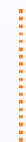


# Living in Real Time ...Moving Payments On-Line

## Mid Council Financial Network Conference Presbyterian Church USA

November 7th, 2018



**PNC**

# A Roadmap for our Discussion



- First, **An Observation**
- The **Current** Language of Payments
- Times ... They are **a' Changing**
- Why Should You Care? Why You **SHOULD** Care!!!!
- The **NEW** Language for Payments
- PayerExpress: Bringing a Real Time Payment Process to **Your Fingertips**
- Closing Comments: **Three Things to Remember**
- **Reminder**
- Questions????

# Current State of Payments

The Changes that are Coming ... and FAST!



## Current terminology in the Payments World

- Coin & Currency
- Check
- Wire
- Card – A story for now
- ACH – A story for later

# Current State of Payments

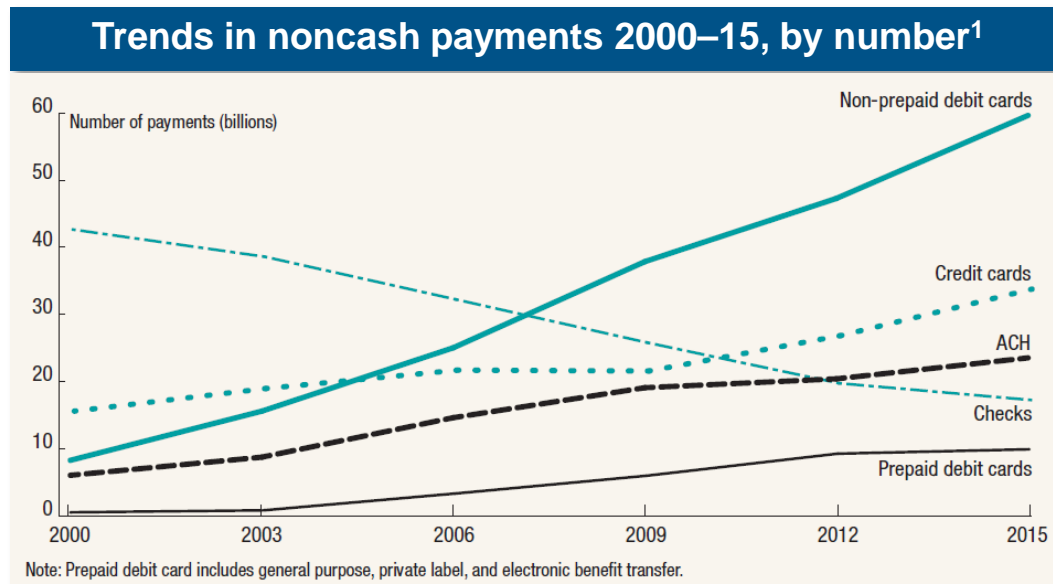
The Changes that are Coming ... and FAST!



## Current terminology in the Payments World

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- One of the first banks to enter the Electronic Bill Presentment and Payment Services industry in 2007
- Client base covers a diverse group of industry segments including:
  - Healthcare
  - Insurance
  - Utility
  - Real Estate
  - Municipal
  - B2B – Wholesale Distribution
  - . . . and many more . . .
- Currently processing over 350,000 payments per month through the online application
  - Over \$300 Million / month in bill payments processed
  - More than 325 clients



Checks continue their precipitous decline as a form of non-cash payment

<sup>1</sup> The Federal Reserve Payments Study 2016 -- [www.federalreserve.gov](http://www.federalreserve.gov)

