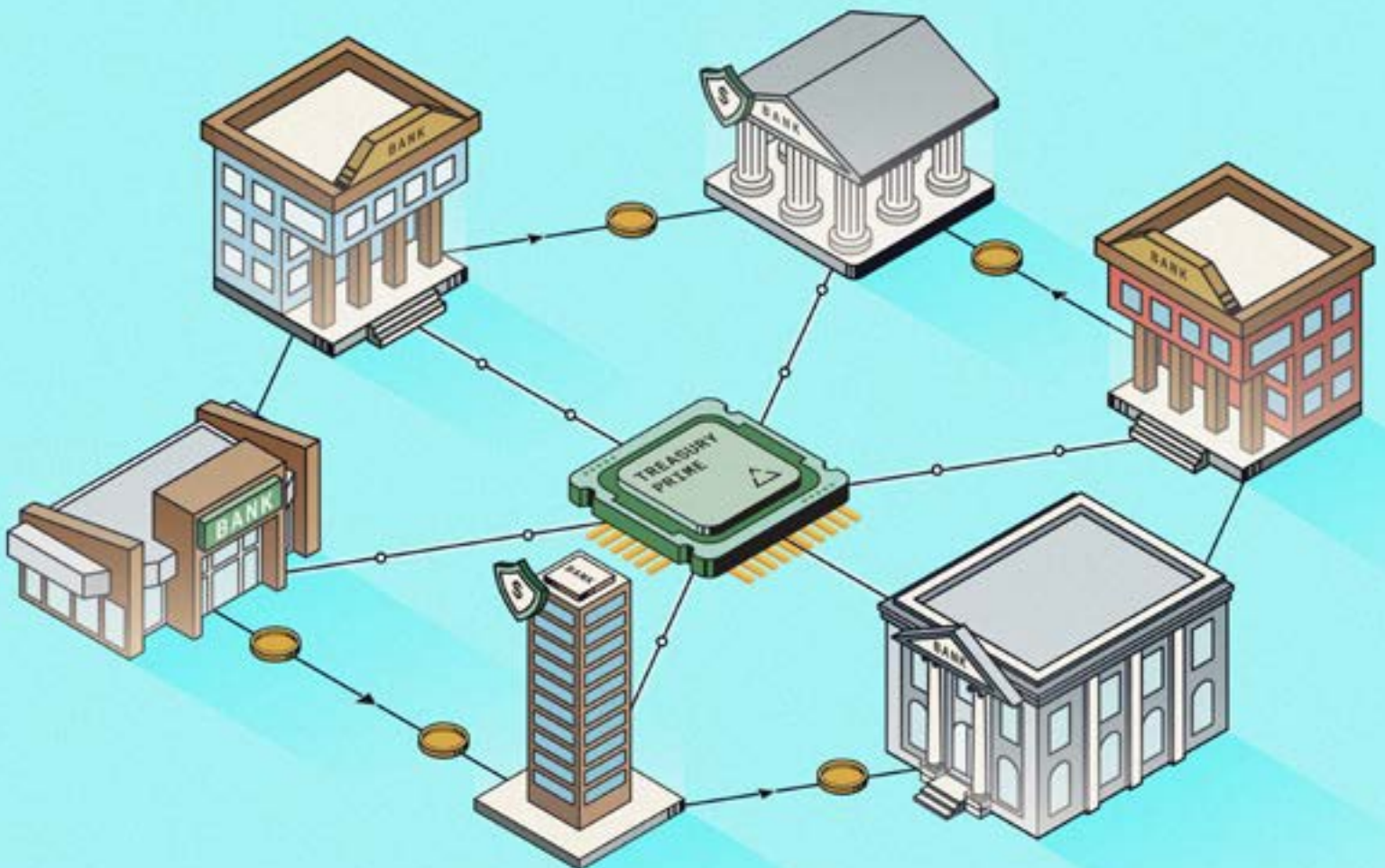


Leveraging Multi-Bank Partnerships for White Label Banking Products

Diversify and thrive — more banks mean more choice, more protection, and more growth



If you're evaluating an investment in embedded finance, [partner banks](#) are your fintech and embedded finance company's most important allies for growth. Your bank integrations are a key gateway to the larger financial services system and enable you to together provide trustworthy and reliable [white label banking products](#) for your end users.

