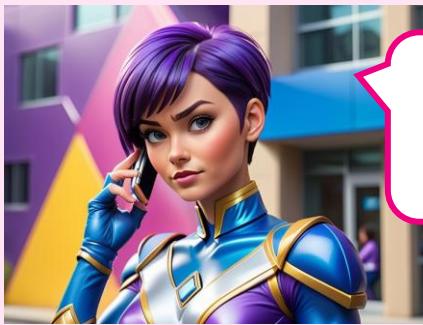


If you are planning an international subsidiary, setting up a virtual bank first gives you options. As a general housekeeping rule it can also be worth storing ID scans for board members.

Some tips for virtual banks

1. Virtual banks are online only. They may not have full banking licenses.
2. Some grew from money transfer services. They can offer cheap and efficient international solutions but may not have deposit insurance.
3. Some have a unified international corporate structure, unlike traditional banks which may use the same brand in different countries but are different legal entities.



We need a bank account

4. This means that unlike regular banks virtual banks may be able to instantly approve an account for a subsidiary if you are already a business customer. This can simplify setting up subsidiaries all over the world.
5. Virtual banks have limits; for example, they usually do not accept cheques which are still a common payment method in the US.
6. Even once your local bank is set up, a virtual bank may still be the cheapest and fastest way to transfer funds to and from the parent company.
7. Virtual banks are often new companies with less legacy architecture which means their account portals are often simpler and more user friendly.
8. Some have very feature rich credit card options, with easy settings for different staff types and automatic links to different currency accounts.

Circular, regulatory dependencies can cause delays and cost money.



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