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# Future State of Payments

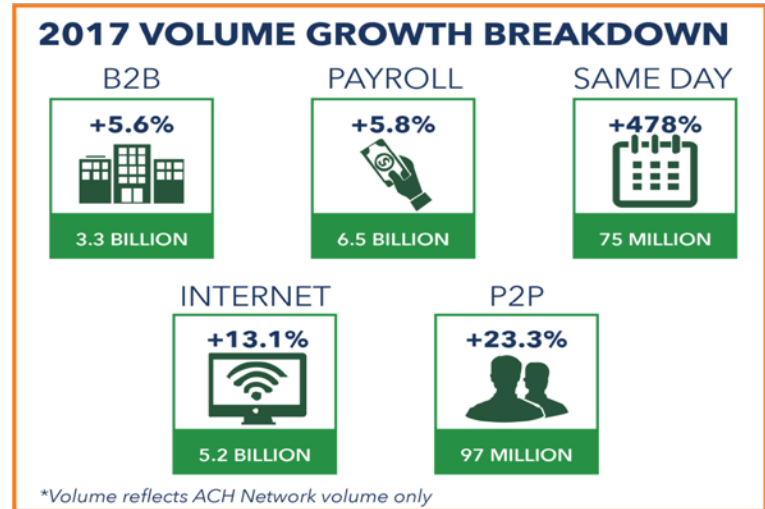
The Changes that are Coming ... FAST!



Now, the story for later: ACH...In Context

- Conceptualized in 1968
- First payment processed in 1972 (1 payment)
- NACHA established in 1974
- Same Day ACH launched in 2016
- New Proposal for higher limits and a late window

ACH Payments have grown dramatically since making one payment in 1972...



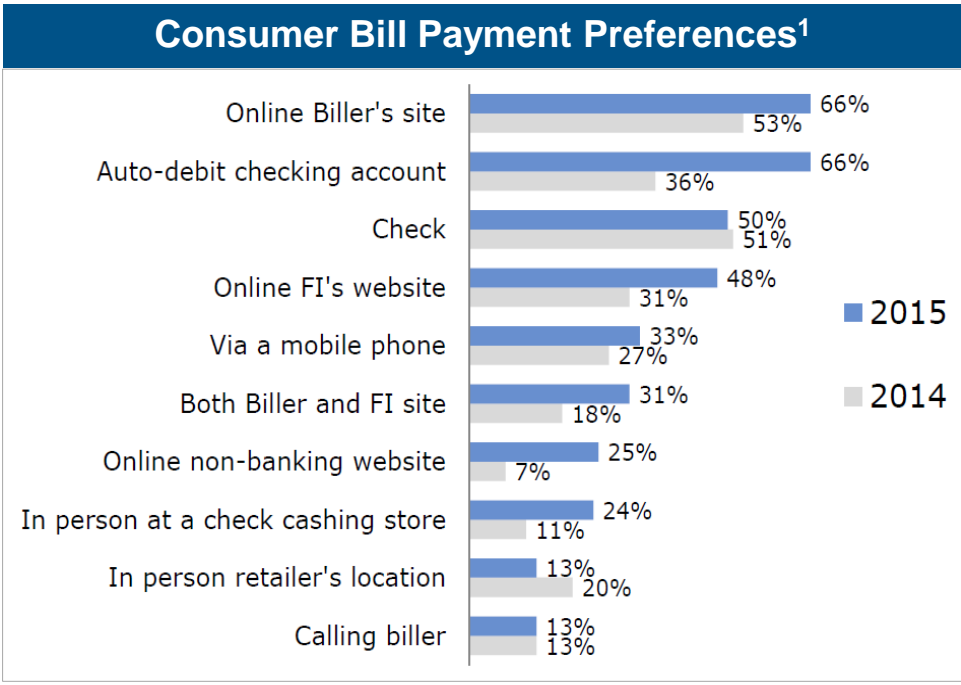


# Future State of Payments

## The Changes that are Coming ... FAST!



- A simplified approach to online bill presentment and payment
  - Summary, Detail & PDF Billing options
  - Card and ACH payment options
  
- PNC hosted portal that can be linked to your organization’s website
  - Client branding is available including custom logo, color schemes and authentication values
  - PNC hosted site ensures PCI-DSS, NACHA WEB & TEL, HIPAA, HI-TECH compliant
  
