



Official Payments enables governments, utilities, courts, colleges, universities, and other public and private organizations to accept payments electronically. Our services provide your customers with fast, easy and secure options for paying by Visa®, MasterCard®, American Express®, and Discover® credit and debit cards, and electronic checks. We offer a variety of solutions to best fit your collections needs, ranging from supporting payments through www.officialpayments.com to fully hosted custom web payment portals.

This documents answers some frequently asked questions about how our systems operate, how they are supported, and the fees and costs associated with accepting electronic payments.

Q. How can I accept payments over the Internet?

A. Official Payments offers a suite of hosted Internet payment processing solutions that are tailored to meet the needs of public and private collecting organizations of all sizes and levels of technical sophistication. They include:

■ **Standard Internet**

We will set you up to collect payments through our centralized payment website, www.officialpayments.com.

■ **Standard Internet with Validation**

We will set you up to collect payments through www.officialpayments.com and perform validation of account and balance information against your data.

■ **CoBrand Internet**

Customers lookup their account information at your website and are passed to an Official Payments hosted website, along with their data, to complete payments.

■ **STP Web Services**

Handle the entire payment process on your website while connecting to Official Payments in the background for authorization, confirmation, processing, and support.

■ **Search-to-Pay**

Official Payments designs and hosts a custom website for you with built-in payment processing capabilities. We will integrate your collections data so that account information and balances are viewable as part of the payment process.

Q. How can I accept payments over the telephone?

A. Official Payments offers a suite of hosted Interactive Voice Response (IVR) systems for accepting payments over the telephone. As with our internet products, different IVR solutions are available to match with your existing telephone capabilities.

■ **Standard IVR**

We will set you up to collect payments through our centralized payment system, 1-800-2PAY TAX, or a unique number appropriate to the type of payments you collect.

■ **Standard IVR with Validation**

We will set you up to collect payments through 1-800-2PAY TAX, or a unique number and validate customer's account and balance information against your data.

- **DTMF/Hook-Flash**

Customers lookup their accounts via your IVR system and are then transferred to an Official Payments IVR system to make payments. Data established about the customer is transferred to Official Payments telephonically.

- **IVR Web Services**

Handle the entire payment process on your IVR system while connecting to Official Payments in the background for authorization, confirmation, processing, and support.

Q. How can I accept payments over the counter?

A. Official Payments offers a series of options for clients looking to streamline their office procedures by quickly and efficiently accepting electronic payments at the Point of Sale (POS). Recent policy changes among our card partners now enable us to offer these services with options for both convenience fee and absorbed fee pricing.

- **Virtual Terminal**

Official Payments will design an online payment interface for internal use in your office where all of the required information can be entered on one page and submitted for processing. This is a fast and easy method of routing POS transactions through our internet systems.

- **Swipe Reader**

We offer an optional USB swipe reader device, often referred to as a "wedge," which can be connected to any computer and streamlines the payment process by automatically reading and inputting name, address, and card number information.

- **Interactive Kiosk**

For those clients who experience a large number of customers wishing to pay in the office, our interactive kiosk solutions handle all aspects of the account lookup and payment process, freeing office staff for other responsibilities. These units are fully customizable in appearance and capabilities to meet the needs of any office situation.

Q. What are the costs/fees associated with Official Payments' services?

A. The costs and fees associated with credit card processing can be divided into three categories:

- **Transaction Fees**

Official Payments' preferred method of handling the costs associated with processing payments is to pass a convenience fee to customers (those making payments). The fee is assessed according to a rate, which Official Payments will work with you to determine prior to signing up. It is in both of our best interests to set as low a fee as possible so that more people will utilize our services. Official Payments also offers arrangements in which you can absorb the cost of processing the transactions so that the convenience of electronic payments is available to your customers at no cost.

The only other transaction fee that our clients should be aware of is for electronic checks that are returned due to Non Sufficient Funds (NSFs) or other reasons. We offer the opportunity for our clients to absorb these costs and pass the fee back onto the writer of the returned check, or Official Payments can absorb these costs through the convenience fee.

- **Setup, Hosting, Maintenance, and Other Fees**

Of the nine options described above for accepting payments over the internet and the telephone, Search-to-Pay is the only system that Official Payments requires a fee to set up and maintain. Search-to-Pay is a sophisticated solution that requires web design and maintenance, multiple data interfaces, and high amounts of custom work. We are very proud to offer the other eight systems at no cost to our clients. By "no cost" we mean no cost for reporting, monthly service, chargebacks, merchant IDs, customer service, voice scripts, or any other hidden charges.