However, in this volatile banking climate, it may not be prudent to partner with just one bank that may represent a single point of failure depending on your organization's business model. Diversification and risk mitigation are key principles in any solid financial strategy, and this holds true when it comes to embedded banking as well. While the chances of a partner bank failing are slim, the sudden failure of Silicon Valley Bank and First Republic Bank, among others, demonstrated that it can happen, and fast. While no deposits were lost, SVB's collapse had major impacts on its clients' businesses.

Mitigate risk and ensure growth: the importance of partnering with multiple banks

Fortunately, cutting-edge API banking software now makes it possible for companies to partner with multiple banks via a streamlined experience like Alloy and Unit 21.

There are a number of benefits to engaging with multiple banks, the main ones include:

- Diversification and reduction of concentration risk
- Access to a broader range of products and revenue sources
- Ability to transfer funds across multiple banks for flexibility and deposit management

This comprehensive guide will delve more in detail into the myriad benefits of working with multiple banks, explore various integration options, and provide insight on finding the ideal embedded banking software platform and compatible bank partners to unlock

new levels of operational efficiency and maximize the advantages of a multi-bank approach.



IT'S EXTREMELY IMPORTANT TO CREATE BANK REDUNDANCIES TO AVOID ANY POTENTIAL OUTAGES THAT COULD IMPACT YOUR BUSINESS OPERATIONS.

| Chris Dean, Treasury Prime CEO

Benefits of partnering with multiple banks for business growth

Integrating with multiple banks empowers organizations to leverage the best product options available across banks. As your business evolves and grows, you may find yourself outgrowing the capabilities of your current bank partner. Instead of going through the cumbersome process of searching for and integrating with a new bank partner, only to face the same limitations again, collaborating with multiple banks provides fintechs and enterprises with a multitude of advantages, enabling them

to expand their app offerings and tap into a broader range of revenue opportunities. By diversifying their bank partnerships, businesses also mitigate risk and foster a more conducive environment for growth.



1. Flexible use cases, features, and industries

Finding a single bank that perfectly aligns with the requirements of a growing business can be challenging. A bank that excels in catering to consumer end users might lack the necessary capabilities to support expansion into small business services. Similarly, a bank facilitating multi-user accounts may fall short in supporting the development of a desired rewards program.

Engaging with multiple banks grants organizations the freedom to choose from diverse options that best suit their

evolving needs. Each bank has its unique offerings, such as specialized products or tailored business services.

By maintaining relationships with multiple banks, businesses can tap into a diverse array of financial solutions, optimizing their choices to best meet their specific needs and objectives. Although multiple bank partnerships require an organization to go through due diligence and onboarding at each institution, the corresponding flexibility and scalability sets up companies for success in the long-term. This flexibility empowers businesses to stay ahead of

the competition and continuously evolve their offerings to meet the ever-changing demands of the market.

2. Unlocking more revenue opportunities with partner banks

Partnering with multiple banks unlocks a multitude of revenue opportunities through the ability to offer a broader range of products and services. By leveraging the strengths and specialized offerings of each bank partner, companies can introduce new and exciting products upon bank approval that cater to specific market segments or address emerging customer needs. More products open the door to more revenue opportunities.

3. Enhanced scalability for embedded finance companies

Fintechs frequently collaborate with smaller banks due to their agility, competitive interest rates, and higher interchange rates on card transactions. However, as a fintech or embedded finance company experiences remarkable growth, a smaller bank may struggle to accommodate the influx

of new accounts and manage deposit capacity. Engaging with multiple banks expands account capacity and ensures seamless scalability to support business expansion.

4. Reduced risk for embedded finance companies

Relying solely on a single bank partner poses inherent risks, as any issues affecting that partner can act as a single point of failure for the business. Although the likelihood of a bank closure is rare, it does occur. Moreover, regulatory changes or shifts in a bank's strategic focus can lead to the withdrawal of support for fintech integrations. Being forced to move all your operations to a brand new bank can be disruptive, expensive, and time-consuming.

What is OneKey Banking for multi-bank integration?

Treasury Prime offers a cutting-edge embedded banking software platform with the largest bank network in the industry, encompassing over a dozen banks with ongoing expansion. Our latest product, [OneKey Banking](#), revolutionizes the bank integration process by providing fintechs with a

streamlined approach to connect with multiple banks simultaneously through a single API interface, opening the door to enhanced redundancy, scalability, and efficiency.

Let's say you initially partnered with a bank from the Treasury Prime network to launch your embedded banking solution. After a successful launch, you realize the need to enhance your product offering with a new feature or [payment rail](#), however your current bank does not support this feature. With OneKey Banking, you can seamlessly integrate another banking partner from Treasury Prime's network that fully supports the desired feature. This enables you to optimize pricing and leverage the capabilities of multiple banks while maintaining a cohesive and efficient integration process once you have passed due diligence at each bank partner.

