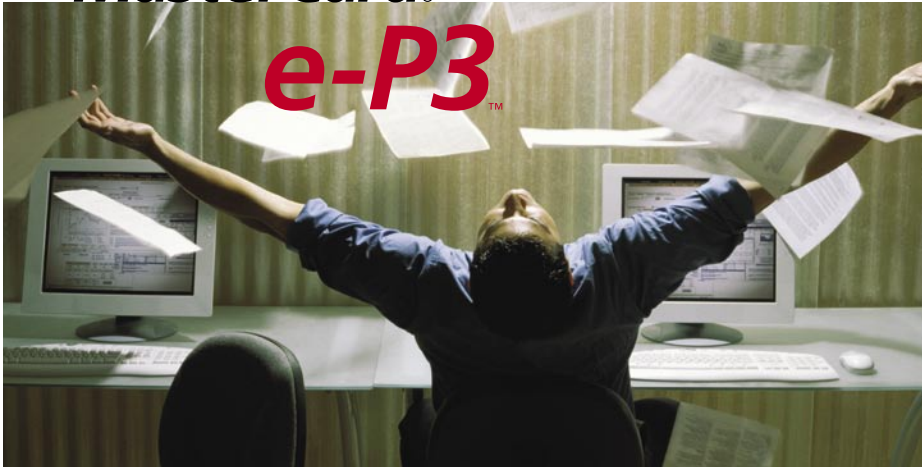




MasterCard® e-P3™

Bringing Real Value to Buyers

MasterCard®



According to a recent study in the U.S. by the Association of Financial Professionals, 79% of corporations are likely to convert most of their paper check payments to electronic payments within the next three years. Companies are seeking automated solutions to simplify invoice processing, lower costs, and increase settlement efficiency. And we've responded.

Introducing MasterCard e-P3: the More Efficient Way to Do Business

MasterCard e-P3 is a comprehensive business-to-business electronic payments program that integrates MasterCard Purchasing Card settlement options into a company's existing Accounts Payable process. By using a MasterCard e-P3 Payables Account™, companies can now pay their suppliers with an automated solution without altering their existing accounting or record-keeping process.

By using MasterCard e-P3, all of the benefits of your traditional MasterCard Purchasing Card program are combined with all of the controls of your Accounts Payable system. Benefits of a MasterCard Purchasing Card program include:

- ▶ Streamlining administrative processes
- ▶ Improving controls over indirect spend via preset spending limits and enhanced data capture
- ▶ Enabling comprehensive tracking and reporting

Take Control with MasterCard e-P3

A MasterCard e-P3 Payables Account is a virtual MasterCard account number that is assigned to a supplier or set of suppliers within Accounts Payable. Buyers benefit from MasterCard Corporate Purchasing Card settlement while preserving the integrity and controls of the purchase order process.

Because it is web-based, MasterCard e-P3 can integrate into the system you have in place, saving time and cost. It works with leading ERP and A/P systems such as PeopleSoft, Oracle and SAP and requires minimal IT resources for implementation. Adapters "translate" transaction data flowing through the system, yet leave functionality and infrastructure untouched.

Key Benefits to Buyers

Optimizes Working Capital:

Preserves the buyer's float while speeding up payment to suppliers.

Reduces Costs: Reduces operational costs associated with paper check processing by introducing an automated payment.

Enhances Controls: Provides increased controls since payment is always buyer-approved and buyer-initiated. It also gives you added fraud control since suppliers don't have access to your "virtual" purchasing card number.

Extends Reach of Purchasing Card Program: Brings purchasing card value to new classes of spend such as advertising, capital goods and more.

Provides Flexibility: Gives the buyer an alternative to paying their supplier via check.

MasterCard e-P3 requires a MasterCard Purchasing Card and a partnership with one of our leading electronic invoice presentment and payment (EIPP) partners:

burns

fast track commerce

Burns – Burns provides Internet-based, managed services that make business-to-business transactions seriously efficient. Burns is based in the United Kingdom.



Xign – Xign is a leading provider of e-Payables solutions to automate B2B financial settlement, serving over 5,000 organizations. Xign is based in the United States.

Straight-Through Payment Processing

Straight-through payment processing* is the process of seamlessly passing financial information to all parties involved in a transaction – from settlement through reconciliation – with *no manual handling*.

Straight-through payment processing mimics the way buyers pay today using Electronic Fund Transfer. All payments are buyer-approved and buyer-initiated. When used with MasterCard e-P3, straight-through payment processing provides an automated solution for both buyers and their suppliers that helps increase efficiency, provides greater security, and eliminates the need for a POS (point-of-sale) device.

Benefits of straight-through payment processing include:

- ▶ Automates authorization and settlement
- ▶ Prevents exposure of card numbers to suppliers
- ▶ Eliminates need for manual data entry by supplier

Out-of-Band Payments

If your chosen supplier is not served by a participating acquirer you can still pay that supplier via a MasterCard e-P3 Payables Account. Your supplier will be notified by e-mail, generated by the buyer's ERP system, that payment has been approved and is ready to be processed. Your supplier will then need to log into a secure supplier portal with a user name and password and retrieve the necessary payment information for authorization and settlement using a POS device.

MasterCard, together with its e-P3 partners, is striving for additional acquirer connectivity so that all MasterCard-accepting suppliers can take advantage of the many benefits of straight-through payment processing.

How MasterCard e-P3 works**

- 1 Supplier submits invoice to buyer
- 2 Buyer approves invoice and decides to pay using MasterCard e-P3
- 3 Buyer generates a Payment Instruction File from A/P system for MasterCard authorization and settlement
- 4 Supplier receives e-mail notification and remittance information
- 5 Supplier receives funding via acquiring bank account
- 6 Buyer receives monthly purchasing card statement from issuing bank
- 7 Buyer reconciles with clearing account
- 8 Buyer reconciles and pays issuer the statement balance

To Get Started:

- ▶ If you have a MasterCard Purchasing Card program already, please contact your issuer for more information about MasterCard e-P3. MasterCard will work closely with your issuer to analyze your purchasing card program to obtain maximum efficiency.
- ▶ If you don't already have a MasterCard Purchasing Card program, contact MasterCard Corporate Payment Solutions at 1-888-321-9119 or e-mail us at: MCbusiness@mastercard.com.

www.mastercardbusiness.com/e-P3

* Available with participating acquiring institutions. Not all suppliers will qualify for straight-through payment processing.

** MasterCard e-P3 with straight-through payment processing.

MasterCard
International