- **Equipment Fees**

Should you opt to supplement your electronic payment processing services with a POS device such as a swipe reader or interactive kiosk, there are associated equipment costs. Official Payments offers highly competitive rates for purchasing, leasing, and maintaining these devices.

Q. What forms of payment can be accepted through Official Payments?

- A. American Express®, MasterCard®, Visa®, Discover®, and Diners Club® credit and debit cards, and electronic checks are our primary methods of transacting payments. Options for additional credit cards such as JCB® and emerging payment technologies like stored value debit cards and biometric payments are available upon request.

Q. Are transactions made through Official Payments safe?

- A. Security is a core concept of our business. Official Payments is dedicated to ensuring that your payments are transmitted safely and securely. All Official Payments security and privacy policies, procedures, and technology are audited to meet and exceed the requirements of several industry standards including:

- **Payment Card Industry (PCI) Data Security Standard**
- **Visa Cardholder Information Security Program (CISP)**
- **MasterCard Site Data Protection (SDP) Program**
- **Statement on Auditing Standard (SAS) 70 Type II**
- **IRS Independent Verification and Validation (IV&V)**
- **TRUSTe "trustmark"**

Official Payments is committed to ensuring the security of all sensitive information (e.g., credit card information and personal information). We take precautions to protect this information from loss, misuse, unauthorized disclosure, or alteration. Our privacy principles embody fair information practices and have been approved by the U.S. Department of Commerce, the Federal Trade Commission, and prominent industry organizations and associations. We use the most sophisticated encryption technology available, as well as hardware and software security procedures and safeguards, when collecting or transferring sensitive data. Secure firewalls, intrusion detection devices, redundancy, high levels of physical security, and ever-ready backup facilities all contribute to the security of your transactions when working with Official Payments.

Q. How will I find out who made payments?

- A. Official Payments offers flexible reporting options to meet the unique timelines, data requirements, and format specifications of our diverse client base. These include:

- **Daily Transaction Log (DTL)**

This MS Excel spreadsheet separates payments by type (e.g. real estate tax, water bills, etc.), source (e.g. IVR,

internet, etc.) and card type. The individual transaction detail sheet includes all of the data acquired with the transaction and the summary sheets show total payment activity. Chargebacks and reversals are also reported on a separate sheet. The DTL is delivered every business morning and contains the previous day's transactions.

■ **Comma Delimited Flat File**

Official Payments codes flat files that are compatible for upload into most financial management software systems. This automates the posting and reconciliation of payments made through our systems. The files are available for download through a secure, Official Payments hosted FTP site via Virtual Private Network (VPN) and contain the previous day's transactions.

■ **Online Reporting**

Official Payments hosts an Online Reporting application where clients can log in and query individual payments, download daily reports, and perform other research. Our online reporting system is accurate up to the minute, displaying payments that would not have been reported until the next morning.

Q. When do I receive funds?

A. Credit Card transactions are electronically deposited via ACH in the gross amount to your designated bank account directly from each credit card processor or company. Visa and MasterCard transactions will be deposited within 48 hours or two business days. American Express and Discover transactions are deposited within 72 hours or three business days. Electronic check transactions are processed through the ACH in the same way as paper checks. They settle within 72 hours. In both cases, the funds due to your agency are never mingled with the convenience fee, which is deposited separately into an Official Payments account.

Q. What if we have a question, or if one of our customers has a question?

A. Official Payments provides outstanding customer service support for both our clients and their constituents. We have extensive knowledge of transaction issues and how to solve them from our years of handling a wide variety of payment types from citizens in all 50 states. We will work with you to ensure that any issues are resolved quickly and comprehensively. We take responsibility for managing all chargeback and reversal procedures and are dedicated to making credit cards payments as frictionless as possible for you and your staff.

Q. How will people find out about paying electronically?

A. Our Marketing Managers will assist you in creating and executing a strategy for spreading awareness of your electronic payment options. We provide a comprehensive array of marketing support materials such as press releases, point of sale items, logos, graphics, and language. These can be used directly on tax booklets, bills, inserts, citations, websites, and other communications materials. An advantage to working with Official Payments is our exclusive marketing partnerships with prevalent card issuers such as American Express, BankOne, Chase, and others. Through these partners, we can arrange rewards for your customers like double rewards points, offset convenience fees, and other special offers that drive the usage of electronic payment options.

Thank you for your interest in becoming a client of Official Payments. If you have any further question, please feel free to contact one of our client development associates via email at info@officialpayments.com or phone at (203) 969-0310.

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