

BILLPAY INTRODUCTION GUIDE

WHAT IS BILLPAY:

Define briefly what is online Bill Payment.

Types of Online Bill Pay

Several different services are described as online bill pay:

- **Online bill pay offered by your bank**

The first type of online bill pay (online bill pay offered by your bank) is a service that sends money out of your bank account to whoever you wish. In some cases these online bill pay services will actually print a check and mail it to the recipient. If the company you want to send payments to is setup within the banks system, the bank will simply transfer the money electronically when you use online bill pay.

To set up this type of online bill pay you'll probably just need a copy of the bill that your service provider sends you.

Set up a new payee in the name of that company at your online bill pay website. Copy the address and your account number, and enter that information too. Each time you want to pay you'll just enter the amount of the bill and you're done.

- **Online bill pay offered by your Billers (phone company, mortgage company, etc)**

The second type of online bill pay (online bill pay offered by your Billers) is a service that will only allow you to pay one company – like your phone company for example.

To set up online bill pay with the phone company, you'll need to provide the company a voided check and one or two forms and authorizations. The process is very similar to direct deposit but they call it online bill pay.

Once you have set things up, you can pay your bill without having to use paper checks or the mail.

Automatic Online Bill Pay

If you really like to automate things so that you don't have to think about them, you can automate online bill pay. Almost all online bill pay services will allow you to set up recurring

payments. For example, you can have the online bill pay service take care of your phone bill every month or your insurance every quarter.

Another way you can let online bill pay run on auto-pilot is to allow your biller to pull money out of your account without you having to click anywhere. In other words, the biller just “asks” the online bill pay company for payment and the payment is made without any activity on your part. If you authorize these types of payments, make sure you have a good handle on your budget and available funds.

- **Online bill Pay Service Providers:-**

What is an online billing and payment service?

With an online billing and payment service, you can receive, view, and pay your online bills from one personalized, secure Web site. E.g. Mycheckfree.com, Paytrust.com, YODLEE.COM

What are the benefits of using an online billing and payment service?

- Save time and money - No checks. No stamps. No hassle.
You can select bills from hundreds of local and national companies and billpay providers will retrieve those bills for you in seconds!
- You schedule the date to make payments and gain greater control over the bill management process through your personalized Billpay Provider's Web site, which they automatically set up for you. You can view, pay, and track your bills from one, central place. All of your monthly bill information - right at your fingertips!
- Receive your bill statements online, instead of through the mail. Your bills can even be sent directly to your e-mail address or appear on your Billpay provider's site. You can see the amount you owe, the due date, view the bill detail, and pay the bill. Each month you'll receive a reminder e-mail to login and review each new bill.

What is an e-Bill?

An e-Bill, or electronic bill, is like the paper statement you receive each month now in an electronic format for viewing online. You can see all of the same detail in an e-Bill that you can in a paper statement, and more.

How to sign up for it?

The sign-up process is simple and efficient - yet detailed enough to ensure security and privacy - as the provider gathers the information necessary to deliver your online bills and process your payments. You just need to provide some basic information to get started:

- Your name, address, phone number, and e-mail address. This helps to provide the highest quality of service when it comes to taking care of your payments.
- The account information, such as account numbers, from billers whose bills you will want to receive online.

What payment methods can be used to pay bills?

You can pay your online bills using a checking or money-market account, or major credit cards where accepted by the biller.

