

Real-Time Information Exchange for Electronic Payments

Payment Adviser's intellectual property leverages the Internet to simplify the exchange of any amount of electronic payment information, remittance data or other context with electronic payments. Purpose designed Real-Time Information (RTI) models with flexible workflows are available for all known electronic payment system architectures¹ messaging standards and cards.

Transactions to and from any business or government entity or individual with a bank or card account are supported and payment originators, merchants and outsource service providers applying the technology have complete freedom and autonomy to deal with any bank, financial institution or card issuer.

Application models seamlessly integrate with existing electronic payment, settlement, messaging and card systems to provide business and government sectors with innovative, cost effective ways of making payments and delivering traditional services in this digital age.

Information Exchange Process

Electronic remittance, payment information and other context to be associated with a transaction is referenced and inextricably linked to a Universal Resource Locator (URL) or short form web reference constructed so that it also identifies the payment originator, transacting merchant or service provider if payments are outsourced.

The URL² is inserted into payment description fields³ of payment and card system architectures as part of the payment initiation process so that it is recorded on the originators bank or card statement against a debit and the payee's bank or credit card statement against the credit. Referencing and linking of the payment information during the payment initiation process facilitates failsafe reconciliation for all transacting parties and intermediaries⁴.

Transacting parties access the underlying RTI payment information over the Internet⁵ by:

- Double clicking on the URL, provided with a payment notification (email or SMS), to hyperlink to a secure exchange environment to view or download the RTI underlying information (PDF, CSV, XML or agreed standard) for record keeping or further processing.
- Transcribing the URL against each credit in a bank or card statement into a web browser, to view or download the underlying information (PDF, CSV, XML or agreed EDI standard⁶) for record keeping, manual or automated processing.

Figure 1: A Typical Business Bank Statement View

Client	Envied Services P/L			
Date	Transaction Details	Debit	Credit	Balance
28 May 2013	HydroCorp.p.vu		6,605.60	163,609.60 Cr
	Envied.p.vu	10,450.00		153,159.60 Cr
29 May 2013	Indigo.p.vu		20,240.50	173,400.10 Cr
	HydroCorp.p.vu		102,650.00	276,050.10 Cr
	TT3423112X34 I Ref Y18599564 Envied.p.vu	65,478.00		210,572.10 Cr

Vast amounts of time can be saved and human errors virtually eliminated when payments are automated and linked to pre-reconciled files are exchanged electronically⁷. This is achieved when the interface between payment and accounting systems are opened to enable the introduction of web services for straight-through processing (Refer to Figure 2).

¹ EFT: (BECS, ACH, BACS, UK FasterPayments SEPA), Wire Transfers :(Fed/ACH wire), Card Transactions: (Debit, Credit, Prepaid). Messaging: Rich remittance models can be adopted to enhance and achieve interoperability between existing SWIFT messaging standards.

² Maximum URL length has been limited to 16 bytes so that the IP can seamlessly integrate with all existing payment system architectures.

³ This removes the need to extend individual payment system description fields to provide more space for payment information.

⁴ Intermediaries: Banks, auditors, accountants, carers and other approved third parties.

