

XYZ Company

Request for Proposal for Banking Service Relationship

I. ABOUT XYZ COMPANY

The XYZ is headquartered in Somewhere, Virginia. We are a membership organization made up of approximately 6,000 members. The majority of the membership is comprised of individual (5,000) and corporate (1000) throughout North America. We are tax-exempt under Section 501(c) (6) of the Internal Revenue Code.

XYZ has a staff of approximately 30 and an annual operating budget of approximately \$6 million.

The following items are included in your packet to help you understand our association as well as the volume and level of banking needs we require:

- Audited financial statements for the years ending June 30, 2002 and 2003.
- Twelve months of account analyses from our current bank that includes average ledger balances.

II. CURRENT BANKING SERVICE NEEDS

XYZ currently utilizes the following bank services:

- Operating/ Demand Deposit
- Lockbox
- Payroll/ ACH
- Interest Checking-Foundation

- Wire Transfers
- International processing

Please include in the proposal your bank's ability to meet the following requirements:

1. **Deposits of cash receipts.** Deposits are made 3 times a week representing various types of payments for member dues, publications, assessments and billings, advertising, education programs and other income generating activities for XYZ Company. An indication of the volume can be found on the enclosed monthly account analyses.

Deposits of credit card receipts for MasterCard, Visa and American Express are made mainly by transmitting by PC from our offices through NOVA software. Once a year, at our conference, we transmit through swipe terminals. We maintain several merchant numbers to track the origin of the transaction (in house vs. online vs. on site at the convention) In the next few months, we will have installed a software (iMIS) module that will allow individuals to make payments on-line for their dues, registration, and publications. I would be interested in learning if your bank offers credit card processing service or if it is outsourced and the fee structure. We have a high volume of credit card processing during our dues collection (May-July) and convention (Sept or Oct time frame)

2. **Prompt wire transfer capabilities.** Please indicate daily deadline and fees for wire transfers placed by phone, fax, or on-line and receipt of foreign wires.
3. **Lock box services.** XYZ does utilize a lock box service that does require sorting and notation of the amount paid and check number put onto the remittance slips. We also would like the back up available at the local branch the next day through interbanking mail.
4. **Monthly account statements.** XYZ requires bank statements to be mailed or be available for pick-up at the bank by the fifth working day of the following month. Currently, we receive the monthly statements and all the canceled checks are viewable online. For online banking, we would like to be able to view by current period and history. We also need to be able to sort the report by description or check number and able to copy and paste into Excel. We import our cancelled checks into Sol IV. Please indicate any other features you may offer that I have not mentioned.
5. **Employee banking services and direct deposits.** We use Ceridian to process our payroll. We currently provide direct deposit for all of our employees at no charge to them. Please indicate your bank's ability to handle this service as well as any other employee banking services we may offer our employees such as no fee checking.

III. SERVICES WE WANT TO CONSIDER

1. We are also very interested in exploring XYZ's potential use of electronic payments. Please provide your recommendations and capabilities with respect to how other associations are using this service and the fees involved to setup and maintain.

IV. REQUESTED INFORMATION FROM BANKING INSTITUTION

1. Please address your ability to meet the banking services that XYZ currently requires and the new services outlined in the previous section of this RFP. Please indicate all fees involved, how long they will be in effect and at what activity levels or based on what indices they will change and by how much.
2. Please address your ability to provide new/additional services we would like to consider indicated in Section III of this RFP, as well as provide alternatives to the way we currently operate to enhance our banking relationship or reduce banking and/or processing costs.
3. Your ability to provide quality customer service to XYZ. This is as important to us as your bank pricing and financial stability. Please let us know how your bank can exceed our expectation for customer service to include the following:
 1. How you operate? (size, history, ownership etc.)
 2. Who are your clients? What is your not-for-profit customer base? (member, account size range, number of bank staff dedicated to not-for-profit customer base)
 3. What level of account executive would be assigned to our banking relationship? What kind of personal relationship can we expect (i.e., knowledge of our account activities?)
 4. Please provide a minimum of five references for other nonprofit trade associations that have similar needs to ours and to whom you have provided the services outlined herein.
 5. Please include the following financial information as part of your response:
 - Last three annual reports
 - Most recently submitted ~Call Report sent to the Federal Reserve
 - Security Ratings - Most recent Moody's and Standard & Poor ratings

V. PROPOSAL DEADLINE AND SUPPORT IN PREPARING PROPOSAL

The deadline for receipt of your proposal is close of business December 22, 2003. I will be available to answer specific questions with regard to this RFP by contacting me at 999-999-9999 EXT 333. In early January, we would like select three banks and meet the representative responding to the RFP. All submissions will receive a response once a decision has been made by XYZ Company. We appreciate your consideration of our request.

Please send three copies of your proposal to:

CONFIDENTIAL
Anne Baker
CFO
999 Newstreet Dr., Suite 200
Somewhere, VA 20000

Thank you in advance for your efforts in this process.

Sincerely,

Anne Baker
Chief Financial Officer

Attachments:

- 2002 and 2003 Audited Financial Statements
- Analyses Statements Account
- High/ Low volume credit card transactions