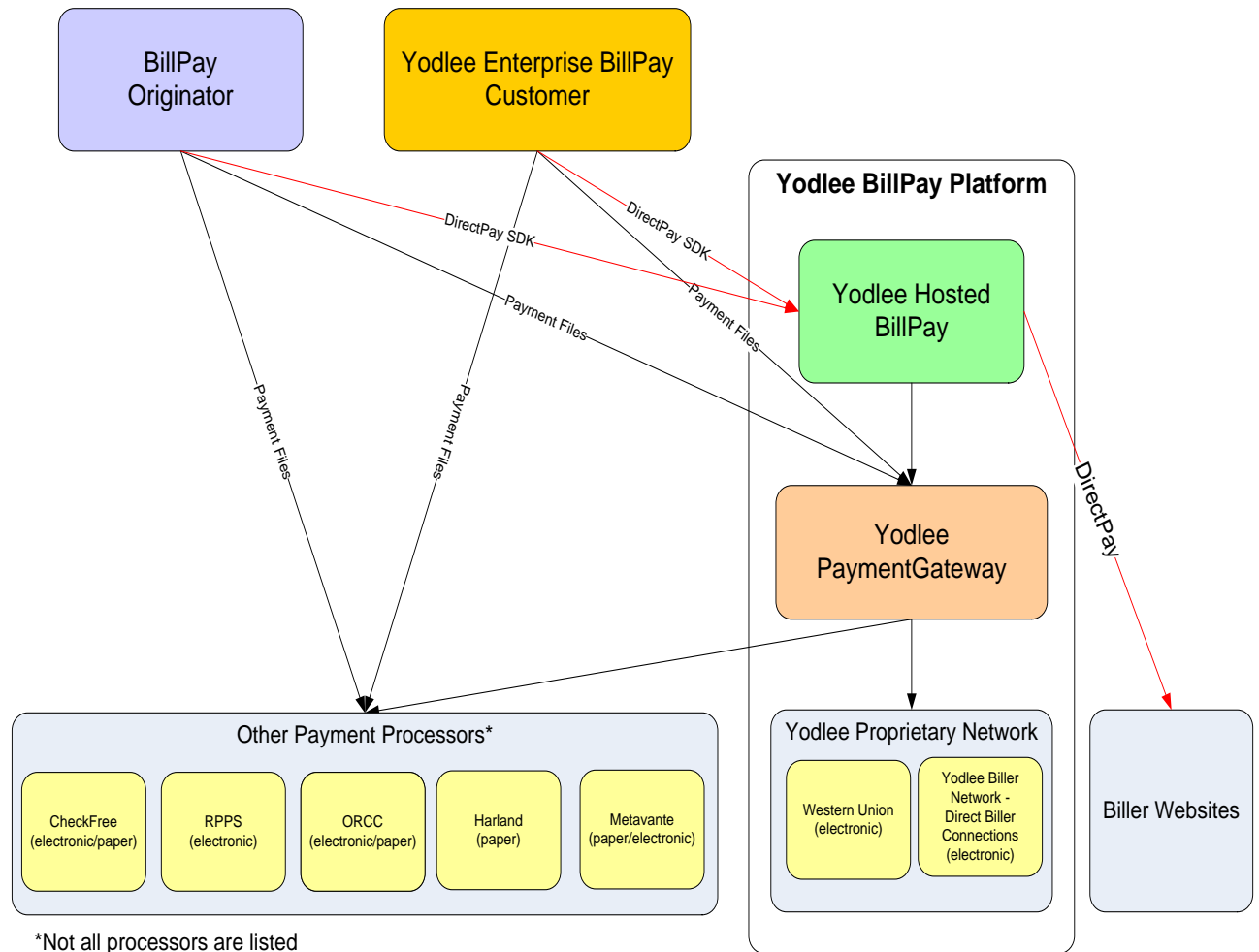
HOW BILLPAY WORKS:

Explain the generic workflow of how billpay works and what all entities are involved in it.

Some diagram to explain:-

Block Diagram of how Yodlee does it :

Yodlee BillPay Platform



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Explanation of diagram:

- 1) Who is an originator? Explain with example the difference between Enterprise customer and other originators.
- 2) Who is a Payee? How is term Biller different from a Payee?
- 3) What is a Payment Gateway? Example.

- 4) What is a Processor? Example.
- 5) What is Direct Pay? What is ACH and how it works?
- 6) Who is a Consolidator/Concentrator? Example.
- 7) Difference between Auto Billpay and Recurring Billpay.

