



Enterprise Exchange

THE QUARTERLY NEWSLETTER FROM ENTERPRISE CASH MANAGEMENT

I N D E X

Augment your East Coast disbursement capabilities with the **Enterprise Flex Disbursement solution**.

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If your business customers are feeling the pinch of maintaining in-house **check production**, it may be time to consider **outsourcing**.

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Enterprise customer forums provide an excellent opportunity to exchange ideas and discuss new developments with Enterprise clients and representatives.

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We invite you to contact our Enterprise representatives with questions and comments about the issues and services discussed in this newsletter:

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EnternetBank Cash Concentration Service

By Ann Farrell, Enterprise Product Manager

Save time by consolidating funds from multiple accounts

Your business customers who have multiple locations or offices have unique needs in regard to their banking services. With a geographically dispersed workforce, they most likely find themselves in the position of managing multiple bank relationships and multiple accounts.

Through your relationship with Enterprise Cash Management, you can now offer them the convenience of consolidating funds from multiple accounts—even if those accounts are held at their local banks. In addition, you can help them quickly fund their subsidiary accounts with automated debits and credits. The Cash Concentration Service makes it possible.

Cash Concentration is one of the latest service additions to EnternetBank,[®] our Web-based information reporting and transaction initiation service. With Cash Concentration, you can expand the scope of your business with your customers and help them manage their daily deposit and funding needs. They may save time by taking advantage of electronic debit and credit functions, and of course, use the power of the Internet to work from remote locations as necessary. And by utilizing the flexibility of the service, your business customers may more effectively manage their working capital.

How it Works

The Cash Concentration Service actually combines two solutions—Concentration of Funds (COF) and Automated Funding (AF)—with the addition of some value-added features.

Concentration of funds enables your customers to consolidate daily deposits and may assist them in improving the operation of their cash management systems. Deposit information is entered into the COF system via EnternetBank, enabling money to be moved from your customer's local bank accounts (which may include several banks) into their corporate concentration account at your financial institution.

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Automated funding enables your business customers to fund their company subsidiary or vendor accounts quickly and economically. Transfer requests are entered into the AF system via EnternetBank, facilitating the creation of a file to debit funds from your business customers' centralized disbursement accounts, and to credit vendor accounts or accounts at remote banks. Payments are made in one business day, or can be future-dated according to your customers' specifications.

Flexible input methods are available for initiating COF and AF transactions, and include manual entry or file import through EnternetBank, touch-tone telephone, operator-assisted telephone call and file transmission. This enables your business customers to match their level of integration with the service, using either electronic or manual entry. They may save time and increase transaction accuracy, because there is less rekeying of data.

Upon receipt of your business customer's cash concentration and automated funding request, a NACHA-formatted* file is created and forwarded at a pre-determined time to your ACH system for processing.

Online Information Streamlines Processes

A variety of online reports are available to your business customers to help them both monitor transactions entered and view masterfile setup. These reports include a Transaction Register Report that provides detailed information on all cash concentration transactions that have occurred on the current day, prior day, and date(s) or date range specified. A Masterfile Report provides a list of all location numbers that are currently set up on the Cash Concentration masterfile. By enabling your customers to receive information in multiple formats at their convenience, you are providing them with tools to streamline their processes.

For more information on the EnternetBank Cash Concentration Service, please contact your Enterprise Cash Management representative. ●

BYOM (Build Your Own Manual) in the Online Resource Center

By Kim Erickson, Enterprise Product Manager

The growing desire among our customers for additional reference materials has been at the top of our minds. We are happy to announce that we are growing our Web-based Enterprise Resource Center to meet these demands. Our latest enhancement to the Resource Center lets you "build" your own customized EnternetBank® Guidebook (i.e., training manual) by selecting sections of text that pertain to the specific EnternetBank services used by your bank.

Once you enter the online Resource Center, you will find EnternetBank documentation that is organized to mirror the EnternetBank menus and screens with which you are already familiar. In addition to step-by-step directions that will guide you as you compile information for your personalized EnternetBank Guidebook, the site also offers screen captures and helpful tips that will assist you in becoming more familiar with EnternetBank. To make the "bookbinding" process less time consuming, you will find cover sheets, labels and tabs to help you get organized.

