

Client Frequently Asked Questions Guide

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The value of Virtual Payables

1. **What are the benefits of paying suppliers with a credit card?**

Benefits may include:

- A no-cost alternative to traditional fee-based payments
- Provide suppliers with a fast, reliable payment option
- Eliminate per-item banking fees/processing costs
- Improve Days Payable Outstanding
- Extend float, increasing cash flow
- Reduce opportunity for fraud
- Requires no change to the upfront A/P process

2. **Will card payments impact the invoicing process we have with suppliers?**

Your invoicing, current procedures and supplier contacts can remain the same.

3. **Will net terms change for this payment method?**

Terms that you have in place with suppliers do not need to change.

4. **Should I be concerned about my supplier's cost associated with accepting card payments (i.e. merchant fees)?**

The cost of accepting card (merchant fees) is offset in many cases by the advantages of this payment method. Improved working capital and elimination of inefficiencies associated with paper payments are some of the many benefits of card acceptance. Suppliers are aware that card is your preferred method of payment and accepting card will likely strengthen your supplier/buyer relationship. Additionally, it increases suppliers' marketability with other buyers looking to eliminate inefficiencies and improve DPO by making card payments.

5. **Some of our suppliers require a signed Card Authorization form for every credit card transaction. Can you fax this information with the remittance advice?**

Once the supplier determines that they will accept card payments, they can provide you the Card Authorization Form for signature and maintain that form for all future payments from you. Each remittance advice is the supplier's authorization to process the credit card transaction for the exact amount indicated.

Virtual Payables payment delivery methods

Please speak with your implementation advisor about how each of the following payment delivery methods is supported from a technical perspective.

Single use accounts

6. **What are single use accounts?**

Single use accounts are virtual card numbers that are randomly generated for each individual payment. The card account number is transmitted to the supplier securely at proper time of payment, along with other necessary account information (expiration date, CVV2, etc.) and the supplier initiates payment processing.

7. **Does my supplier have to do anything to accept single use accounts as a form of credit card payment?**

If your supplier already accepts credit card payments, there is nothing they have to do to accept single use accounts.

Dedicated Card

8. *What is a Dedicated Card and how does it work?*

A Dedicated Card is a dedicated virtual card number that the supplier can keep on file and use for each payment from you. Once you approve payment, the supplier will receive a remittance advice with invoice and payment details.

The supplier will then use the virtual card number to initiate payment and once payment is processed, funds are usually settled within 48 hours.

9. *Is it safe for the supplier to keep this card number on file?*

Yes, it is safe to maintain a Dedicated Card on file as there are zero dollars on the card until an invoice is approved for payment. Once an invoice is approved for payment, the card will be funded for the exact amount of the invoice(s) and the supplier will receive a remittance advice. The remittance advice is an electronic confirmation that the card is ready to be charged. This technology reduces the risk associated with maintaining the card account number on file.

10. *How will the supplier receive the card account number, expiration date and the 3-digit CVV2 code on the back of the card?*

The supplier will be provided with the card account number and expiration date via secure email the first time. The 3-digit CVV2 value is not provided in the secure email. If your supplier needs the 3-digit CVV2 code, you can provide it to them separately. If the supplier elects to not keep the card number on file, they can opt to receive the card account number and expiration date with each remittance advice by secure email.

11. *How will the supplier receive the remittance advice?*

The supplier can elect to receive the remittance advice by email or fax. The remittance advice can be sent to multiple email addresses or one fax number. If they elect to receive the card account number and expiration date with each remittance advice (instead of keeping it on file), the delivery method is secure email.

12. *Will the supplier receive payment for all company locations?*

Receipt of payment will remain the same. If the supplier currently receives one check for multiple locations, they will maintain one card account number on file and the remittance advice will identify the appropriate location by invoice number, date and amount. If a separate check is sent to each location, a unique card number will be assigned for each location.

13. *Are there other options if the supplier's policy does not allow them to keep a card account number on file?*

Yes. If the supplier cannot keep a card account number on file, the card account number and expiration date can be included in each remittance advice and sent via secure email.

14. *Are there other payment delivery options that we can offer to our suppliers?*

Yes. For U.S. programs, an alternative option is to participate in a process whereby a payment is pushed to the supplier's merchant account. This eliminates the need for your supplier to initiate a credit card transaction and the need to maintain a card account number on file.

Additional Information

Secure email

15. What is secure email?

Secure email is a method of transmitting messages securely via email whereby the information is decrypted until the authorized user opens the message. Secure email is a feature of Virtual Payables whereby suppliers can elect to receive the card account number and expiration date in each remittance advice, instead of keeping it on file. If suppliers elect to do this, each remittance advice would be sent to them via secure email.

16. What is the process for a supplier to access the card account number and expiration date from a secure email?

The supplier will receive an email with a link to a secure site. They may access the card account number and expiration date by clicking on the link and entering their username and password which will decrypt the card account information. Please note there is a one-time registration process where they will be required to enter their email address and create a password and security question and answer. Registration takes less than 5 minutes.

17. Once the card account information is decrypted, will the card account information continue to stay decrypted?

Each time the supplier receives a secure remittance advice they will be required to click on the link contained within the email to access and decrypt the card account number and expiration date. Once they log out of that site, the card account information will encrypt and will not be accessible again until they re-authenticate to the site.

18. Is there a process to assist the supplier if they forget the password to decrypt the card account information?

Yes. There is a "Forgot password" function that will verify the user's identity and re-establish a password.