



Mortgages Added To PINless Debit

While bill-payment services are being added to more prepaid cards, a leading provider of recurring payment services is increasing the types of bills payable via PINless debit card transactions that flow through regional electronic funds transfer networks. BillMatrix Corp. announced earlier this month the signing of the first mortgage company to use its service, which enables ATM cardholders to pay bills without PINs by phone or over the Internet.

"It furthers the industries that are served by BillMatrix," says Jerry Portocalis, BillMatrix senior vice president of sales and marketing. Portocalis says the unidentified national mortgage biller was looking for a way to accelerate cash flow and provide customers with a safe, convenient way to make payments.

BillMatrix currently supports PINless

debit transactions initiated with Star, Pulse, NYCE or Accel network debit cards. The Dallas-based company also is in discussions to support PINless Shazam network bill payments.

The BillMatrix system takes an EFT network card transaction, validates that funds are available in the account and assigns those funds to the biller in real time. For the biller, going through the EFT network can drastically reduce the cost of the transaction. While a Visa or MasterCard transaction is based on a percentage of the sale, EFT network transactions are capped. Star and NYCE, for example, cap the interchange billers pay issuers at 45 cents, while Pulse charges a flat 35 cents per PINless transaction.

BillMatrix, which launched its service supporting PINless Pulse bill payments in 1995, now has over 100 biller clients. ○

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