As you design your bank's EnternetBank Guidebook, you will notice some overlap between this information and that found through the online Help functions. As a rule of thumb, continue to use the Help menus as your first source of information. The Guidebook resources provide more in-depth information and technical explanation.

Enterprise will continue to add to the online Guidebook resources as our service expands, and we encourage you to periodically check the site for updates. If you have any questions or comments about this helpful training tool, please send an e-mail to enterprisetraining@mellon.com. To receive a password to access the Guidebook, please contact your Enterprise Cash Management representative. ●

Enterprise Expands Disbursement Solution

By Judy Reisz, Enterprise Senior Product Manager

Augment your East Coast disbursement capabilities

Enterprise Cash Management has announced a new East Coast disbursement solution that provides your bank with the potential to grow revenue by combining Enterprise's and your bank's disbursement solutions.



The Enterprise Solution

The Enterprise Flex Disbursement solution provides daily presentment information, on average, by 9:45 a.m. ET, with check images accessible on the day of presentment via an image transmission to your bank. In addition, it enables your bank to designate the account number sequence to be placed on the magnetic ink character recognition (MICR) line of the checks (up to 10 digits) and include your own branding and logo.

The Enterprise Flex Disbursement solution can be used in conjunction with your bank's existing account reconciliation and positive pay products. Data transmissions can be sent to your bank to update your posting and balance reporting systems. As with all Enterprise solutions, our role in this service can remain discreet to your business customers, helping you to enhance your customer relationships.

Provide the Customer Service Link

Using data transmission and our dedicated customer service support, we can help you provide exceptional, seamless service to your customers. By enabling check photocopy requests to be sent electronically, you may greatly enhance your customer service capabilities. In addition, stop payments can be entered online via file transmission, e-mail or fax, giving you several options to offer your customers.

If you would like additional information about our Enterprise Flex Disbursement solution, please contact your Enterprise Cash Management representative or visit us online at www.mellon.com/ecm. ●

Outsourcing Check Processing Creates Built-in Efficiencies

By John Reisz, Disbursements Product Manager

Streamlining your disbursement operations

If your business customers print checks in-house, you may be facing a quandary. The need to continually replace expensive but outdated check-printing equipment or technology to improve a process riddled with security and fraud risks may no longer be cost-effective.

If your business customers are feeling the pinch of maintaining an in-house check production operation, it may be time to consider outsourcing this function through your financial institution.

Why Outsource?

Because issuing checks is not usually a company's core function, outsourcing the check printing and mailing process to a third party may hold several potential benefits for your business customers. Enterprise's Check Issuance Service may eliminate the need for dual accounts payable systems, multiple disbursement accounts or various check issuing locations, and may potentially help you:

- **Reduce costs** by freeing up capital, and eliminating equipment maintenance, check stock inventories and supplies. Outsourcing providers use high-speed laser printers and insertion equipment, which can translate to lower costs for production and postage pre-sort discounts, as well.
- **Reallocate resources**—both financial resources and personnel—to more critical business functions.



- **Concentrate on core business competencies** without the concerns related to staffing, check stock security, equipment upgrades and maintenance and production scheduling.
- **Enhance security** measures through auditable processes and controls designed specifically to the stringent requirements of a facility, with employees dedicated to check production and mail preparation.
- **Centralize check printing and mailing** with one point of contact. This reduces risks associated with monitoring, supplying and maintaining multiple production sites across your business customers' organizations.
- **Increase fraud detection** by using the Enterprise Check Issuance Service in conjunction with the Enterprise Positive Pay Service, which provides updates on potentially fraudulent checks presented for payment before they are paid. Also, by using the Enterprise Positive Payee Service, payee line alterations can be identified. In addition, standard and optional advanced security check stocks are available.

