



ASL's Solution for NPP



1st in Payments

What is NPP?

The New Payments Platform (NPP) is a major industry wide initiative to develop an infrastructure for Australia that provides Australian governments, businesses and consumers a fast, versatile, data-rich payments system for making their everyday payments.

Why ASL?

ASL is one of the 12 founding participants who mutually own NPP and govern its use.

ASL has been involved in all areas of the program to help create the way NPP will work. This means we are in a strong position to help you realise the business opportunities NPP can offer.



We know NPP!

In conjunction with our Technology Service Partners, we have invested many thousands of hours helping to design and understand the way NPP will work so that we are able to assist your organisation realise all the opportunities NPP will bring.

We always listen to your needs!

Benefits to you

Our NPP Solution provides your organisation the following benefits:

Know-how:	Our NPP project and payment specialists are ready to assist you as you start on your NPP journey.
Reliability:	Our solution is deployed on state-of-the-art equipment ensuring your organisation will meet ALL processing SLAs for NPP in the most efficient and cost-effective manner.
Connectivity:	Because we have helped architect how NPP works, we can ensure it meets your needs for the future. We are also working with Core Banking System providers to ensure a simple but seamless implementation.
Streamlined processing:	By offering line-by-line settlement and user-friendly exception handling, you can be assured your back office will run efficiently.
24/7 processing:	Your Members can make and receive payments in near real-time to virtually any Australian Financial Institution Account.

Our Approach to NPP Design

Our team is working with the major Core Banking System providers to ensure an easy implementation of NPP between ASL and your organisation.

We will work collaboratively with your team to ensure a successful solution.



Flexibility

Our message handling options are flexible and scalable.

We offer support for ISO20022 payment schema, and can also handle customised formats where needed.

We offer attended and unattended payment processing modes so whatever your Members needs may be, you can be sure we will handle them.

Security and Reliability

Our infrastructure is located within secure, state-of-the-art Data Centres providing Active-Active configurations which fully comply with NPP-A requirements.

We handle all the intensive network communications, program upgrades, scheme compliance; all on a scalable, highly-resilient platform.

Best-of-Breed Infrastructure

We make use of IBM Pure Application System for NPP™ - an infrastructure platform selected by other major NPP participants as well.

We enable you to focus on your Members and their experience in making real-time payments.

Payment Processing in Real-Time

We will clear and settle ALL your NPP payments.

You can be assured your Members payments will be received and processed by the receiving institution.

Payments may be:

- Made using an Australian BSB and Account Number (like today).
- Made to a registered Alias (like a phone number or email address).
- Scheduled for a future time (like today).

Every payment we receive will get an acknowledgement in real time that you can pass on to your Member as a confirmation.

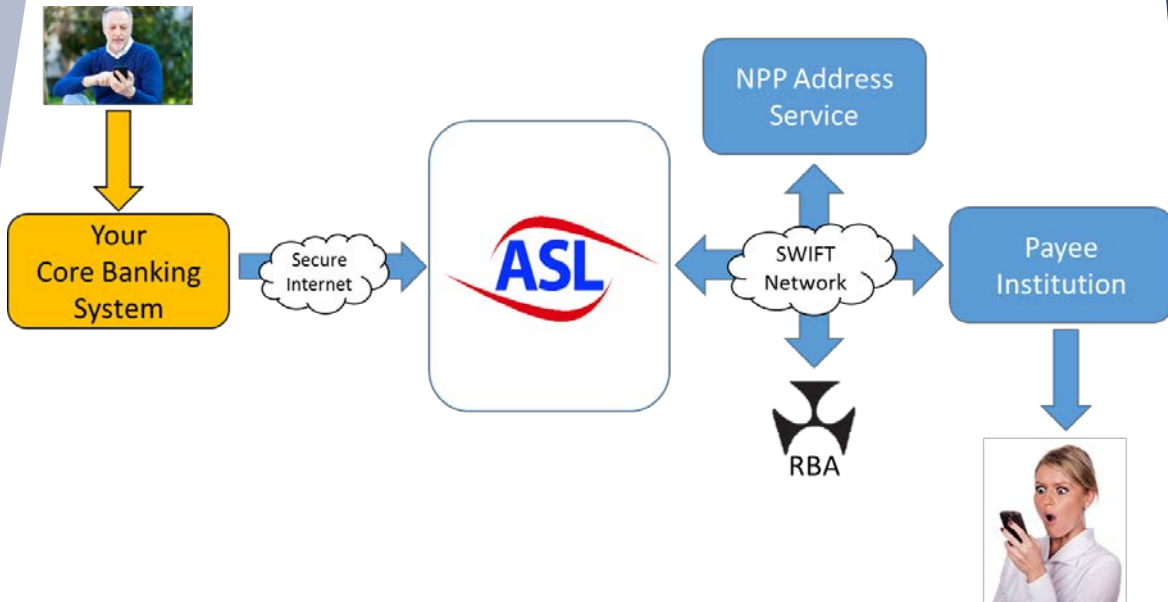
How do I connect?

