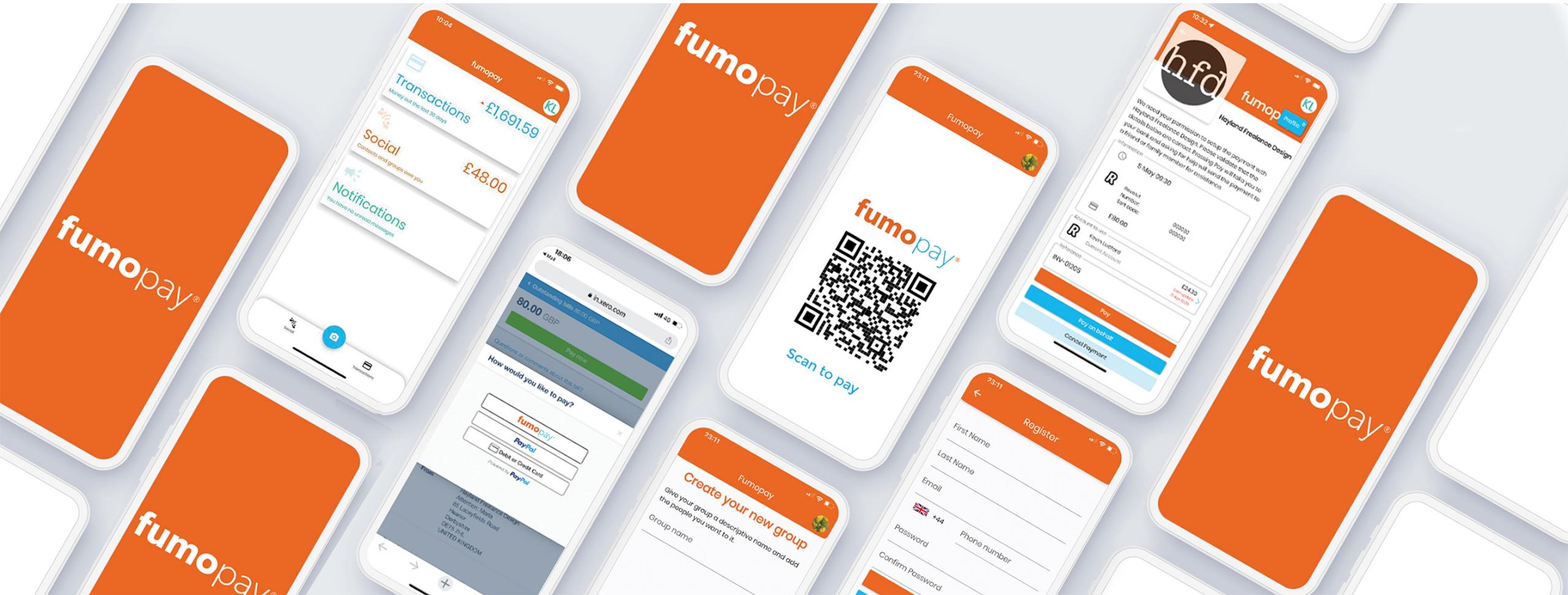




Pay by Bank Whitepaper



Fumopay Ltd is authorised and regulated in the United Kingdom as an Authorised Payment Institution by the Financial Conduct Authority under Firm Reference Number 925689.



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Introduction

Open Banking allows regulated companies - like fumopay - to bring new financial payment services to the retail sector.

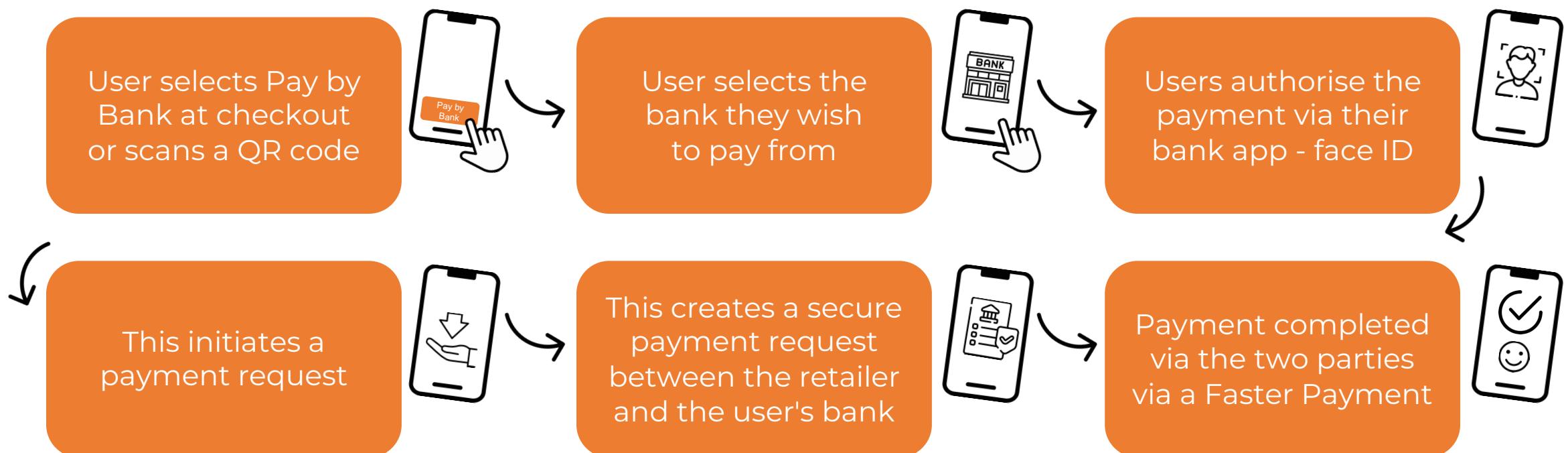
Finally, retailers have an alternative to the traditional card payment processing methods, which is a one size fits all process not designed for today's busy mobile consumer.