- Payment channels include online and mobile (responsive design):
  - One-time guest
  - Enrolled one-time, recurring, future dated
  - Interactive voice recognition
  - Customer service representative
    - One time
    - Future dated
    - Recurring
    - Auto-debit
    - In-person card swipe
  
- Online administrative and reporting capabilities
  
- Financial settlement occurs on a next day basis



<sup>1</sup> 2016 Eighth Annual Billing Household Survey

# Future State of Payments

Key Transformation Drivers – Your Clients AND Your Employees



GENERATION	AGE	SIZE <sup>1</sup>
<b>Millennials</b>	<b>15-35</b>	<b>92 million</b>
Generation X	36-51	61 million
Baby Boomers	52-70	77 million

## CHARACTERISTICS



Raised in a digital world

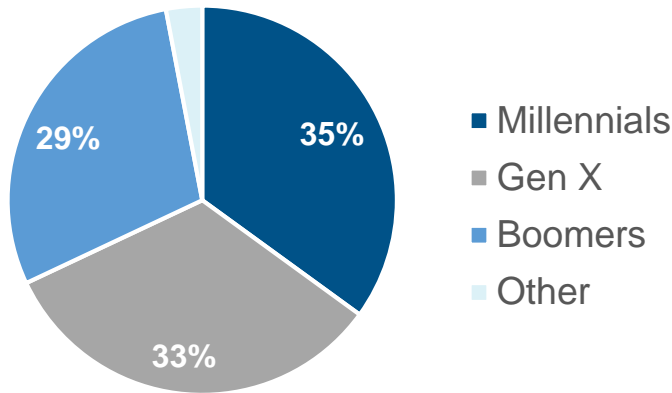


Thrive on peer acceptance



Don't embrace traditional financial processes

2016 Workplace



*By 2025, Millennials & Gen Z will represent **75% of the workplace**<sup>2</sup>*

<sup>1</sup> US Census Bureau

<sup>2</sup> Salesforce Blog, How Millennials are Shaping Mobile Payments, 2015

<sup>3</sup> Social Media Week, 2016

# Future State of Payments

The Changes that are Coming ... and FAST!



## New terminology for the Payments World:

### Just The F.A.A.C.S.

- Finality
- Availability
- Application (Payment Information)
- Cost
- Security

Rather than Payment Type, Think ... Smart Routing!

# Future State of Payments

The Changes that are Coming ... and FAST!



nRT\*

\* As defined

# Future State of Payments

The Changes that are Coming ... and FAST!



nU\*

\* As defined

# Future State of Payments

The Changes that are Coming ... and FAST!



