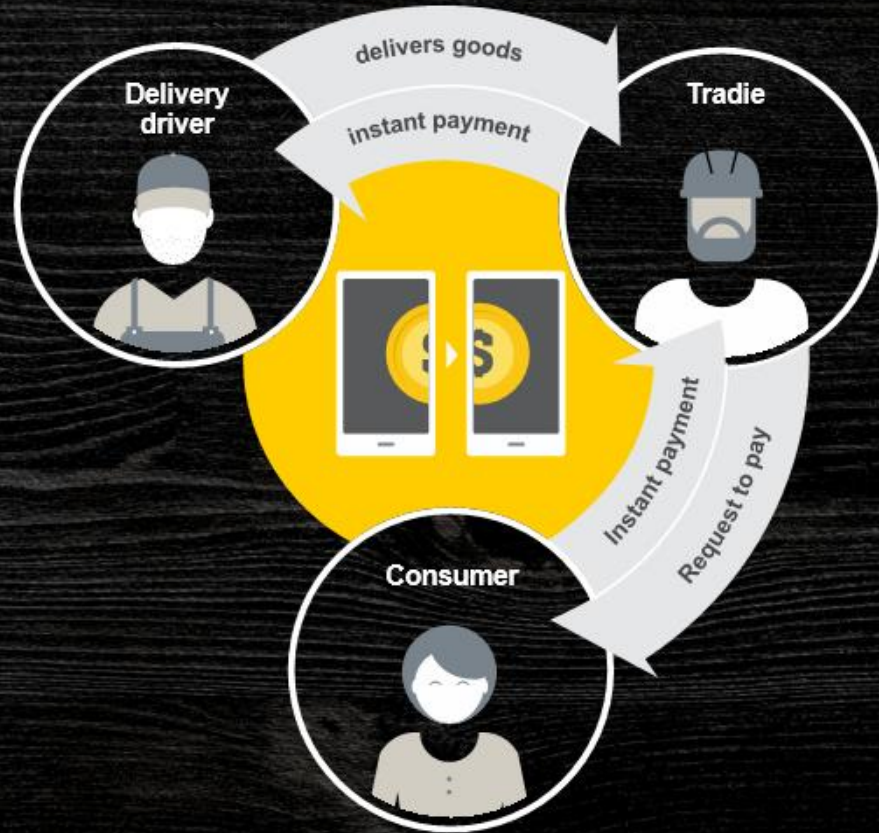


Introducing the New Payments Platform.

Wendy Booth
November 30, 2016



Delivery Driver/Tradie

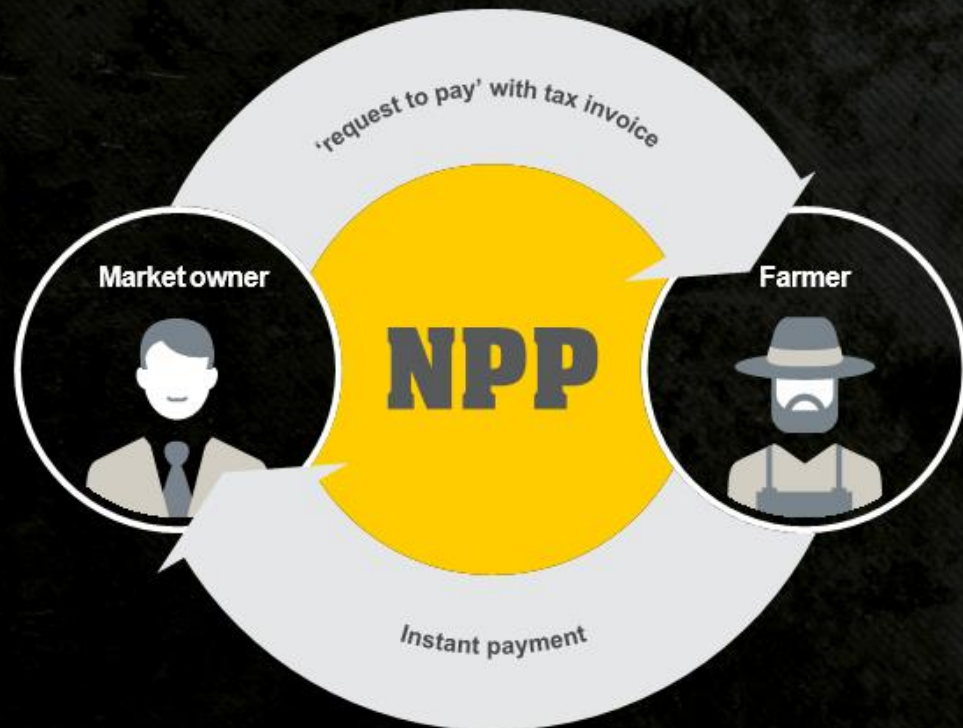


Delivery drivers and tradespeople often require immediate and guaranteed payment on delivery of good or service.