MODELS OF PROCESSING:

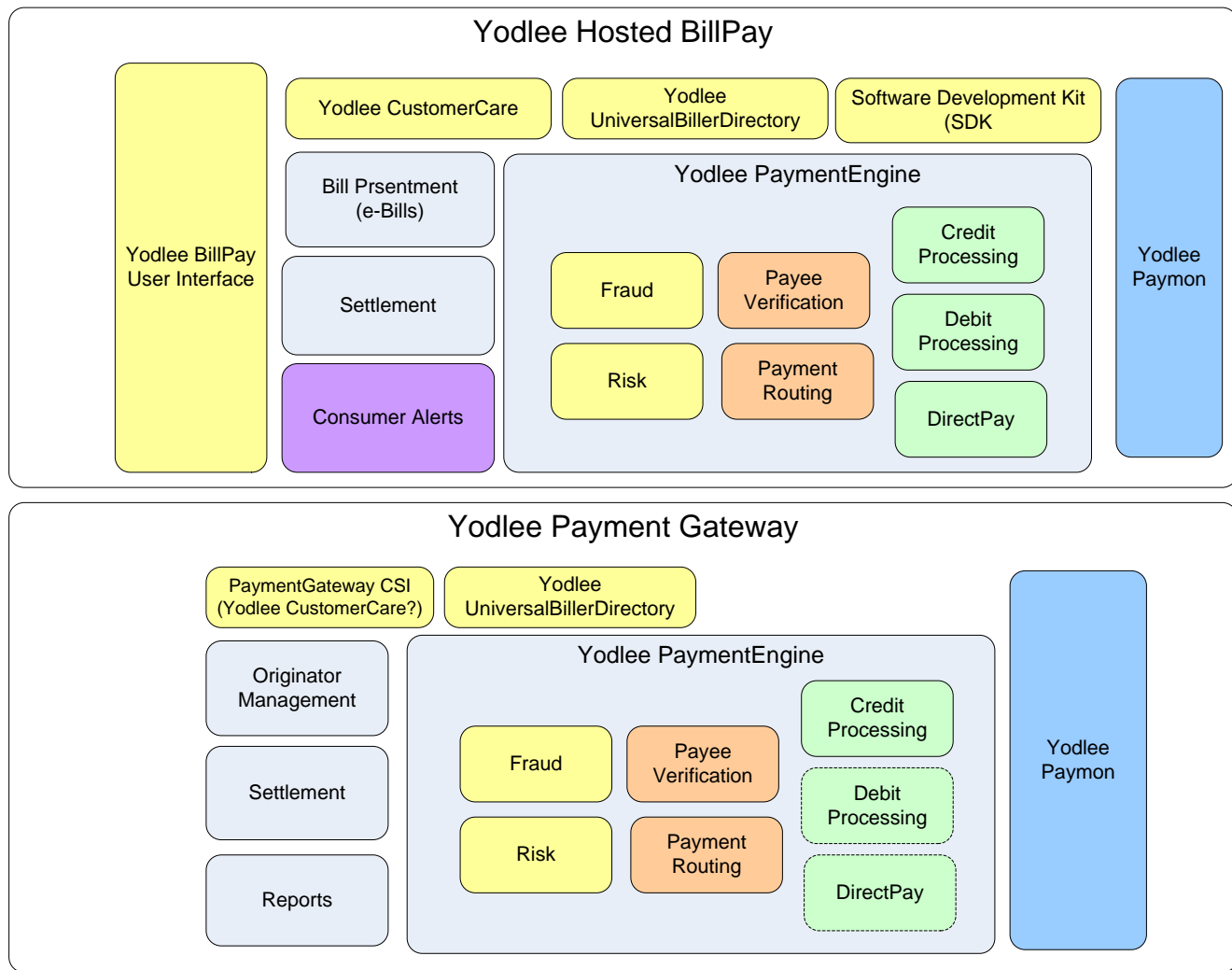
Explain with the help of an example like If a customer wants to pay AT&T bill online. How different models work on following basis:

Block Diagrams of Processing Models:

- 1) Risk-Based
- 2) Good-Funds

- 1) What is a Due Date?
- 2) What is an Estimated Due date?
- 3) What is a Process Date?
- 4) What is Debit, Credit and a transaction?
- 5) What is Lead Time? Explain the Lifecycle of a complete transaction with the help of an example.
- 6) Explain the time lines for a transaction in all models clearly stating the difference in different models.
- 7) What is Authorization? When does it happen? Who does it?
- 8) What is Reversal? Example.
- 9) What is Settlement? Example.
- 10) What are different types of files? Explain.

- 11) How is security maintained?
- 12) Difference between fraud and risk? Example.



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Explain the above diagram and how Yodlee plays its role in BILLPAY.

- 1) What is Yodlee Payment Engine? What it does? Where is it hosted?
- 2) What is Paymon? Its role and where is this hosted?