How the Service Works

With the Enterprise Check Issuance Service, your business customers provide their company's logo, authorized signatures and samples of existing checks for each checking account. We develop sample checks for their approval based on their unique needs for design, company and location, authorized signatures and magnetic ink character recognition (MICR) line. Your business customers send their payment file directly to Enterprise, or through your financial institution, choosing from various transmission methods. We, in turn, edit the file and issue paper checks and remittance information.

The service's features include:

- **Variable page quantities**—Our integrated production and print system can include multiple overflow pages with each check to accommodate addenda information.
- **Versatile check design**—Using blank check stock and state-of-the-art laser printers, we can design a check for any purpose, eliminating the cost of maintaining an individual check stock for each of your business customers' operating entities.
- **Flexible solutions**—By tailoring your business customers' particular requirements, including document design and handling needs, Enterprise can issue a check for a checking account at virtually any U.S. or Canadian bank, and will provide your business customers' disbursing banks with transmissions of check issue information for account reconciliation purposes.

- **Security features**—From edit reviews to transmission authentication to monitored processing, you can reassure your customers that their checks—including check stock and signature images—are maintained in a secure environment. We offer numerous check stock security features that can assist in deterring modification, copying or artificial reproduction of checks and business documents.
- **Complete reporting**—Enterprise offers both CPU-to-CPU and printed reports of check register information. If the checks are drawn on a Mellon Enterprise account, you or your business customers also may enjoy the convenience of accessing information about issued, paid and stopped checks via EnternetBank,[®] our Web-based information reporting and transaction initiation service.

For additional information regarding the Enterprise Check Issuance Service, contact your Enterprise Cash Management representative or send an e-mail to ecm@mellon.com. ●



Enterprise Welcomes Greg Schultz



GREG SHULTZ
Executive Sales Representative

The past few years have seen an acceleration of the trend toward outsourcing bank applications, including cash management. This, in turn, has led to substantial growth in our Enterprise business. To continue meeting our customers' and prospects' high expectations, we are again adding to our staff.

Greg Schultz, a Vice President in Mellon's Financial Institutions Division for the past nine years, has joined the Enterprise sales team as an Executive Sales Representative. Greg has nearly 30 years of banking experience, 22 of them with Mellon. Prior to joining Mellon, Greg held management positions with First Union Bank and Westinghouse Credit Corporation, and has worked with many Enterprise customers over the years.

He received his bachelor's degree in business administration from Westminster College and his MBA from the University of Pittsburgh.

Greg brings a wealth of experience, cash management knowledge, and consultative skills to the Enterprise team, and will work primarily with prospective customers in the southern states. ●

Customer Forum Enables the Exchange of Ideas

Members of the Enterprise Cash Management team made their way to Los Angeles in December to meet with our many West Coast clients at our Strategic Initiatives Customer Forum. The event proved to be a valuable session for both our clients and Enterprise leadership, providing an opportunity to exchange ideas and discuss the development of upcoming service enhancements.

Web Initiatives and Security

While single sign-on technology is still on the minds of your clients, we heard at the forum that there might also be a demand for an online entitlements solution—one that offers the ability to assign and remove user entitlements on demand. In response to your comments—single sign-on has been successfully implemented and we're actively working on online entitlements.

Along those same lines, Enterprise also is in the process of announcing a Web-shared services program. Judy Reisz, Enterprise senior product manager, gave forum attendees a brief summary of the effort.

Web-shared services, such as single sign-on technology, are service development efforts that can benefit multiple clients. Rather than fully customizing a solution for each Enterprise client and for each service, a shared services approach calls for development of a solution that can be implemented repeatedly on an as-needed basis for numerous clients. These types of services can still be modified to meet each of your unique goals and methods of operation, and also offer potential advantages in terms of reducing time to market and accelerating implementations.



Web-based Implementations

The forum attendees discussed implementations, and the challenges inherent in introducing new services. The group unanimously embraced the concept of Web-based implementations.

Currently planned for introduction this year, Web-based implementations will, to some extent, automate the paperwork and information submission related to starting a new service. The initial phases of this project aim to streamline the set-up forms, and will include the ability to track information throughout the process.

