

## National Network Lockbox

Streamline remittance processing with a fast, cost-efficient, around-the-clock lockbox solution that can help accelerate your revenue stream.

Today's competitive business environment calls for a new way to improve your revenue stream. National Network Lockbox does just that by streamlining your remittance processing.

Our innovative solution replaces a more costly and labor-intensive, paper-based receivables process with one that delivers fast, efficient images and data, with around-the-clock service. This can substantially reduce costs and expedite the crediting of deposits to your account, which both improve your bottom line.

### How it works

Your customers send their checks to a unique zip code directed to one of our National Network Lockbox processing facilities. These sites are strategically located in:

- Charlotte, NC
- Chicago, IL
- Dallas/Ft. Worth, TX
- Houston, TX
- Indianapolis, IN
- Pasadena, CA
- New York, NY
- Toronto, ON

Throughout the day and night - seven days a week in all U.S. locations - we collect your remittance mail from the post office and bring it to selected National Network Lockbox facilities.

There, high speed machines sort the mail by lockbox number and separate it into batches. In a matter of minutes, your receivables are

### Key features and benefits

- Eliminate paper-based processing from the accounts receivables function and the associated costs and risk with dependency on paper
- Receive electronic alerts on check returns and important payments
- Save time and money with more efficient, standardized remittance processing through our national network of nine lockbox facilities
- View remittance information and images online shortly after a deposit is processed
- Access banks and clearing networks across the country to allow you to gain optimal availability for your funds and reduce clearing float
- Rely on uninterrupted processing workflow and disaster recovery with our fully redundant locations and around-the-clock monitoring

ready for opening by our experienced associates.

Together, we develop tailored instructions to handle your remittances according to your requirements. At every step, these instructions are displayed electronically on our system, so that the National Network Lockbox team processes your remittances accurately.

We extract the contents of the envelopes and separate checks from other materials. Images of checks and remittance documents are captured and linked with unique tracking bar codes. Each check is reviewed and verified per your instructions. Then, the dollar amount is entered and the original check is scanned on leading-edge equipment, which also captures images of both sides of your invoices, remittance coupons and envelopes.

Once scanned, high-speed recognition software reads the numeric and written amounts on the check images and compares them to the amounts keyed. Discrepancies are routed to a special team for final verification. If your needs require, we can accommodate and read OCR-encoded information, as well.

When data entry is complete, your checks are encoded and funds availability is assigned. Data files are prepared according to your specifications and uploaded to your accounts receivables system. Checks are cleared and prepared for deposit into your account. From the beginning, we create an audit trail so that checks are processed with the proper documents.

Information is sent directly to your desktop in real time via the Internet through our state-of-the-art Receivables Edge<sup>SM</sup> online browser, which allows you to access your images and data.

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For more information, please contact your J.P. Morgan Treasury Services representative or visit [jpmorgan.com/ts](http://jpmorgan.com/ts).

We can also alert you via Receivables Edge and e-mail the moment an important transaction is posted. Plus, our short- and long-term archives store your images for as long as 10 years, so you no longer need to warehouse paper items.

Reliable and redundant disaster recovery is a major priority for our National Network Lockbox. From a central command center in Chicago, we monitor activities at each of our processing centers around the clock. One of the benefits of this "hub and spoke" architecture is that work can be channeled to any of our fully redundant locations at any time. Workflow is uninterrupted and processing continues in the event of a service interruption.

#### Did you know

- We are the originator of the lockbox and have been a leader in lockbox innovation for more than 50 years.
- Our wholesale lockbox locations process more than 174 million payments annually, representing value in excess of \$844 billion.
- J.P. Morgan has led the industry as the #1 ACH originator for more than 35 years - NACHA, 2010
- Best Overall Bank for Cash Management in North America for the 5th year in a row - Global Finance, 2010
- "A" or "A+" Ratings in ACH, Balance Reporting, Controlled Disbursement, Deposit Services, Wholesale Lockbox and Funds Transfer Timeliness Among Large Corporates - Phoenix-Hecht, 2010

#### Additional solutions

- **J.P. Morgan ACCESS<sup>SM</sup>** - Gain a secure, single point of access to a wide range of financial transactions and account information via the Internet for treasury and investment professionals worldwide.
- **Receivables Edge<sup>SM</sup>** - Receive a consolidated view of current-day and long-term remittance data and images via the Internet. This same-day decisioning and account reconciliation tool combines advanced image and data capture technology to deliver the information you need in a single, online repository.
- **Electronic Invoice Presentment and Payment (EIPP)** - Streamline invoicing and cash collection processes with electronic delivery and settlement. By presenting invoice information and accepting payments via the Internet, you reduce inefficiencies and costs at each step of the order-to-cash cycle.