

# Next-Gen Virtual Accounts

Powering Embedded Banking & New Revenue Streams

With evolving business models, banks can now go beyond traditional use cases and offer Virtual Accounts as an Embedded Banking solution, enabling corporates to integrate financial services directly into their platforms.

**BEST-IN-CLASS**  
European Vendor for VAM Platforms



**A LEADER**  
Cash Management Platform and VAM

2024 IDC MarketSpace

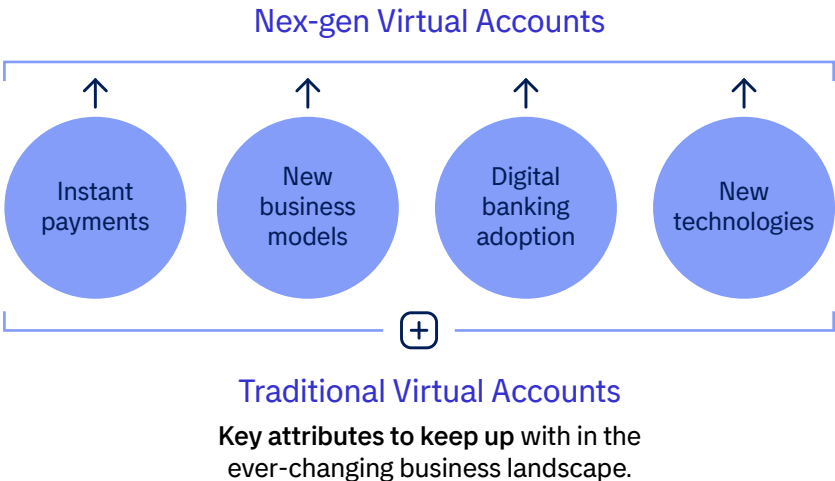


## How Next-gen Virtual Accounts Work

- Banks provide Virtual Accounts as a service.
- Corporate clients (marketplaces, fintechs, enterprises) use them for collections, payouts, treasury management, and third-party funds administration.
- End customers benefit from seamless, embedded financial experiences—without needing direct interaction with the bank.

## New Services Banks can Offer to Corporates

- **On-Demand Virtual Accounts** – Temporary accounts for single-use transactions, ideal for escrow-like setups or short-term projects.
- **Third-Party Funds Administration** – Secure fund handling for platforms like marketplaces and law firms.
- **Automated Treasury Solutions** – Centralized cash management with sub-accounts for different business units or clients.
- **Embedded Payment & Collection Services** – Seamless integration of financial services into corporate platforms.



## Why Tieto Banktech?

- ✓ API-first approach ensuring seamless financial integration & real-time cash flow optimization.
- ✓ Trusted by global banks to drive innovation in cash & treasury management.
- ✓ Scalable and flexible solutions that are tailored to meet the dynamic needs of banks and their corporate clients.
- ✓ Commitment to regulatory compliance and security, ensuring adherence to global financial regulations while maintaining the highest security standards.
- ✓ Proven industry expertise built on decades of experience in delivering innovative solutions to financial institutions.

# Traditional Virtual Accounts

## Optimizing Cash & Treasury Management

Virtual Accounts have long been a trusted tool for corporate cash and liquidity management, helping businesses streamline financial operations.

### Optimized Bank Account Structures

Via a sub-ledger of virtual accounts, VAM enables payments and receivables to be channeled through a single real bank account, while providing full visibility of cash flows and liquidity positions on a detailed level. Liquidity is automatically concentrated to a “header” account in real-time.

### Automated Receivables

Straight-through processing of receivables enables simplified and instant reconciliation, where a virtual IBAN can be used as an identifier. The flexibility of VAM supports also more sophisticated treasury management scenarios, involving payment and receivables on behalf of (POBO and ROBO) capabilities.

## User Experience is Key

→ Customizable dashboards and widgets for optimized performance.

→ State-of-the-art self-service capabilities for corporate customers.



General principle of VAM is to limit the number of real bank accounts by enabling selfservice creation of off-balance virtual accounts.

Core banking system (DDA)

Tieto Banktech VAM self-service platform

Shadow account

Aggregation accounts

Virtual accounts (VAs)

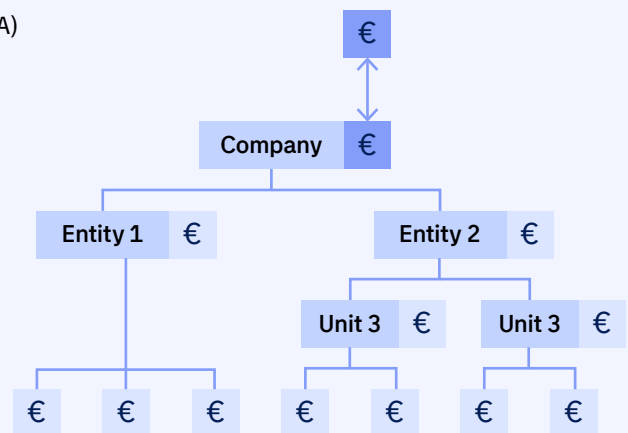


Illustration of a simple VAM Account Hierarchy

Reach out for a demo!  
[info@tieto.com](mailto:info@tieto.com)

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