ASL's solution makes NPP as simple as 1-2-3.

1. Use a secure channel over the Internet to communicate with us.
2. Integrate our simple web-service API's to your Core Banking System to send and receive payment information and addressing activities.
3. Manage and reconcile liquidity profiles and account information.

Making a payment

You decide how your Members make their payments and we look after the rest.



Your Members create their payments online.

The payment is sent securely from your Core Banking System to ASL where we:

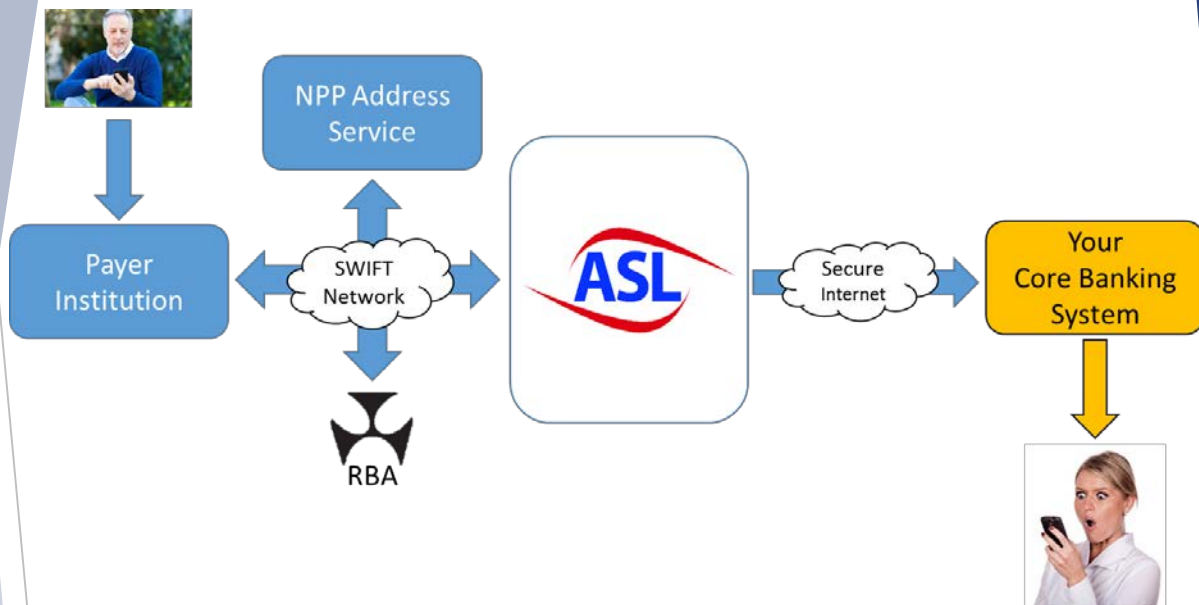
- Validate it to the NPP ISO20022 Schema.
- Enrich it with information to enable it to be routed and processed correctly.
- Clear the payment with the Payee Institution.
- Settle the payment with the Reserve Bank.
- Send you an acknowledgement of the outcome.

All of this in real time!

Receiving payments

Receiving payments has never been easier.

Our Solution handles all the clearing and settlement for inbound payments, ensuring your Members receive guaranteed funds.