- Utilising the initial convenience services, the service provider can send a Request to Pay to the payer's smart address utilising the 280 characters of text to describe service provided.
- Future overlays will allow a Request to Pay with an attachment (invoice) to be sent
- Payer and payee benefit from faster payment, and enhanced reconciliation allowed by richer data with the payment

✓ Real-time ✓ 24x7 ✓ Simple Addressing ✓ Rich Data

The Occasional Trader



An Occasional Business like a Farmers' Market doesn't want (or cannot get) a credit card facility due to lack of scale or cost. This means they can't receive immediate payment or accommodate cash-averse customers.

Market owner

- Can register a smart address (phone number, email address and organisation ID).
- Can send a 'request to pay' to their customers and attach a tax invoice.
- Creates more efficient reconciliation

Farmer/customer

- Can initiate payment and doesn't need to use cash.

✓ Real-time ✓ 24x7 ✓ Simple Addressing ✓ Rich Data

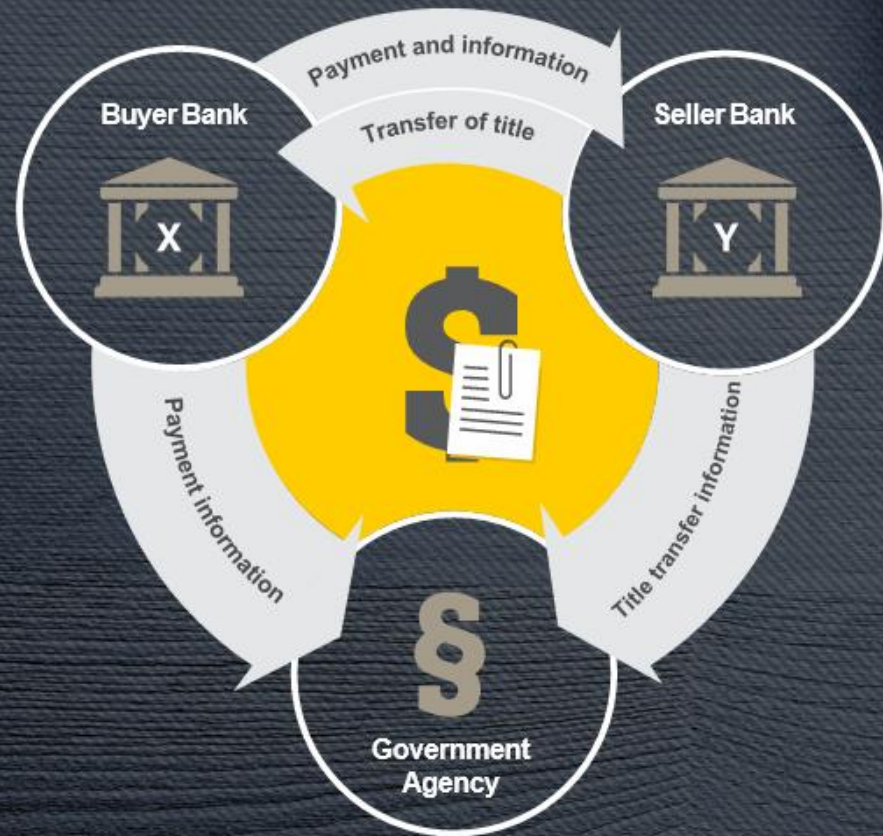
Car Rego Billing (Payment Request)



- Car owners can register their mobile phone number, email address, or car rego as a smart address for requests for payment from Services NSW for registration and/or other related payments (fines, tolls etc.)
- Government agency can send Request to Pay with attached document (registration papers, fine details, toll statement) to the registered smart address.
- Citizen receives request in banking app, or internet banking portal, and can accept the request for immediate payment, or change payment details (amount, date of payment etc.)
- Document remains available for later access in online banking channel

✓ Real-time ✓ 24x7 ✓ Simple Addressing ✓ Rich Data

Asset Transfer



- ✓ Real-time
- ✓ 24x7
- ✓ Simple Addressing
- ✓ Rich Data

- The robustness of the NPP creates the opportunity to modernise sale and title transfer processes for physical assets and property.

- Car purchasing (recording of transfer of title can take weeks to complete after the sale)
- Commodities, equities and bond trading typically are settled and exchanged two to three days after the trade is agreed
- House settlement. Replace separate cheque payment and documentation process, with single transfer to enable payment and title change simultaneously – including simultaneous payment of stamp duty.

