

TelPay® : e-Commerce Today

e-payment services

Newsletter for Financial Services Providers

Winter 2004

'CS CO-OP / ALTERNA BANK' FIRST TO TELPAY ANYONE

Credit Union's Online Payment Service Most Comprehensive in Canada

Here's an excerpt from a TelPay Press Release on November 9th, 2004.

For the first time ever, Canadians can go to their online banking site and truly "pay anyone" in Canada. Ottawa-based CS CO-OP, one of Canada's largest credit unions, is the first institution in the nation to bring these industry-leading services to consumers. November 9th marks the official launch of CS CO-OP's online "pay anyone" services. Services made possible by the innovations of e-payment pioneer, TelPay Incorporated.

CS CO-OP can now boast that the payment services offered through their online banking site, are the most comprehensive in the country. *TelPay Online™* is the name of the groundbreaking payment technology which enables CS CO-OP to offer

these competitive services to their members. TelPay developed the technology with the ability to integrate with any Internet banking application in Canada. In the case of CS CO-OP, *TelPay Online™* has been integrated with the MemberDirect® online application.

Be it a payment to the dentist, nursing home, or tax department or a donation to the church, an art gallery or food bank - CS CO-OP members can now go to their online banking site and make 100% of their payments electronically. Online payments can arrive at their destination by the end of the next business day and are accompanied by whatever payment details the sender wishes to include.

Continued...Please see TelPay Anyone page 4

YOUR MEMBERS CAN PAY ANYONE ONLINE

Enhance member convenience and services at little or no cost

TelPay is pleased to introduce *TelPay Online™*, Canada's most advanced e-Payment service for Internet banking systems. *TelPay Online™* is the first e-payment service allowing Internet banking customers to make any type of payment to any individual, organization, or government department in Canada. This service, which seamlessly integrates with any existing Internet banking system, replaces your current bill payment functionality and offers your members the ability to:

- Transfer funds (EFT) from their account to any other financial institution account in Canada;
- Pay any person or business in Canada online (without requiring the recipient's bank information), and include payment details – an essential requirement for business payments;
- Pay standard Federal and Provincial government remittances such as tax

installments and sales taxes including all required details;

- Access and pay over 2,400 standard TelPay billers across Canada.

With the click of a button, your members can make next-day payments to anyone in Canada. No more restrictions to biller lists. No special set-up or membership is required to access these services.

TelPay's industry-leading technology enables you to differentiate your financial institution, expand profit margins, and payment volumes, while decreasing the cost of processing cheques. Enhance member convenience and expand services at little or no cost.

Bring *TelPay Online™* capability to your members today. For more information, please contact: sales@telpay.ca or call 1.800.665.0302 and ask for Harold Hermann.

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Promote Your e-Payments

Increasing revenue through promotion of your "pay anyone" capability

TelPay would like to assist you in increasing the "Other Revenue" category on your Profit & Loss statement. You have already installed the technology, you have members forever hungry for expanded services – the last piece is the promotional materials.

TelPay has just recently released the latest version of *TelPay Over the Counter*® (OTC) funds transfer and "pay anyone" bill payment software. This pioneering technology enables you to offer your members the most comprehensive payment services in the country. Your members can now send money and pay bills to any person or organization in Canada (including government remittances with full payment details).

Funds arrive before midnight the next business day, and payments can be sent to any financial institution account in Canada.

To assist you in informing members about your industry-leading services we are happy to provide you with the following materials:

- Lapel Buttons
- Pamphlets / Statement Stuffers
- Tent Cards
- Door / Window Stickers
- Colour Posters
- Web Content

If you currently use TelPay OTC, you will have recently received a package containing the above items. To order more, please contact Janet Leppky, National Account Manager, Financial Institutions by phone at 1-800-665-0302 or by email at jleppky@telpay.ca.

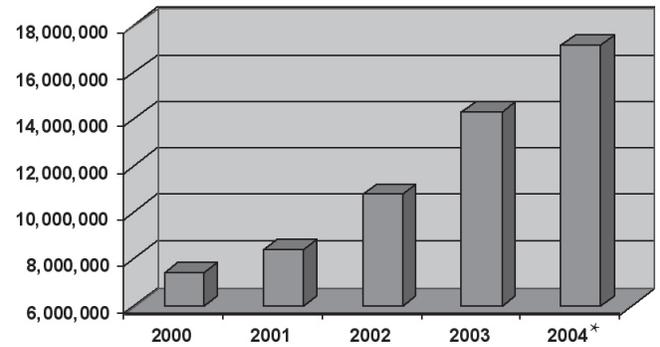
If you are interested in promoting other TelPay payment services, please contact us at sales@telpay.ca.