A payment is made to one of your Members.

The Payer Bank sends the payment to ASL, where we:

- Validate your Member's account.
- Clear the payment with the Payer Institution.
- Settle the payment with the Reserve Bank.
- Receive an acknowledgement of completion of settlement.
- Forward the instruction to your Core Banking System for **real-time** posting to your Members account.

Receive payments at any time

ASL's NPP Solution provides "stand-in" capability to allow fast clearing of your Member payments at any time. We maintain a list of your Member accounts and their availability within our NPP Solution.

This ensures that payments made to your Members are cleared within the required SLA's set by NPP-A and reduces the chance of rejected payments due to time-outs.

Every payment received will be cleared on your behalf by using your Member Account data. We will also notify your Core Banking System when each payment is settled successfully so that the transaction may be posted to the respective account.

Stand-in means that payments can be received even during scheduled maintenance of your Core Banking System.

We also offer an option where you can clear transactions yourself and use ASL as a stand-in only when your Core Banking Systems are offline.

Settlement

ASL will settle transactions line-by-line directly with the Reserve Bank.

You will be able to use ASL Direct for your existing settlement and reconciliation processing along with new processes for NPP payments.

Liquidity

In addition to any funds we hold for existing payment stream settlement, we will maintain a separate Fast Settlement Service Account for each ASL Member. We will be able to configure a profile to your needs to allocate daily limits for NPP payments if required.

As your NPP payments are processed, our NPP Solution will debit or credit your Fast Settlement Service balance in ASL Direct in real-time.

If your balance gets too low (or too high), we will set triggers to adjust the balance so you can continue to process NPP payments.

We are working with APRA and the Reserve Bank to ensure your liquidity needs within NPP are met.

NPP Addressing Service

The NPP Addressing Service is a major influencer in how payments will be processed in the future. By registering an alias to an account, your Member can receive payments to either an email address, mobile phone number, or an ABN. So they no longer need to disclose their banking details.

The ASL NPP Solution supports registration, maintenance, porting and de-registration of aliases to the centralised Addressing Service, and is always synchronised to it.

Any aliases defined by your Members are stored securely within the NPP Addressing Service infrastructure.

We provide simple API's via web-services to allow you to focus on enhancing your Member's online experience.

ASL Pricing

ASL's pricing methodology reflects our mutual background, and that of our Members.

We charge where we add value to a process and simply pass through, **at cost**, where we do not.

Administration Simplified

Our solution provides an easy-to use browser-based application so your operational staff can gain easy access to what's happening in NPP.

Features include:

- A view of all payments sent to and received from your organisation.
- Real-time status updates of transactions.
- Comprehensive history of transactions.
- View of your NPP Settlement Account including real-time balances.
- Payment Investigation processes for handling mistaken payments, lost payments, disputes, etc.
- Automated handling of payment returns, and escalations where required.
- Ability to integrate to your existing workflow systems for case management.



Overlays

NPP has been architected to provide opportunity for IT Vendors to offer Overlay Services. The first of these, the Initial Convenience Service (ICS) provided by BPAY™, is designed to stimulate market awareness of NPP and drive volumes.



ASL has committed to fully supporting all three ICS services:

1. X2P Payment

- Available Day 1.
- Fast payment with Service Level Agreements (SLAs) around delivery and availability of funds to the payee (within 15 seconds after settlement)
- Up to 280 characters of free text for remittance information
- Payments may be made to either BSB/Account or Alias
- No Interchange fees are attached to this Service

2. X2P Payment with Document

- Same as for X2P Payment, but also containing a link to a document (e.g. remittance advice or statement)
- Used by Government and Business for outward payments
- Bank Interchange Fees are paid by the Sending Institution

3. Request for Payment

- Allows an organisation or individual to request a payment to their Alias
- When the payment is made, it is linked to the original request for easy reconciliation
- Bank Interchange Fees are paid by the requesting party's Financial Institution

Future Overlays

ASL has committed to support future Overlays as they evolve.

Our Roadmap

ASL is fully committed to meeting NPP timeframes. We are one of only a few participants who have maintained a steady (green report) progress without slippage.