Streamline multi-bank integration with OneKey Banking

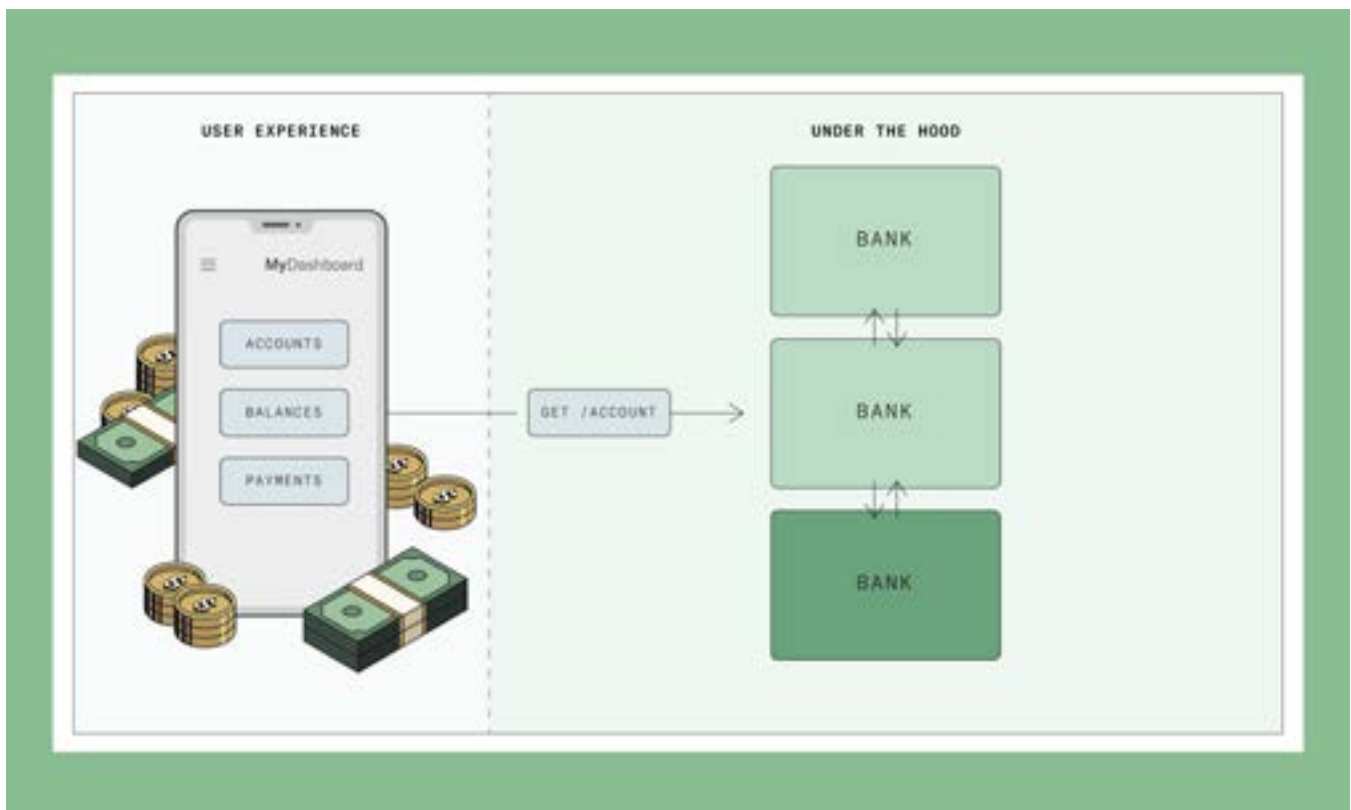
Integrating with multiple banks traditionally entails managing separate technology layers for each institution,

creating additional complexities for fintechs.

OneKey Banking solves this pain point by providing fintechs and enterprises with access to multi-bank networks through a unified technology layer and ledger. Under the hood, you may be interacting with three banks, but you'll have just one ledger to manage and end users will be able to initiate transactions as if they are only interacting with one bank.

Unleashing the power of OneKey through instant Network Transfers

OneKey leverages Treasury Prime's proprietary Network Transfers feature, enabling fintechs to effortlessly transfer funds between multiple bank partners in an instant. This seamless functionality is unparalleled when compared to the complexities of managing multiple bank integrations through separate technology layers. Moreover, OneKey offers real-time reconciliation capabilities, ensuring the utmost accuracy and integrity of the single ledger.