TELPAY'S E-PAYMENT GROWTH CONTINUES

Current Statistics:

- Standard Billers – 2,400
- Customer Specific Billers – 2,200
- Monthly Transaction total – 1,465,986 bills paid (at a value of \$571 million)
- Percentage of enquiries to number of transactions – 0.03%

Record of Transactions



* Forecasted for 2004

NEW TO OUR TEAM

Brian Denysuik, President & CEO is pleased to announce the appointment of Mr. Harold Hermann, P.Eng, to the position of **Director of Sales: e-Payment Technology**. Harold brings great depth to the team with his background in business management, strategic marketing and systems development. Harold will bring TelPay's solutions to Financial Institutions across the country, working directly with banking systems providers and integrators.



FREQUENTLY ASKED QUESTIONS

Q: *What is the fastest, least expensive method for my customers to send money using TelPay OverTheCounter® (OTC)?*

A: By providing you with an account number and transit number, your members can send money directly into the bank account of any individual, at any financial institution in Canada. Funds arrive the next business day and the cost to your branch is only 50 cents per payment. Simply select the Funds Transfer feature on your OTC screen.

Q: *A member wants to make a payment to a company that is not listed on your Biller list. What do I do?*

A: There are 2 options:

- You can request that the company be added to TelPay's Biller list. Just visit www.telpay.ca/billeradd.html to request to add a biller.
- If you use OTC, you can enter this company to transmit a "Payment with Details" transaction.
 - o After entering your member's number, click on "Add a new Payment with Details" and enter the company information.
 - o Complete the remainder of the payment information.
 - o This company will be stored in that member's Account Information.

P.S. We'd like to hear from you. Email us at newsletter@telpay.ca with your questions, suggestions or comments. You will receive a prize if we use your response.

TelPay[®]
e-payment services

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ARE YOU OFFERING YOUR MEMBERS THE BEST PAYMENT SERVICES AVAILABLE?

Compare your payment services to the best in the country

As you know, members who pay bills online are more loyal, they buy more financial products, and they require less labour to service. Make sure that you are offering the most complete online payment services available. TelPay's e-payment technology enables you to offer a combination of products and services found nowhere else in Canada. Compare your current payment services to the benefits that TelPay provides:

Benefits to the Members/Customers:

- Online bill payments to anyone in Canada – only require name and address
- Economical funds transfer to any financial institution account in Canada
- File Government Remittances electronically (CCRA, PST, GST, HST, Taxes)
- Payment recipients receive notice of payment and details such as invoice number, etc.
- Ability to make Future-Dated Payments
- Online payment history with extensive sort functionality for review and budgeting
- Request payment deletions or corrections up to 10:00 a.m. CT the next day
- Review recent phone transactions through the payment history located online
- View and delete pending payments online
- Bill payments value-dated to match the date funds withdrawn from account
- Payment tracing service available when required
- Full Customer Service available in English and French

Benefits to the Financial Institution:

- List of over 2,400 standard billers Canada-wide automatically updated bi-weekly
- New standard billers added regularly and at no charge
- "Pay anyone" technology provides competitive differentiation
- Increase transaction revenues as "pay anyone" capability increases usage
- New functionality and upgrades provided free of charge
- Eliminate the need to transmit payments to a secondary processor/consolidator
- Customer Support: in-house technical support available, free to FI and billers
- Automatic, overnight confirmation of transactions received and processed
- Automatic, overnight report of rejections, duplicate, unusual and large payments
- Provider uses sophisticated encryption and firewall protection technology
- Multi-site failover and system redundancy
- Remit payments for processing up until cutoff time of 2:00 a.m. CT
- Specialized error checking – immediate online validation of most biller and bank accounts
- Inherent float created on bill payments; provides benefit of more than 2 cents per transaction as CU not debited until next business day when remitted to biller

Future Developments:

- Payments to foreign bank accounts
- View and pay e-bills (e-mailed bills) from within the online payment session

TelPay Incorporated's payment consolidation system supports remittance processing for financial institutions, businesses, and individuals. Payment collection systems provided include TelPay Online™ (Internet and Telephone systems), Over the Counter® payment systems, BusinessConnect®, and PersonalConnect™ software payment systems.