$$nRT^* + nU^* = nN^\#$$

# As defined in the payments world

# Future State of Payments

The Time has come for Real Time Payments



## INNOVATION



First new payment channel in over 40 years

## SECURITY & UBIQUITY



Introduced by The Clearing House ... targeting ubiquity by 2020

## SPEED



Funds sent and received 24/7/365

## TRANSPARENCY



Real-Time confirmation to both parties

## INFORMATION



Extended remittance details delivered in ISO 20022

## COLLABORATION



RFI, RFP, Payment Acknowledgement Messaging

# Integrating *Your* Receivables Management ... and expanding your reach



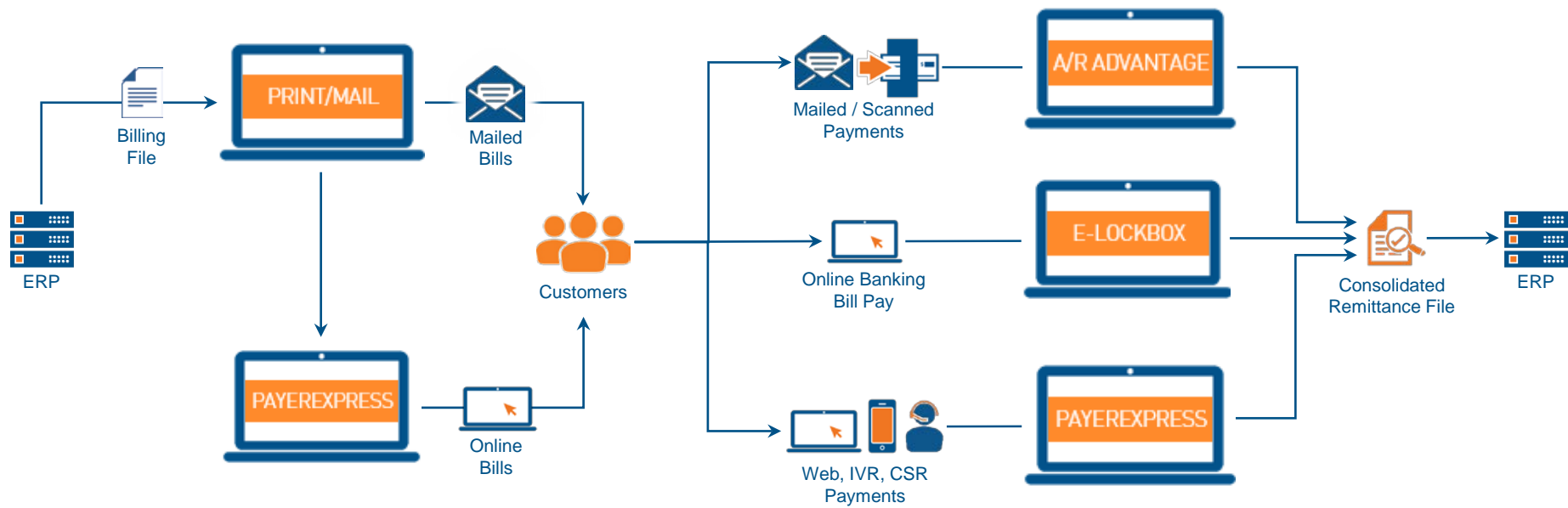


# Order-to-Cash (O2C)

## Receivables Roundtrip – A Visual



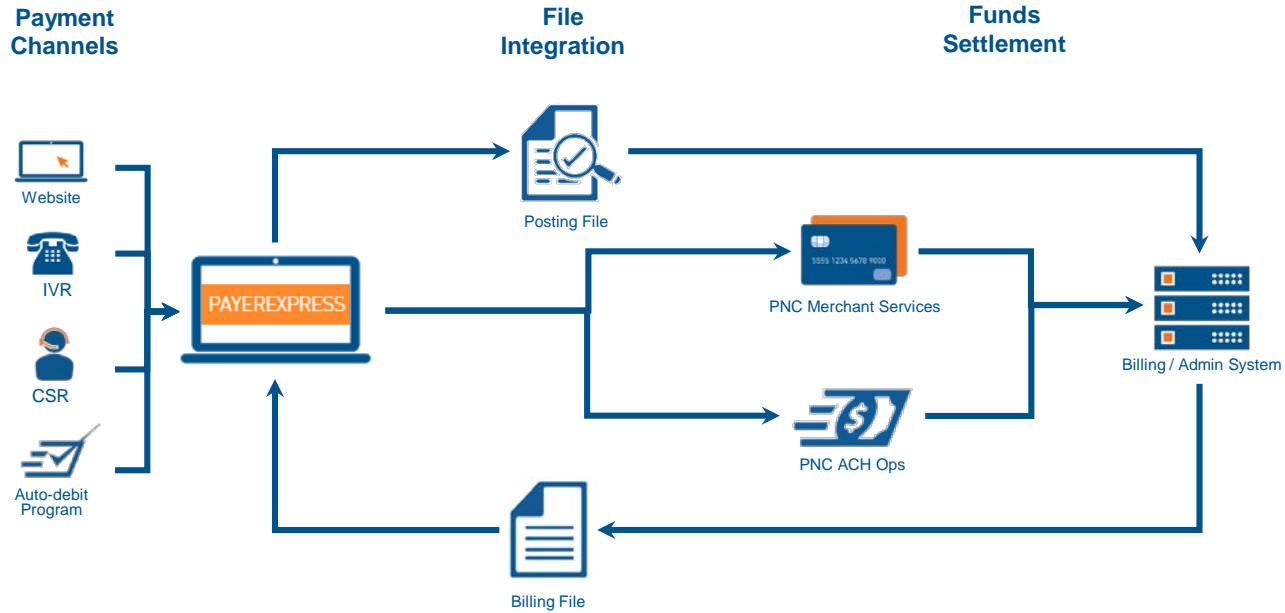
Focusing on the end-to-end **O2C process** helps organizations create a Receivables Roundtrip solution to streamline customer billing and automate cash application to **reduce DSO**.



