

Commercial Payments Exchange (CPX)

# Partnering with Financial Institutions

## What can we do for your financial institution's customers?

Using our technology and expert consultation, you can deliver:

**Automation**—Maximize the automation of costly accounts payable (AP) processes and achieve significant efficiencies through the elimination of checks.

**Revenue Creation**—Help your customers transition their accounts payable from a cost center to a cash flow generator through interchange revenue share on converted AP supplier spend.

**Treasury Value**—Expand your customer relationships by providing them with:

- A single, integrated solution that supports all payment types across all suppliers.
- An analysis of their supplier payment acceptance and recommendation for optimizing their payment strategy.
- Visibility into the performance of their spend through an interactive dashboard and reports.

## What are the benefits of partnering with a fintech like Priority?

### White Label with Flexible Integration

Financial institutions can white label CPX or integrate with our APIs to augment existing capabilities and deliver these solutions to customers.

### Ideal for Dual-brand Issuers

CPX is card-payment-brand and processor agnostic. We integrate with any processor, and issue virtual cards from any payment network BIN.

### Protect Your Business Interests

We are not owned by a bank, so we can help protect against attrition or the loss of midsize treasury customers. Our financial institution partners maintain complete ownership of their customer relationships, including underwriting.

## Do your customers rely primarily on checks to pay their suppliers?

In the U.S., businesses still pay over half of their invoices by check. The full cost of invoice processing and payment by check is \$39, depending on an organization's internal processes.\*



Checks are also costly to suppliers because they must wait for checks in the mail, pay for processing, and then wait again for the checks to clear.



The more reliant an organization is on check payments, the greater the need to provide an integrated payables solution.



Every eliminated check represents significant cost savings and opportunity for cashback on your customers' supplier spend.

*\*Sources: Association for Financial Professionals; RMPG Research Corporation*

## How will Priority support our existing treasury services?

Priority offers the option to outsource ACH using our proprietary automated clearing house, ACH.COM. Priority also offers check print and mail services.

Alternatively, we can provide a formatted NACHA file and check files so our financial institution partners can originate these payments for customers with seamless reconciliation through CPX.

Continued →

## What is the value for our customers?

Customer value is achieved by automation, which streamlines payment processes and reduces human intervention. Additional value can be achieved through revenue creation in the form of rebates on transaction volume. If your customer relies heavily on checks and has a \$500M annual supplier spend file, they can realize a financial benefit of approximately \$1M annually.

## How does Priority support our customer's suppliers?

Priority's Supplier Activation team has the expertise and extensive network to establish optimal payment methods and terms with your customers' suppliers.

We help suppliers achieve their goals for managing DSO through electronic payment acceptance, efficient payment reconciliation and lower transaction costs.

We partner with financial institutions to provide unique (non-standard) interchange rate programs which help increase suppliers' commercial card acceptance.

## Will our customers need to change their ERP/accounting system or purchase special software?

Not at all! Your customers can use their existing ERP/accounting system to push a single PIF (payment instruction file) to CPX. There is no costly software or development required to utilize our payment platform.

## What is the typical turnaround time for implementation and full use?

Onboarding of a new financial institution can be completed in as little as 4-6 weeks depending on the degree of customization and development.

At Priority, we build out a plan that will allow us to minimize time by staging as many tasks concurrently as possible.

Once your white-labeled instance of CPX is available, the implementation time for each of your clients can be completed in a matter of days.

## The CPX Difference

While most payment solutions address only a portion of an organization's payment needs, CPX automatically integrates all supplier payments from a single payment instruction file. We optimize efficiency while maximizing discounts and cash-back benefits.



**Virtual Card**—Buyer sends a payment file of approved invoices for suppliers that agree to accept this payment method. A single-use account number is passed to a supplier to process. The buyer receives a financial incentive via basis points on volume.



**CPX Direct**—For this solution, the buyer approves an invoice and sends an email notification to the supplier providing the invoice number. The buyer asks the supplier to process the transaction using the Priority card number that has been securely provided (supplier keeps the number on file).



**CPX Dynamic Discounting**—This solution is similar to an early pay discount. The cost is flexible and depends on the number of days the supplier is paid earlier than their standard payment terms. For example, the supplier may agree to a 1.50% discount in return for payment 30 days early. The discount is pro-rated if the early payment (in this example 30 days) is not met.



**CPX ACH (+)**—Supplier agrees to a flat basis point (BP) discount with no commitment of early payment. The flat discount rate is negotiated based upon the supplier value proposition.



**Proxy Pay**—A solution that enables electronic payments in industries that only accept phone or web payments.



**CPX ACH (\$)**—This option is targeted for financial, rent, and any other supplier verticals where there is a flat transaction fee.



**Check Processing**—Outsource manual check processing to Priority.

[solutions@PriorityCommercialPayments.com](mailto:solutions@PriorityCommercialPayments.com)

[PriorityCommercialPayments.com](http://PriorityCommercialPayments.com)

844.973.PRCP (7727)