USER FEEDBACK

Therese Vany-Boechler,
TeleService Manager
Saskatoon Credit Union - July, 2004

"My experience since Saskatoon Credit Union switched to TelPay has been consistently very positive. Any time I call for information, or a request to add a vendor to improve service to one of our members, TelPay staff have been most friendly and definitely express a desire to assist."

Kelly Cust,
Manager, Information Services
Canadian Western Bank - July, 2004

"My experiences have been very positive from both a development and support perspective. TelPay fosters a team environment - there's good communication between their "players" and the customer. They have a genuine concern for the customer. Their people, knowledge and hands-on approach are very good and working with them has been a positive experience. Their system is very stable and in the rare event when there is a problem they make it right."

INFORMATION SOURCES

www.telpay.ca

Provides a detailed view of TelPay's services to financial institutions, billers, consumers, and businesses.

www.telpay.ca/financial.html

Provides financial service providers with a Search/Validation Tool to ensure that their payment information is correct.

www.telpayotc.ca

Download the most recent version of *TelPay Over the Counter*® (OTC) software or see the latest announcements about OTC.

www.telpaypersonalconnect.ca

A user site for those interested in making 100% of their personal payments electronically.

www.telpaybusinessconnect.ca

A user site for those interested in making 100% of their business payments electronically.

OUR EXPERTS



Name: Carmen Joyal
Years with TelPay: 14 years

Area of expertise at TelPay and positions: Started as a Customer Service Representative, and then spent some time in FI Services as well as Biller Services. A few years later returned to the Customer Service Department as the Manager.

What has been learned at TelPay:
I have learned that there is a different need for every customer we have. Everyday brings with it new questions and answers, problems and solutions. It's a never ending learning process.

TELPAY ANYONE

Continued from page 1

According to Cassandra Harris, Manager, E-Commerce from CS CO-OP, "The ability to go online and move money quickly and inexpensively is something our membership base is excited about. In the past, sending money to a relative or paying a last minute bill to any biller in the country was slow and difficult. Using **TelPay Online™** the money arrives the next business day."

"From quarterly membership dues, tax installments, and landlord payments; to girl guides, a class trip, or soccer registration; Canadians can truly retire their paper cheque book once and for all. Paying electronically is faster, easier, and you can pay anyone, anytime of day or night - anywhere you have access to a computer," says Brian Denysuik, President & CEO of TelPay Incorporated. "**TelPay Online™** offers the unique ability to pay anyone and integrate with anyone. Universal

integration with banking and Internet system providers (such as MemberDirect®) was one of our core development requirements. We're proud of the fact that our Winnipeg-based company has been able to lead the market with these types of innovations for the past 19 years."

Based in Ottawa, CS CO-OP, has member holdings \$1.2 billion and over 145,000 members, making it one of Canada's largest Credit Unions. Its wholly owned subsidiary Alterna Bank, is the only Canadian Bank headquartered in the nation's capital.

"® MemberDirect & Design are registered trademarks owned by Credit Union Central of Canada, used under license."

To read the full article, please go to http://www.telpay.ca/pdfs/CS_COOP.pdf

EMERGENCY PAYMENT SITUATION SOLVED BY TELPAY ANYONE

CU member helps friend transfer urgent funds across the country

Shortly after installing **TelPay Over the Counter®** (OTC) application with "pay anyone" functionality the main branch of Saugeen Credit Union in Durham, Ontario received a visit one Friday afternoon from a member who had a friend visiting them from British Columbia. The friend had an urgent need to transfer money to a Credit Union back home. The member was hoping that the Credit Union could help.

After receiving a cash payment from the friend, Saugeen Credit Union was able to

transfer funds to their British Columbia based Credit Union account by depositing the money into the member's account and using TelPay's OTC funds transfer capability. The funds transfer was initiated that Friday afternoon and the money was received in the friend's British Columbia Credit Union account the following Monday. The cost of the OTC funds transfer was a mere \$0.50 to the Credit Union, who did the transfer as a favor to the member, versus the standard wire transfer charge of \$25.

All parties were amazed and very pleased with the results. "We have a lot of cottage owners from Toronto in this region who have all kinds of banking situations similar to this incident, TelPay's "pay anyone" functionality will certainly be helpful not only for our members day-to-day requirements but for emergency payment situations when they arise," says Wayne Cargoe, General Manager at Saugeen Credit Union.

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DIGITAL or PAPER?

If you would like to receive our newsletter electronically, please e-mail us at newsletter@telpay.ca

SUGGESTION BOX – FEEDBACK

We would love to hear from you. Please tell us what you think of the newsletter, how we could improve it, or what you would like to read about. Send your comments to newsletter@telpay.ca.