

Moving
Forward with
e-Payments

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Online Banking Services & Benefits to Merchants

BNM Payments System Forum 2015

Victor Khor

1 e-Payments Overview

2 e-Payments Benefits to Merchants

3 e-Collection Overview

4 e-Collection Benefits to Merchants

Types of e-Payments Services

e-Payment Types

Salary Payroll
Bills
3rd Party Transfer
Loans
Cards

e-Payment Channels

Mobile Banking
Internet Banking
Corporate Cash Management Solution
ATM/ Internet Kiosk
Branch (instruction)

e-Payment Modes

Interbank GIRO (IBG)
Intrabank/ eIBFT
Rentas
Credit/ Debit/ Corporate Cards (Mastercard/ Visa, etc)



MEPS
IBG



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e-Payments Overview

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e-Collection Benefits to Merchants



Internet Banking Benefits Far Outweigh Traditional Banking





Payment Method: Cash/ Cheque

-  Manual
-  Need to be physically present at the bank



Payment Method: Internet Banking

-  Direct to account
-  Anytime, anywhere banking at home, office or otherwise





Payment Time

-  Cheque clearing - minimum 2 days
-  Only on business/ working day





Payment Time

-  Same day
-  365 days a year

Features

-  Payment can be made only from bank premises
-  Without access to account
-  No payment details available
-  Bank statement available only on monthly basis

Features

-  Payment can be made from anywhere
-  Real-time access
-  Payment details are available via email or SMS
-  Daily bank statement

e-Payments Benefits To Merchants

For Your Banking Convenience and Payments Needs Anytime, Anywhere

1

Better Cash Flow Management



3

Ease of Reconciliation



2

Ease of Acceptance



4

Secured Transactions



1

Better Cash Flow Management

- ✓ Real-time account balance and float information. Access to online account available 365 days a year
- ✓ Manage future-dated payments – bills, own account transfers and 3rd party transfers
- ✓ For inter-bank Giro (IBG) transfers – same day crediting for payments made before cut-off time (until 5pm)



2

Ease of Acceptance

- ✓ Fast, direct credit into the account
- ✓ Payment notification via email or SMS is available to customers
- ✓ Payment limit per day for IBG from RM10k (for sole proprietors/ small businesses) up to RM 1 million (for companies 'Sdn Bhd') per transaction
- ✓ Customers with no access to the internet can utilise ATMs and Internet Kiosks provided at bank branches and mobile banking



3

Ease of Reconciliation

Internet Banking screen: Reference info mandatory to be captured & displayed in Recipient's statement
e.g. *Invoice#, Ref#, Membership#*.

From Account :

Transfer from My Account :

Please select



*

Show joint accounts

To Beneficiary :

To Favourite Account :

Select Favourite Beneficiary Account



To New Beneficiary Account :

Length of A/C No. *

Name of Beneficiary :

*

Beneficiary Bank :

Select Beneficiary Bank



*

Beneficiary ID Type :



Beneficiary ID :

Beneficiary Status :

Malaysian Resident

Non Malaysian Resident

Please SAVE this Beneficiary to my Favourite List :

Payment Data :

Payment Type :



*

Currency :

MYR - Malaysian Ringgit



Amount :

0.00

*

Subject to daily transaction limit

Bank Charges / Fees (MYR) :

0.10

Recipient Reference :

*(e.g. vehicle numbers, months, invoice no. etc)

Other Payment Details :

(Description e.g. car repayment, tuition fee etc)

3

Ease of Reconciliation

Transaction details will be made available in the Bank Statement

Sample: Recipient Bank Statement

26/10/2013	331 - Purchase Debit	26/10/13 16:10:21 PURCHASE 18088852 MYR 1549.00 HOME STAR FURNISHING	1,549.00
26/10/2013	331 - Purchase Debit	26/10/13 15:46:41 PURCHASE 12605745 MYR 122.85 TICKLE PET HOUSE	122.85
26/10/2013	917 - ATM Cash Withdrawal - MEPS	26/10/13 13:43:02 ATM MEPS WITHDRAWAL D904BNK	501.00
25/10/2013	917 - ATM Cash Withdrawal - MEPS	25/10/13 20:32:24 ATM MEPS WITHDRAWAL 5CXB0003	201.00
18/10/2013	123 - IBG Inward Credit	IBG IN /FIRZA SHAHARIAH / INVOICE 9786 / MAY 2015	4,600.00
15/10/2013	917 - ATM Cash Withdrawal - MEPS	15/10/13 12:26:25 ATM MEPS WITHDRAWAL FBRE	501.00
14/10/2013	331 - Purchase Debit	14/10/13 20:05:31 PURCHASE 81111950 119.50 CAFE BARBERA-SETIAWA	119.50
14/10/2013	003 - ATM Cash Withdrawal	14/10/13 12:13:35 ATM WITHDRAWAL 101005D3	500.00

Sender info keyed in will appear in the Recipient's statement

4

Secured Transactions

Built-in features assure integrity of Payment files:

- ✓ Complex encryption and hash totals – amount and number of items in file cannot be revised
- ✓ Authorization – access controls, limits built-in and 2nd level checking using passwords, tokens, digital signature, etc.
- ✓ Verification – to avoid double crediting or duplication



IBG – Same Day Crediting

Payment Initiated by Customers	Funds Received by Beneficiaries*
Monday – Friday	Same business day
Before 5.00 am	By 11.00 am
5.01 am - 8.00 am	By 2.00 pm
8.01 am - 11.00 am	By 5.00 pm
11.01 am- 2.00 pm	By 8.20 pm
2.01 pm - 5.00 pm	By 11.00 pm
Non-Business Days	Next business day
Saturday, Sunday and Federal Territory Public Holidays	By 11.00am