# **PayerExpress: An Overview ... A Closer Look at EIPP**

# PayerExpress

## The Process Flow: How It Works

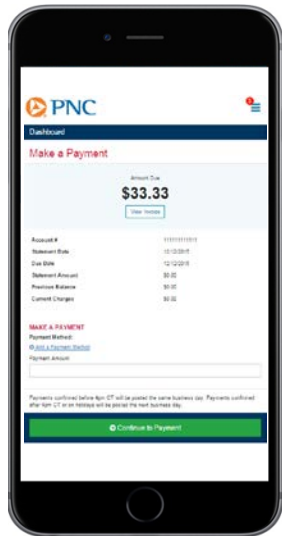


Electronic Presentment and Payment Enablement via Payer Express

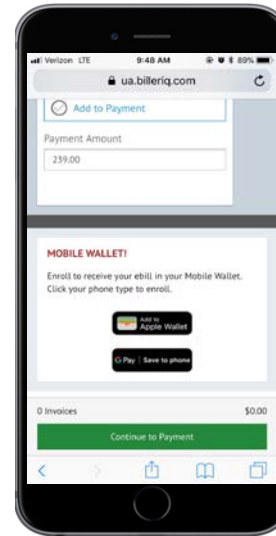


# PayerExpress

## Mobile Capabilities

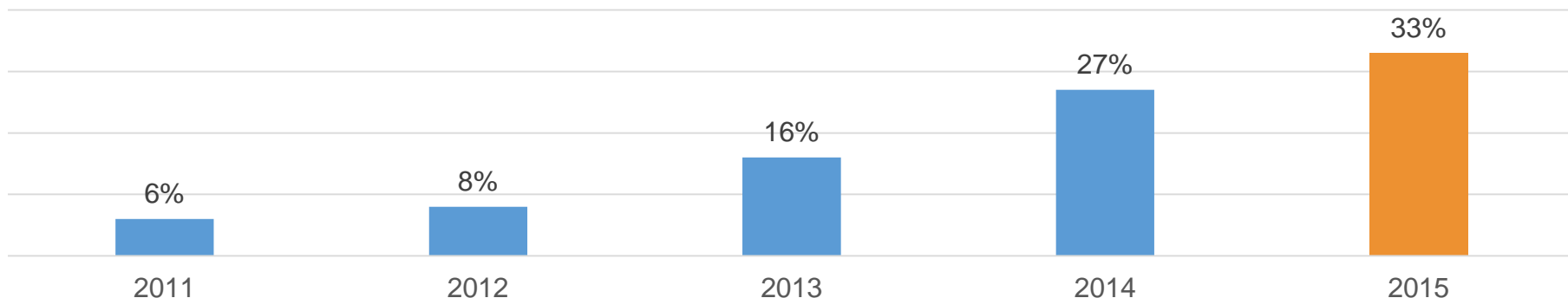


- PNC has deployed a “Responsive Design” of PayerExpress that will allow users to access the online payment portal from any device. (Automatically formats to device screen size). System is also ADA compliant.