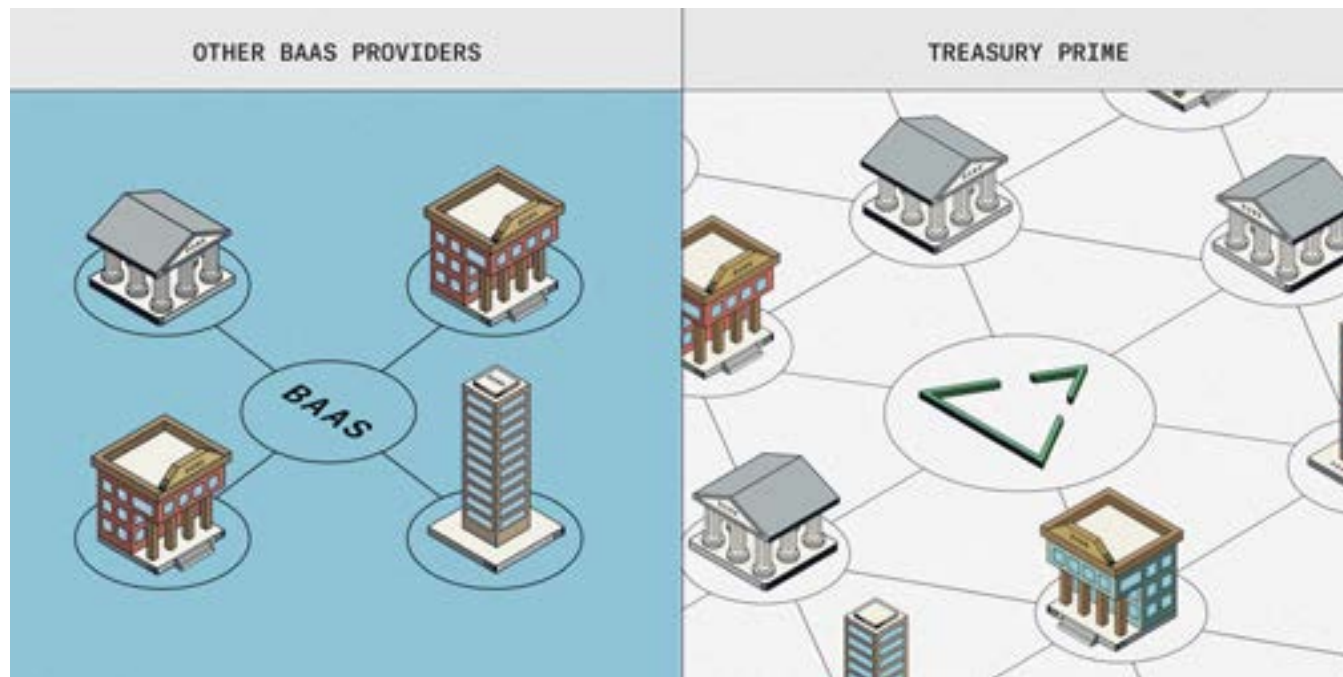
While other banking as a service (BaaS) companies may collaborate with multiple banks, lacking a seamless funds movement mechanism like Network Transfers could hinder their true interconnectivity. If a company were to create a product involving multiple banks without OneKey Banking, they would have to oversee a distinct technology layer for each bank. They would also need to force cohesion across these programs by continuously readjusting and reconciling funds for each additional bank partner.

On the other hand, as a OneKey Banking customer, your bank accounts are interconnected. This means that your user experience remains consistent, whether you have one bank partnership or ten. You can effortlessly manage all your bank partnerships using a single ledger and promptly transfer funds between banks.

Use in tandem with Enhanced FDIC Insurance

Please note that OneKey Banking is an advanced embedded banking product that allows you to build new products and establish embedded program

redundancies, which is distinct from traditional deposit sweeps products focused on FDIC protection optimization through fund distribution among a multitude of financial institutions.



For those who want to utilize deposit sweeps, they can do so through a separate innovative solution known as [Enhanced FDIC Insurance](#). Treasury Prime has seamlessly integrated with top-tier deposit sweeps networks to introduce this functionality in collaboration with participating banks. When combined with OneKey Banking, businesses can increase FDIC coverage of their funds from \$250,000 to tens of millions, which is facilitated through a partner bank and seamlessly accessed via Treasury Prime's APIs, subject to certain requirements.