Being able to simply pay anywhere, whilst on the move with a glance at your phone will transform the use of open banking payments in retail. Consumer adoption will continue to increase through their love of simplicity and soon removes the need for constantly carrying a payment card or indeed storing valuable and private data on their device.

This whitepaper aims to explain a number of the benefits of Open Banking 'Pay by Bank' payment so you can start your journey and join the payment revolution!

How does it work?

A fumopay Pay by Bank payment process is straightforward compared to the complexity of processing traditional card payments. Let's explain how it works:



Ease of Use

Pay by Bank payments are designed for the busy mobile consumer. The easiest way to pay is via the consumer's mobile banking app payment:

- Payment is rapidly authorised via the consumer's Banking App
- Consumers approve the payment by authentication
- Typically, biometric ID to avoid any data entry
- Authorisation can be made in seconds while the consumer is on the move
- Only the user who has banking access can approve a payment



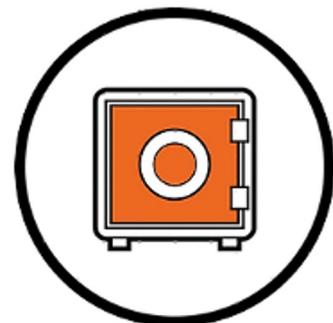
Easier

Get paid quicker

Removing Card Fraud

Pay by Bank payments are entirely divorced from traditional card payment processing:

- A Consumer never needs to enter or share payment card data
- As the payment is made directly between two banks, no card data is ever at risk
- Eradicates card fraud from the transaction
- Expect a reduction in chargebacks as a consumer will need to use Strong Customer Authentication (SCA) to authorise the payment



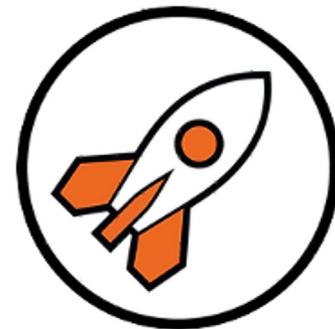
Safer

Reduce fraud

Improved Cashflow

Pay by Bank payments are faster payments:

- The payment is a secure account-2-account payment
- Funds are transferred immediately via the UK's Faster Payment scheme
- Retailer benefit from improved cashflow due to immediate payment processing
- No authorise and settle mechanism
- Consider a reverse process for returns or refunds



Faster

Improve your cashflow

Sales Channels

Pay by Bank payments are designed for multi-channel use:

- Integrated into eCommerce check-out
- Supports both desktop and mobile checkout
- In-store via EPOS integration
- QR codes can capture in-store payments for queue-busting
- In-app micropayments



Cost Reduction

Pay by Bank payments deliver immediate commercial benefits to the retailer:

- No card schemes mean no interchange fees
- No 3rd party payment provider (PSP) fees
- No service fees or associated hardware fees
- A considerable cost reduction compared to the annual card processing cost of ownership



Cheaper

Reduce your costs

Summary

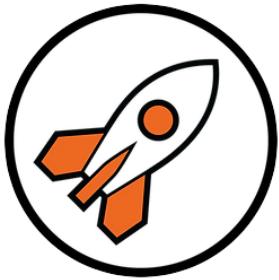
- Pay by Bank is a ‘mobile first’ payment mechanism that removes payment friction for the busy consumer.
- Give your customers a choice and make it easy to pay with an additional, safer payment method.
- Leverage all your sales channels to drive adoption and maximise the commercial benefits of Pay by Bank
- Incentivise your customers to adopt this payment method through cost savings, loyalty incentives, instant refunds, etc.

Making payments card-free



Easier

Get paid quicker



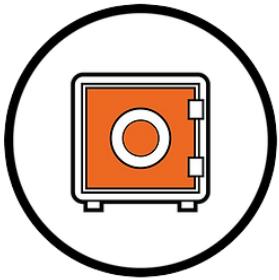
Faster

Improve your cashflow



Cheaper

Reduce your costs



Safer

Reduce fraud

Contact the fumo team to get your personalised Pay by Bank payment ROI calculation.

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Glossary

We've added a few industry Open Banking terms that may come up in your conversations:

OBIE: Open Banking Implementation Entity

CMA9: 9 Largest Banks supporting Open Banking

SCA: Strong Customer Authentication

Account - 2 – Account payment: Instant Payment

Pay by Bank: Different terminology for an Open Banking Based payment

2FA: Two-factor authentication

PSD2: Payment Services Directive

AIS: Account Initiation Services

PIS: Payment Initiation Services

API: Authorised Payment Institution

APM: Alternative Payment Method

OTP: One-Time Password