of a single transaction cannot exceed PLN 100,000. Express ELIXIR is available to both individual and corporate customers.
- SORBNET2 is a real-time gross settlement system operated by the National Bank of Poland (NBP). SORBNET2 is used for the execution of interbank transactions and high-value customer payments (equal to or exceeding PLN 1 million).

Generally, payments in currencies other than PLN are cleared via the SWIFT system and are handled as foreign payments. However, in March

2005, KIR introduced the Euro-Elixir system, enabling all banks operating in Poland to process euro payments. At the same time, NBP introduced the SORBNET-EURO system to support banks' current accounts denominated in euro and enable the execution of payments between Polish and other banks in the European Union.

Poland is part of the European Economic Area and supports SEPA transfers.

### Clearing formats

Separate message formats are used in the Polish clearing systems. EDIFACT is not widely used in Poland, but the Polish Bankers' Association has developed a number of EDIFACT formats.

### Payment instruments

- Payment orders: When ordered electronically, a credit transfer settled through ELIXIR is the cheapest and most efficient payment method, and it is very popular for settling supplier payments. Additionally, according to current regulations, all B2B transactions exceeding EUR 15,000 must be settled through a bank account.
- Cash: Cash is still widely used, especially for B2C transactions. The use of cash is likely to decrease in the future.
- Direct debit: Domestic direct debit payments are cleared through the ELIXIR system on the basis of a multilateral agreement between the participating banks. Since the implementation of the EU's Payment Services Directive (PSD), there have been no amount limitations for direct debit payments. If the payer is a legal entity, the payer is entitled to claim a refund of an authorised direct debit transaction debited to its bank account within 5 business days after the debit. If the payer is a private individual, he

can claim a refund within eight weeks, that is, 56 calendar days.

- Cheques: Cheques are available but are very rarely used.
- Mobile payments: Mobile payment solutions are getting popular and are offered by a number of banks. They are, however, still in the start-up phase.

### Cards

All major credit, charge and debit cards are widely accepted in Poland, and cards are becoming a more and more widespread payment method.

### Electronic banking

Electronic banking systems are highly developed and popular. Some banks still offer offline programs, but the majority of the systems are online solutions.

### Local foreign currency payments

No restrictions, settlement abroad.

### Foreign payments

No major restrictions.

Residents are required to report foreign payments to the NBP in dedicated forms in specific situations, for instance when a resident concludes a loan agreement with a non-resident, opens an account abroad or participates in an intra-group netting settlement or if the resident's turnover with a non-resident exceeds a certain threshold.

### Taxation

The standard rate of corporate income tax is 19%. The general VAT rate is 23%. For certain products and services, the VAT rate ranges between 0% and 8%.

Withholding tax on interest, dividends and royalties is usually levied on transactions between residents and non-residents, with some

exceptions resulting from double taxation treaties or EU regulations.

## Danske Bank's cash management products and services in Poland

### Accounts

You can open both resident and non-resident accounts in local and foreign currencies. Account opening forms are available in Polish and English.

### Payments

- Domestic payments: Danske Bank Poland is a member of the main local clearing systems and is therefore able to offer all types of domestic payments, except immediate payments.
- Foreign payments: Cross-border and domestic payments in currencies other than PLN, except internal payments within the Danske Bank Group, are executed via the SWIFT system. SEPA payments are processed via the Danske Bank Group's connection to EBA clearing.

If a company does not have sufficient funds for the execution of a payment order, Danske Bank's system will queue it for up to 5 business days and try to execute it several times a day. In case of insufficient funds after this time, the payment order will be rejected.

### Liquidity management

Danske Bank Poland offers cash pooling solutions in PLN and other currencies, enabling smooth liquidity management and interest optimisation within a group.

We offer domestic, cross-border and offshore cash pooling solutions to both resident and non-resident companies matching the specific needs of each customer.

Since cash pooling is not defined in Polish law (although there are a number of regulations that might potentially apply to cash pooling

transactions), cash pooling solutions result in several legal and tax uncertainties. We believe that our cash pooling solutions comply with Polish legal and tax regulations, and we base our belief on in-depth discussions with independent legal advisers, who supported our view in a complex legal opinion, which we are ready to present upon request.

We provide customers who decide to implement one of our solutions with a draft of enquiry to the Ministry of Finance for the binding tax ruling with respect to the main tax concerns. Nevertheless, we strongly recommend customers to seek an opinion on legal and tax implications from the customer's own legal and tax advisers.

### Cards

Danske Bank Poland offers MasterCard Corporate Card, which is a charge card available in two versions, Classic and Gold. It can be used to pay for goods and services and for cash withdrawals at ATMs.

MasterCard Corporate Card offers a wide range of benefits, including

- extensive insurance coverage
- emergency cash and card replacement within 48 hours
- customisable limits
- complete daily and monthly reporting
- automatic repayment
- car rental discounts.

### Electronic banking

Business Online is Danske Bank's online banking system for business and corporate customers. With Business Online, you can quickly and easily create payments, view account information and authorise several payments at once. All information is in real time, enabling you to keep up-to-date on your company's liquidity situation.

The Polish payment module in Business Online includes the following features:

- Polish payment formats (including those for social insurance (ZUS) and tax payments (US)
- new authorisation rights for payments
- feedback on rejected payments
- accounts with restricted access (for instance, access to salary account for selected users only)
- Polish and English language versions
- Polish characters
- import and export of files.

Danske Bank supports local Polish file formats. We also support the SWIFT-based MT 101 format and the EDIFACT (PAYMUL) format for payments.

### Links to other banks

Reporting via MT940 and MT942 statements, if required. Danske Bank can also report via the EDIFACT format (FINSTA).

### More information

If you would like to know more about our cash management solutions in Poland, please visit our website at [danskebank.pl](http://danskebank.pl).