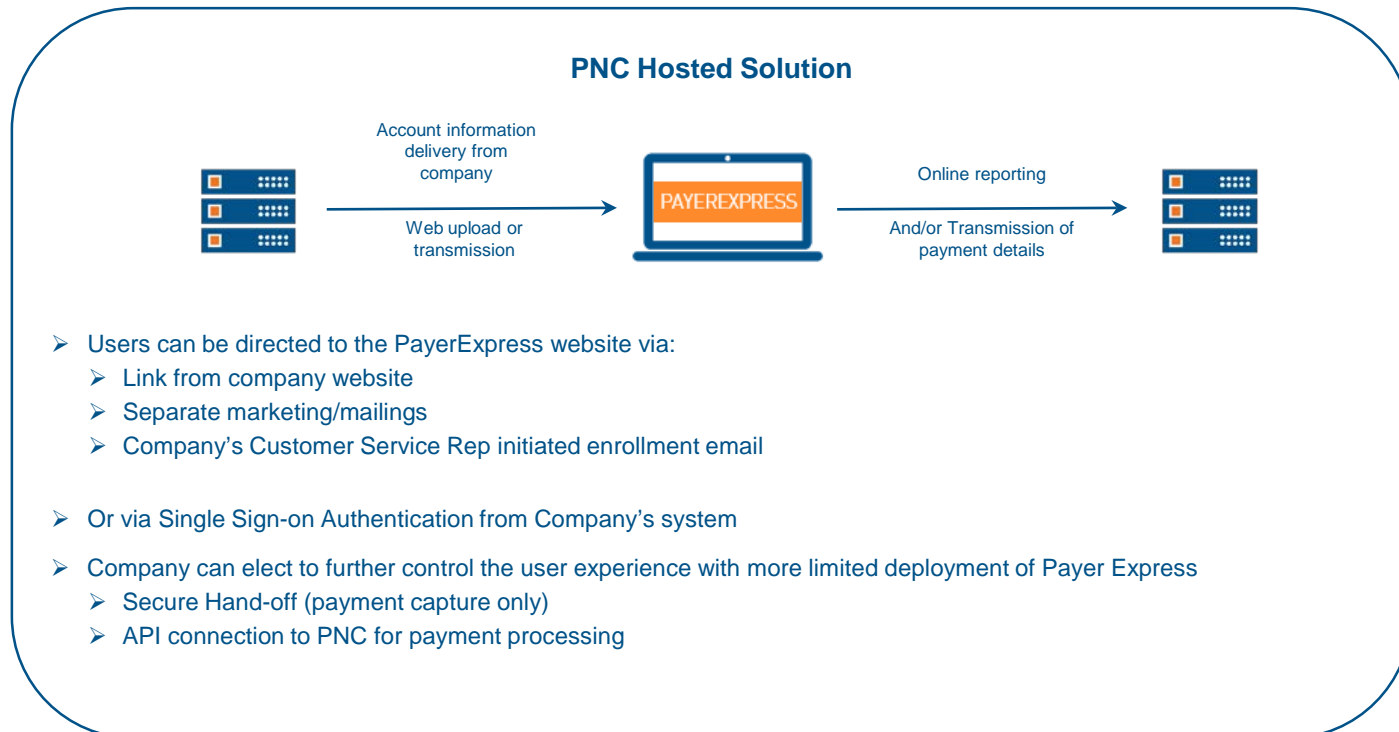
- Enrolled customers can login using a computer or mobile phone to your website, where they can add their bills to Apple Pay or Google Pay.