What to look for in a banking as a service provider

Your ability to integrate with multiple banks is expedited by partnering with a reliable banking as a service platform. This choice can make a significant difference in your ability to connect with high-quality banks, seamlessly integrate them into your business operations, and access features that enhance customer experience while facilitating business scalability and growth. Below are the top factors to look for when selecting the right BaaS platform.



Expansive bank network

Partnering with multiple banks necessitates collaborating with a BaaS platform that has established pre-integrations with numerous banking institutions. However, it is not merely about the quantity of banks, but rather the quality and diversity of options available to you.

Unlike other BaaS providers who only work with a handful of banks, Treasury Prime is an embedded banking software platform that maintains the

most expansive bank network. With an extensive portfolio of 15+ banks and continuously expanding, including reputable institutions such as Piermont Bank, Grasshopper Bank, and Bangor Bank, we offer companies a wide range of banking partners for the long-term sustainability of embedded finance programs. This enables us to find the right match to meet the diverse needs of our clients, and gives them more flexibility and access to a comprehensive suite of banking services.

Expansive vendor network

While banks are essential partners for your company's success, other third-party vendors, such as compliance and KYC vendors, card issuance providers, and more, play a crucial role as well. These partners provide the support that you'll need as you expand to additional bank partners. Treasury Prime has established an expansive [partnership marketplace](#) of trusted banking vendors to address numerous aspects of your operations and help you scale. Before onboarding any vendor, we conduct appropriate due diligence to ensure that they meet our standards and align with the requirements of our partner banks. Many partner banks will choose to also conduct its own diligence of vendors and partners to meet their respective third party risk management obligations. Notably, our direct integration capabilities facilitate a seamless onboarding process for our clients. Additionally, we are equipped to work with vendors from outside our network, enabling you to integrate preferred partners in certain circumstances.

Robust regulatory compliance framework

Ensuring regulatory compliance is an integral aspect of any embedded finance program, requiring a proactive approach rather than treating it as an afterthought. For companies, the ability to adapt to evolving regulatory requirements, prevent fraud, and detect increasingly sophisticated threats is paramount. While some companies opt to delegate their compliance responsibilities entirely to a BaaS provider for convenience, this approach can pose significant long-term challenges, as exemplified by recent [regulatory crackdowns](#) on fintech banks that entrusted [unregulated entities](#) with compliance functions. In contrast to such BaaS providers, Treasury Prime operates under a distinct model, actively assisting fintechs, embedded finance companies and their respective bank partners in establishing their own highly effective and tailored compliance programs that align with their specific risk profiles. We foster direct collaboration between companies and partner banks as well as facilitate connections with industry-leading compliance partners. This [four-point framework](#) leverages the banks' compliance expertise, supported by

Treasury Prime and product partners, to ensure ongoing regulatory compliance for your operations.

Maintaining a customized compliance program also grants you greater control over the customer experience.

[Outsourcing compliance to a BaaS provider](#) can disrupt the onboarding process and impede customer acquisition. When a potential customer is flagged during the Know Your Customer (KYC) process by the BaaS provider, the fintech lacks visibility into the underlying reasons for escalation and has no opportunity to assess its validity. As the primary point of contact between the fintech and its end users, the fintech possesses the best understanding of whether a user genuinely poses a risk, as well as the ability to provide additional context that can explain or mitigate the initial escalation.

Furthermore, fintechs are better positioned than a BaaS provider to identify patterns and behaviors that may indicate suspicious customer activity. A standardized, one-size-fits-all KYC process offered by a BaaS provider fails to meet the nuanced requirements of different fintechs, each catering to

diverse user bases and use cases that demand tailored approaches.

Embedded banking software provider Treasury Prime

By partnering with Treasury Prime, you can establish a robust compliance framework that ensures regulatory adherence, mitigates risks, and enhances your customer experience. Our collaborative approach, leveraging the expertise of our partner banks, empowers you to navigate the complexities of compliance with confidence while maintaining full control over your operations and providing a seamless onboarding experience for your customers.

Direct bank relationships

Another crucial factor to consider when choosing a BaaS provider is the ability to facilitate direct bank relationships. A direct bank relationship means that your fintech can communicate with your bank partners directly, without having to go through your BaaS provider.