Forum participants made suggestions for implementation improvements and efficiencies, including:

- an editing capability, to help minimize input errors and omissions;
- pre-filled fields of customer information to promote ease of use;
- “smart” fields, only active when they need to be completed, to help clarify online forms;
- proactive notification of problems as they arise to potentially accelerate resolution.

The Enterprise staff is currently analyzing various aspects of this project and will continue to do so throughout the year.

Disbursement and Collection Solutions Enhancements

Disbursement solutions and Retail Lockbox services also were discussed at the forum. With Enterprise services that fit client needs in both regards, there was much interest in the upcoming developments.

Enterprise currently offers traditional Controlled Disbursements and Flexible Controlled Disbursements. These two services offer similar functionality, but take different approaches to meet the individual needs of various banks.

With a traditional Controlled Disbursements account, a Mellon Enterprise account is utilized. Traditional Controlled Disbursements also enables use of Enterprise Account Reconciliation, Positive Pay, Positive Payee and Image Services, as well.

With Flexible Controlled Disbursements, Enterprise banks can use their own account numbers. However, because this service operates outside of Mellon’s proprietary Demand Deposit system, unlike traditional Controlled Disbursements, the only additional service available is Check Imaging. Enterprise’s solutions experts can discuss the services with you to assist you in your decision as to which disbursement service is the right match for your needs. (See related article on page 3.)

Enterprise also expects to roll out the EZ Lockbox Service at our Los Angeles Lockbox site this year. Currently available in Pittsburgh and Philadelphia, EZ Lockbox is a basic lockbox service with a less aggressive availability schedule designed for customers who are less concerned with float but who may be focused on service fees.

Additional customer forums will be held throughout 2003 at locations around the country, including two scheduled for this month in Chicago and New York. For more information, or to suggest topics for future forums, please contact us at ecm@mellon.com, or call 1 800 424-3004. ●

Enterprise Cash Management 2003 Calendar of Events

This calendar contains a variety of industry-related events that may be of interest to your bank. Enterprise Cash Management will sponsor or participate in a number of events and conferences in 2003, as indicated with an asterisk (*). Look for additions and updates to the calendar in future newsletters or visit the Resource Center at www.mellon.com/ecm for more information.

APRIL

Enterprise Cash Management Strategic Initiatives and International Customer Forum*

April 29, 2003
Buck Consultants Headquarters
New York, NY
Register now at www.mellon.com/ecm

MAY

TMANE

Sponsored by Treasury Management Association of New England
May 7 – 9, 2003
Boston Marriott Copley Place
Boston, MA
<http://www.tmane.org/confset.html>

Financial Management Conference of the South

Sponsored by Association for Financial Professionals of Atlanta
May 8 – 9, 2003
Renaissance Waverly Hotel
Atlanta, GA
http://www.afpofatlanta.org/conf_index.htm

EXPO LA Symposium 2003*

May 14 – 15, 2003
Omni Los Angeles Hotel
Los Angeles, CA
<http://www.scafp.net/Symposium.htm>

Windy City Summit

Sponsored by Treasury Management Association of Chicago
May 14 – 16, 2003
Chicago Hilton and Towers
Chicago, IL
<http://www.tmachicago.org/windycity/index.htm>

JUNE

Fiserv 2003 Partners in Excellence Client Conference*

June 2 – 4, 2003
Rio All Suite Hotel & Casino
Las Vegas, NV

TAWPI 2003*

Sponsored by The Association for Work Process Improvement
June 8 – 11, 2003
Long Beach, CA
http://www.tawpi.org/forum_and_expo/index.html

OCTOBER

Enterprise Cash Management Annual Idea Exchange*

October 1 – 3, 2003
Hyatt Regency Pittsburgh International Airport
Pittsburgh, PA

NOVEMBER

AFP Annual Conference*

Sponsored by Association for Financial Professionals
November 2 – 5, 2003
Orlando, FL
http://www.afponline.org/Professional_Development/Annual_Conference/annual_conference.html

*Enterprise Cash Management sponsored event or conference

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