- Opportunity to exchange detailed information relating to the transaction together with payment through the NPP to allow a faster (simultaneous) transfer of title and payment
- Enable enhanced automated regulatory reporting to APRA and other regulatory agencies.

Optimising the Payables/Receivables Cycle



- Current process:
 - Purchase Order (Buyer to Seller).
 - Delivery Notification (Seller to Buyer).
 - Invoice (Seller to Buyer).
 - Payment (Buyer to Seller).
 - Reconciliation (Buyer & Seller).
- Future state: Automate straight through payables and receivables process.
 - Opportunity to combine data utilising ISO20022 standard with value
 - Improved payment matching due to richer transaction information, virtually eliminates need for manual intervention
 - Attach receipts and invoices to payments and confirmations

✓ Real-time

✓ 24x7

✓ Simple Addressing

✓ Rich Data

Share Purchasing



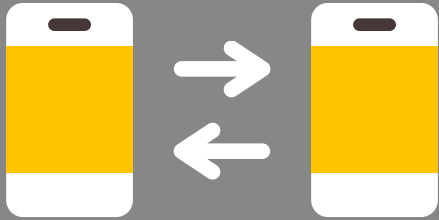
- Retail investor can apply to participate in a share purchase plan by providing an email address or mobile phone number.
- Share Registry can send out detailed offer with Request to Pay to nominated alias.
- Investor can accept offer by accepting request.
- Payment and data transmitted simultaneously back to the share registry and issuer (company) to enable share allocation and appropriate transfers.

■ Real-time ■ 24x7 Simple Addressing Rich Data

The Payments Superhighway.



The **New Payments Platform** offers a range of powerful features.



Real-time payments

Settle value and transaction data together within 15 seconds of the transaction being initiated.



24/7 availability

Clearing and settlement will be conducted line by line all day, every day.



Richer data

1,400 data fields, including 280 characters of free text



Simple addressing

Send and receive money to a phone number, email address, or organisation identifier.

How will the **New Payments Platform** work.

Initial Convenience Services

The New Payments Platform will support multiple overlay services to be activated over time. BPay will deliver the first three overlays (Initial Convenience Services).

Service 1:



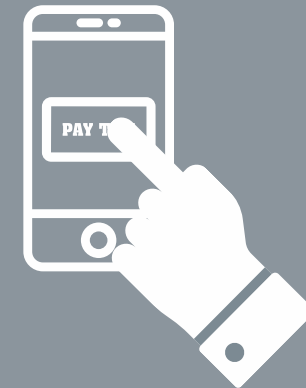
Instant payments with
information

Service 2:



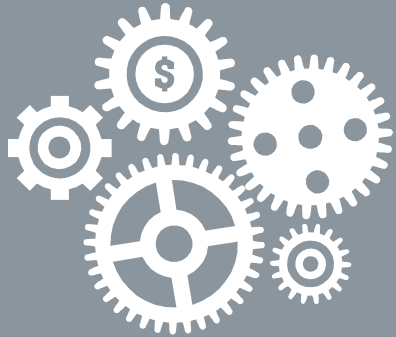
Payments with a link to an
attachment

Service 3:



Request and pay

What the **New Payments Platform** means for businesses.



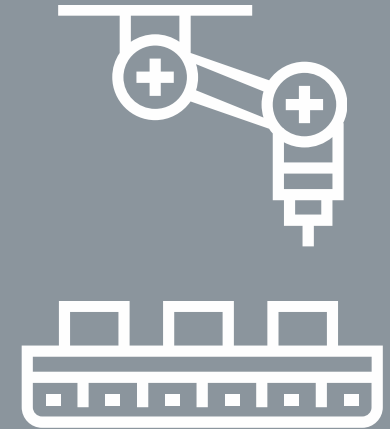
Optimisation of working capital

- Real time, 24x7 payments
- Less exceptions due to enhanced data and smart addressing.
- Request instant payment of late bills through the initial convenience services.



Improved end customer experience

- Faster fulfilment and a better customer experience.
- Your customers will be able to make and receive payments to a smart address with confidence and security.



Operational efficiencies and reduction in manual processes

- Integration into your accounting or business management software, means end-to-end real-time payment and reconciliation.
- Eliminate manual intervention in your accounts payables and receivables processes, saving you time and resources.

New Payments Platform

disrupts existing payments products.



Spectrum of benefits for people, businesses and banks



	Open 24/7	Low value payments	Rich data	Addressing service	Real-time settlement	Individual transaction settlement	Irrevocable funds	Reconciliation data
NPP	✓	✓	✓	✓	✓	✓	✓	✓
Direct Entry		✓						
RTGS						✓	✓	
Cards	✓	✓						
BPay	✓							✓

Q&A

Wendy Booth

Executive Director

Strategic Initiatives

Cash & Transaction Services