Direct communication is especially helpful when customer service issues or technical problems arise, so you can

TREASURY PRIME	OTHER BAAS PROVIDERS
<ul style="list-style-type: none"> ✓ Lays foundation for fintech to scale compliance to business risks and need ✓ Ensures long-term viability in face of changing regulations ✓ Gives fintech visibility into business operations to continually assess customer quality and risk profile ✓ Fosters a sound and stable bank-fintech relationship ✓ Provides a long-standing BaaS relationship with expert guidance and advice 	<ul style="list-style-type: none"> ✗ Fintechs are unprepared for the core competency of owning compliance ✗ Leaves fintech in precarious position with governmental regulations in flux ✗ Doesn't allow fintechs to understand their own compliance measures ✗ Doesn't create a direct relationship with banking partner ✗ Fintechs not able to scale as effectively with little awareness of its risk profile

fix things quickly and maintain a high-quality customer experience. A direct relationship also means you can provide greater visibility into your business to your bank, which helps build trust. You want your bank partners on your team helping you grow.

Direct bank relationships are in Treasury Prime's DNA.

How to choose the best bank partners

Treasury Prime will assist in matching companies with bank partners. We carefully assess your company's needs and characteristics, then identify and obtain provisional pre-approval from banks that align with your specific requirements and risk profile. Upon connecting with potential bank partners, the banks will conduct their own

WHAT TO LOOK FOR IN A BAAS PROVIDER

- Extensive bank network
- Robust Compliance Framework
- Direct bank relationships
- Extensive vendor list

due diligence to assess any associated risks, ensuring compliance with regulatory standards. Treasury Prime will provide guidance and support to help clients through every step of the process.

While all of Treasury Prime’s banks and product partners have undergone rigorous due diligence processes, it remains important for you to conduct your evaluation to determine the best-suited bank partners for your needs.

Consider the following factors during your assessment:

WHAT TO LOOK FOR IN A BANK

○ Track record and reputation

○ Niche suitability

○ Technological proficiency

○ Responsiveness and communication

○ Support for product features

○ Growth facilitation

Track record and reputation

Evaluate feedback from other fintechs working with the bank and their experiences. Assess whether the bank has faced any regulatory scrutiny, and seek insights from your embedded banking software provider and fellow fintechs integrating with the bank.

Responsiveness and communication

Prompt and effective response to your inquiries and issues is a fundamental requirement for any bank partner.

Niche suitability

Ensure that your bank partner comprehends your specific use case or industry and possesses experience working with similar clients. For instance, if your clients are small businesses, the bank should offer support for business accounts.

Support for product features

If you plan to introduce unique product features or benefits such as specialized rewards programs, choose banks capable of accommodating those requirements.

Growth facilitation

Identify and partner with banks that align closely with your product roadmap and exhibit genuine enthusiasm for supporting your ambitious growth plans.

Technology proficiency

While partner banks may not be directly involved in integration's technical aspects, selecting a bank that embraces technology and understands the significance of innovation is crucial.

By carefully considering these factors and make informed decisions when choosing your bank partners, ensuring a successful and mutually beneficial partnership.

Start your multi-bank integration journey

Begin your journey towards multi-bank integration with Treasury Prime. By connecting with multiple banks, you gain the advantages of redundancy, scalability, and expanded access to diverse financial products and services. Our streamlined processes, cutting-edge features, and [comprehensive documentation](#) enable you to accelerate your market entry with multiple banks, all while prioritizing security and reliability. With new features like OneKey Banking

and Enhanced FDIC Insurance, we help you launch a seamless multi-bank integration experience — securely.

CONTACT TREASURY PRIME

We have a true multi-bank network, the deepest bank core integrations, and extensive compliance experience. Tearsheet named us the Best Banking as a Service company for the second year in a row.

[Talk to the best BaaS team in the industry.](#)

Related multi-bank content:

[OneKey to Unlock Universal Access to a Vast Bank Network](#)

[5 Reasons a BaaS Provider with a Large Banking Network Can Boost Your Bottom Line](#)

[Should you Integrate Directly with a Bank or Go Through a BaaS Provider?](#)

[5 Ways Fintechs Can Prepare for a Bank Partnership](#)



[TREASURYPRIME.COM](https://treasuryprime.com)

ABOUT TREASURY PRIME

Treasury Prime is the leading Banking as a Service (BaaS) company that connects enterprise companies to banks so that they can embed a full range of banking services to increase revenue streams, bolster customer loyalty, and offer rewards. From opening accounts to making payments to issuing cards, Treasury Prime's APIs allow companies to plug into the widest bank network in the industry to create innovative new products of the future, fast.

2023 © Treasury Prime, Inc. All Rights Reserved.