% of US Online Households Paying at Least One Bill through Mobile Bill Pay<sup>1</sup>



<sup>1</sup> Eighth Annual Billing Household Survey, Fiserv Inc., 2016

## Customer Experience and Related Data Integration

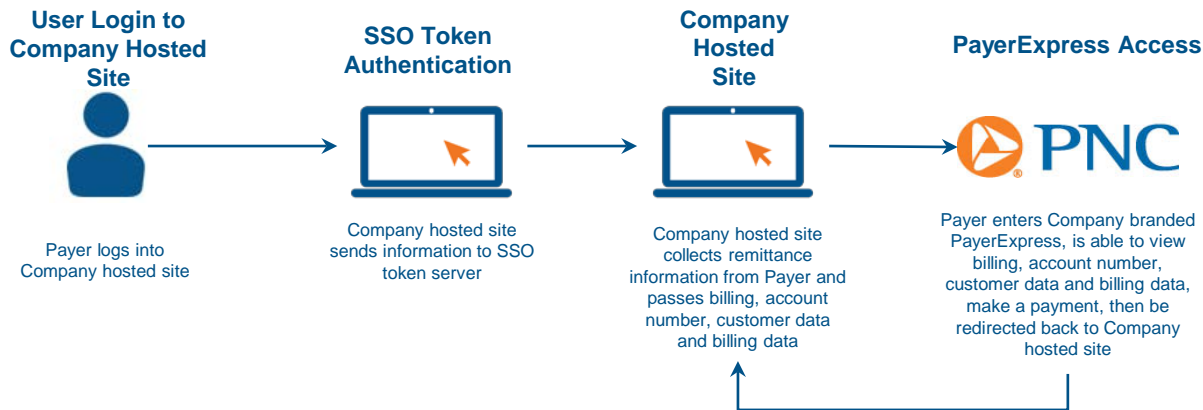




**PNC's Single Sign On service allows Payers to login through**

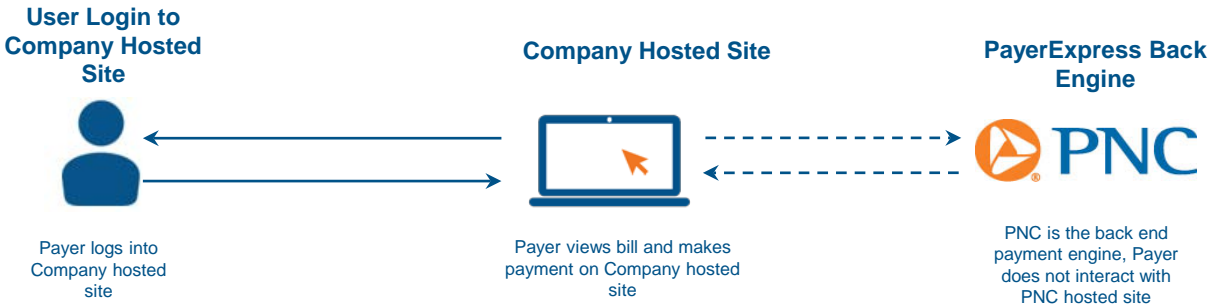
**the Company hosted website and, in a seamless and secure manner,**

**be transferred to the Company branded PayerExpress site for bill viewing and payment**



**Secure Handoff allows Company to collect remittance information, redirects the end user to a Company branded PayerExpress payment screen, which will include information such as billing account number, customer data and billing data.**





**PNC's Application Program Interface (API) allows Company to customize  
and own the visual side of the online portal  
while utilizing PNC as the back-end payment processing engine**

### User Login to PayerExpress



Payer logs into Biller branded PayerExpress

### PayerExpress Access



Payer is able to make any payment amount, add free form text descriptions and select payment descriptions from a drop down menu

***Payment Only allows Billers to offer an online payment option without providing files containing billing details***

## Many features for Non-Invoice Payments

- Common look and feel
- Enroll or single payment
- Remember Me feature
- Includes payment history
- Can save a payment account
- Can be used with an IVR



[Home Page](#) [Site Map](#)

LOGIN

PAY NOW

Welcome to the Presbyterian Church USA Demo Payment Center

Account Number

Confirm Account Number

Pay Now

# Future State of Payments

The Changes that are Coming ... and FAST!



P.S. – these are **NOT** Bitcoins!

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