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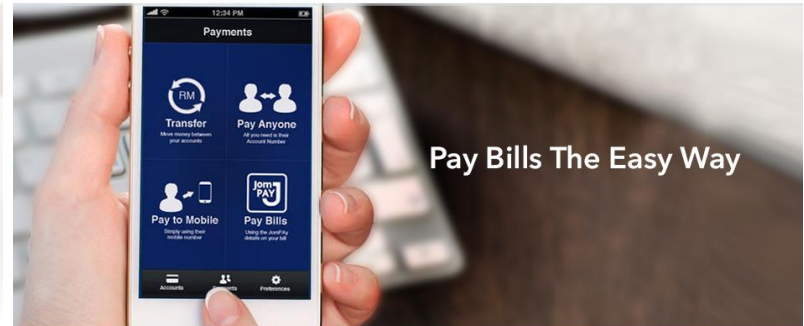
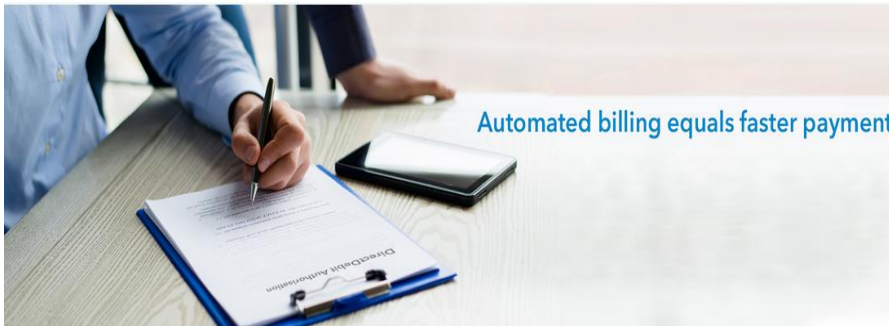
e-Collection Overview

4

e-Collection Benefits to Merchants

Types of e-Collection Services

e-Collection Modes	Collection Type	Collection Channels
JomPAY	Bills and invoices	<ul style="list-style-type: none"> • Internet Banking • Mobile Banking
FPX	e-commerce payment system for online businesses/stores	<ul style="list-style-type: none"> • Internet Banking
Direct Debit	Automated collection for recurring payments	<ul style="list-style-type: none"> • Internet Banking



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e-Collection Benefits To Merchants

	JomPAY	FPX	Direct Debit
Efficient & Cost Effective	<ul style="list-style-type: none"> ✓ Receive payments faster, improved your cash flow 	<ul style="list-style-type: none"> ✓ Real-time debiting of your customer's account from multiple banks & direct crediting into your account 	<ul style="list-style-type: none"> ✓ Collect payments from customers efficiently by debiting customers' bank account on recurring basis ✓ Merchant is in control on the amount to debit from the customers once direct debit mandate is obtained from customers
Ease of Reconciliation	<ul style="list-style-type: none"> ✓ Online validation to reduce payment errors ✓ Consolidated report covering all JomPAY payments from multiple banks 	<ul style="list-style-type: none"> ✓ Provides payment information to facilitate ease of reconciliation via a single channel 	<ul style="list-style-type: none"> ✓ Provides payment reference information to facilitate reconciliation
Wide Reach	<ul style="list-style-type: none"> ✓ Connect to only ONE Bank to collect payments via 42* Banks 	<ul style="list-style-type: none"> ✓ Direct access to all major internet banking banks with single integration (B2C & B2B) 	<ul style="list-style-type: none"> ✓ Businesses can collect payments from customers at 22* Banks
Secured Transactions	<ul style="list-style-type: none"> ✓ Secured authentication and security credentials as per bank's certification standards 	<ul style="list-style-type: none"> ✓ Uses secured authentication, security credentials and certification standards 	<ul style="list-style-type: none"> ✓ Build with secure payment infrastructure

FAST

CONVENIENT

SECURE

Your Customers Can Pay Your Bills From Any of These Participating Banks

Banks offering JomPAY

You can pay your bills from any of the banks below.



Participating soon



Your Customers Can Pay From Any of These Participating Banks

Banks & Third Party Acquirers (TPA) offering FPX



Your Customers Can Sign Up for Direct Debit Instructions With Any of These Participating Banks

Banks offering DirectDebit



Summary: Why Merchants Adopt e-Payment

1 Better Cash Flow Management

- ✓ Real-time account balance/ float information
- ✓ Improved payment processes
- ✓ Pooling/ Sweeping/ Placement

2 Ease of Acceptance

- ✓ Most or all of your customers already have bank accounts with their own banks → to accept e-payment is not an issue:
 - ✓ Can easily make/ receive payment into your bank account for payment of goods & services
 - ✓ Even inter-bank account crediting can use IBG at as low as 10sen*
- ✓ Payment notification via email or SMS is available

3 Ease of Reconciliation

- ✓ Real-time account information and statements
- ✓ Detailed account activity
- ✓ Mandatory reference information captured and displayed in Recipients' statement

4 Secured Transactions

- Built-in features assure integrity of Payment files:
- ✓ Complex encryption and hash totals – amount and number of items in file cannot be revised
 - ✓ Authorization – access controls, limits built-in and 2nd level checking using passwords, tokens, digital signature, etc.
 - ✓ Verification – to avoid double crediting or duplication

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THANK YOU