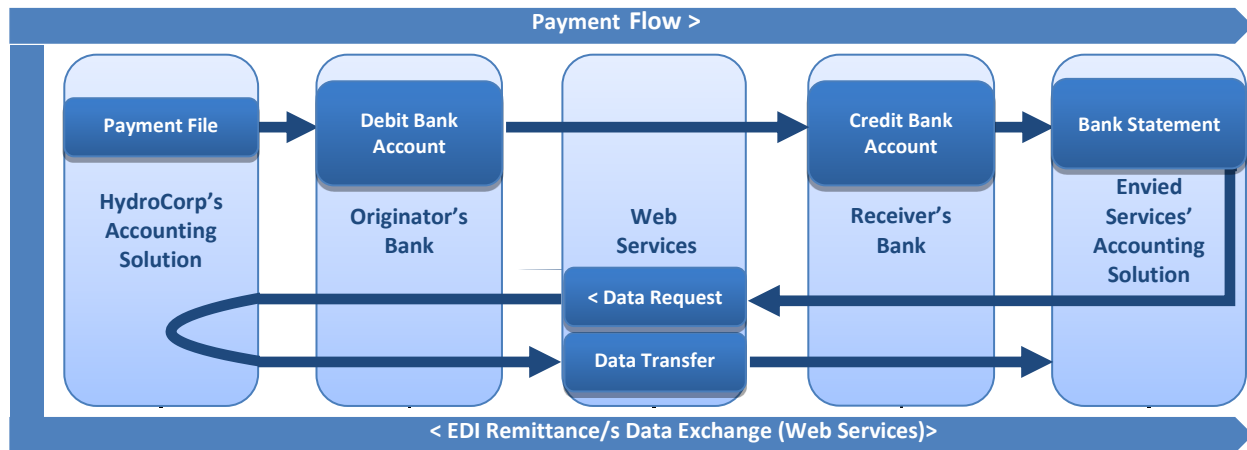
⁵ Any Internet enabled device can be used for this purpose.

⁶ E.g. STP 820, AS4, NSF, UB92, HCFA, HL7, HIPAA 835

⁷ Linked pre-reconciled, electronic remittance data files can be accessed and processed in seconds rather than hours or days.

Turn-key electronic payment remittance and information exchange models are available to reach all payees, including the un-banked and under-banked

Figure 2: The Application of Web Services for Straight-Through Processing



Data Hosting

Transaction data can be hosted by the payment originator as in Figure 2 or it can be hosted in a secure, fault tolerant environment. Merchant data is commonly hosted for card holder access within merchants' administration systems but it can be hosted in a fault tolerant environment by an issuer.

Australian Case Studies

Payment Adviser has licensed and applied the intellectual property for two different market verticals. The first vertical payroll has applied the IP for the payment of superannuation (pension) payments, payroll and other deductions, including benefit payments and general payables. RTI data for this vertical is sensitive so it is hosted in a 24/7 failsafe environment. Website: www.clicksuper.com.au.

A second model has been applied to bill presentment and payment applications for property. Website: www.billexchange.com.au.

Applications under Consideration (Australian and International Markets)

Real-time information exchange government and business applications currently subject to early stage evaluation as at June 2013 include:

Government Payment Applications

- ✓ **Periodic Payments⁸**: -Income, pension, benefit payments and government disbursements currently paid by cheque (check).
- ✓ **EFT or Prepaid Card Payments**: -ePayroll and other deductions, Child Support, Unemployment Insurance Benefits, Tax Refunds, Housing Authority Payments, Temporary Assistance, Emergency Disaster Relief, Worker's Compensation, Adoption and Foster Care, Federal Benefit Payments, Other Government Services.

Business Payment Applications

- ✓ **Payroll and All Deductions including EFT (ACH, BACS) and Prepaid Cards.**
- ✓ **Lease Payments and Lease Management.**
- ✓ **All Payables:** - Insourced and Outsourced, Insurance (including **Claims Management**), U.S. Federal and State Taxes.
- ✓ **Corporate and Commercial Cards:** - Expense Management Systems (Merchant RTI Exchange).
- ✓ **Bill Presentment and Payment (EBPP):** Insourced and Outsourced.
- ✓ **HealthCare Management Solution:** - (NSF, UB92, HCFA, HL7 and HIPAA Standards). Claims Management, Health Insurance and Benefit Payments.
- ✓ **Financial Markets:** -Settlement Solutions, Custody, Corporate Actions, Reporting, RTI Rich Data Messaging.
- ✓ **Cross Border Payments:** - Business, Government and Consumer Solutions
- ✓ **Document Exchange Solutions:** -PDF General and Mission Critical Communication.

International Licensing

Payment Adviser has commenced license negotiations with selected service and solution providers in North America, the U.K. and Europe and North Asia.

⁸ Payment receipt based on electronic remittance data access is available with application models that support periodic income, pension benefits payments and other government disbursements.

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