

# Mi-Pay Transfers



MINIMISE

Risk of Fraud

MAXIMISE

Service Take Up

INCREASE

Brand Awareness

DELIVER

Improved Revenues

## Person-to-Person Payments for the Unbanked

Over 90% of the population in Africa is unbanked and without Internet access. Yet consumers in this and similar markets still have a need for basic financial services. The success of services in countries such as Kenya shows that there is a ready market for simple consumer financial services. Mi-Pay's Person-to-Person Payments solution allows consumers and agents to use basic banking services to transact without needing Internet access or a traditional bank account.

### Service Features

Mi-Pay's Person to Person Payment Service allows consumers to send money to each other using their mobile phone. Mi-Pay also provides an agent based service allowing agents to accept cash and send it securely on behalf of consumers. Key service features include:

- Person to Person payments for consumers and agents
- Cash loading and unloading
- Comprehensive fraud prevention services
- Full financial account management for all transactions
- Card payments can be accepted where required
- Service is fully hosted by Mi-Pay
- Simple mobile applications that work on virtually all handsets

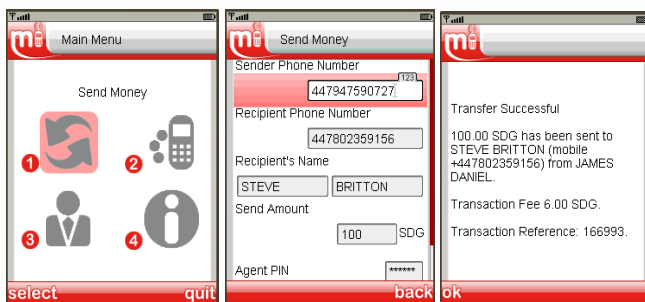
### Service Benefits

Mi-Pay's service delivers significant benefits to clients through our proven service model. Mi-Pay has been running live payment services for 5 years, and provides services for major brands such as Vodafone and Zain.

The benefits of Mi-Pay's transfer and payment services include:

- Low risk service model
- Low start up costs as service is fully hosted
- Strong credit control model; agents fraud can be controlled
- No Internet access required for consumers or agents
- Low barriers to entry
- Service is independent of mobile operators
- Cash based product – consumer and agents do not require bank accounts

The Mi-Pay service is a fully flexible payment solution, built on industry standard payment products with Mi-Pay's proven live capability delivering a superior experience to consumers, agent and administrators.



## Service Overview

### Sending Money

An agent registers with the administrator of the service. Before the agent can transact, they must deposit cash with the bank. The administrator credits the agent stored value account, and the agent installs a secure application on their mobile phone. The agent is now ready to provide services.

Consumers visit agents, and pay cash to the agents. Agents can arrange transfers on behalf of consumers; consumers do not need to download or install anything to their mobile phone. The agent enters the sender and recipient details, and confirms the transaction.

Because the agent is collecting cash from the consumer, the agent is prevented from transacting above the current balance of their stored value account, which represents cash deposited at the bank.

Consumers may wish to take control of their finances, and run a stored value account themselves. In this case, the consumer can download their own application. The consumer still visits the agent to pay cash to top up their stored value account.

Once topped up, the consumer can make and send money to other consumers on the system, or, where supported, top up their mobile phone account online, or pay for utilities and insurance.



### Receiving Money

A recipient receives notification of a payment by text message, including a unique reference number. They visit an agent, and provide their ID and the reference number.

The agent uses their mobile phone to verify the transaction details. If the agent is satisfied, they make the payment to the recipient, and the agent stored value account receives the balance.

The agent then visits the administrator to receive the funds back from the system, plus the commission they have earned. Alternatively, the agent can use the balance in their account to fund a sending transaction for another customer.

## Settlement and Reconciliation

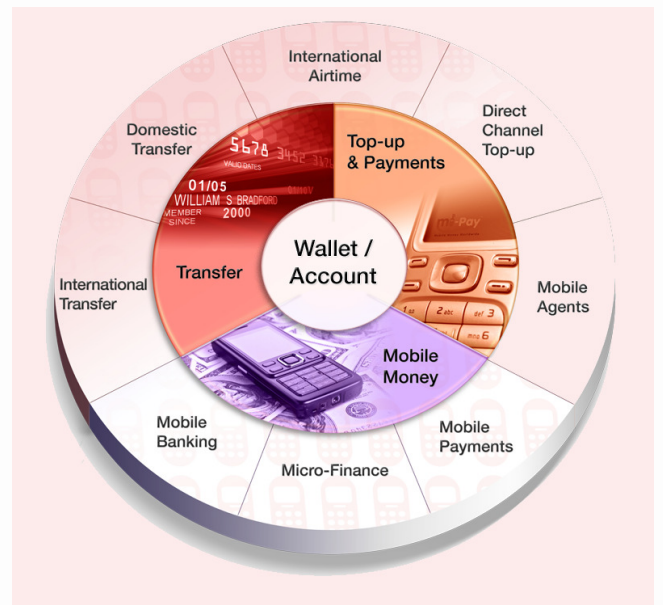
Mi-Pay provides detailed settlement reports for all parties. With cash, settlement is in advance, but an electronic record is still required for audit purposes and compliance. Mi-Pay can provide all transaction information as needed to help the client meet local regulatory requirements.

## About Mi-Pay

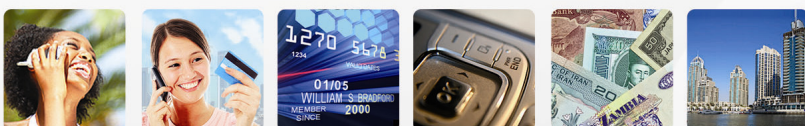
Mi-Pay brings a wealth of experience and knowledge for the provision of secure, outsourced mobile payments.

Mi-Pay Ltd was established in 2003 to provide innovative digital payment services. Our initial focus was on an outsourced pre-paid topup service for mobile operators which enables consumers to top-up their accounts from their handsets safely and securely.

Mi-Pay has grown this business to focus on three core service areas; topup, transfer and mobile money. Today, Mi-Pay is running live services in all these areas.



Last year, we processed over \$90 million of transactions for our clients across Europe, the Middle East, Asia and Africa. Our clients include Vodafone, Carphone Warehouse, Zain, Du and KPN Telfort.



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