

## Questions Frequently Asked by Consumers

### General Questions About the Benefits of PayItGreen

- How do electronic payments benefit the environment?
- How do electronic bills and statements benefit the environment?
- How does managing my finances electronically benefit me?
- Could one household switching to electronic bills, statements, and payments make a difference?
- How can I determine which bills, statements, and payments I can make electronically?

### Questions About Electronic Payments, Bills, and Statements

- How do I sign up for electronic bills and statements?
- Is it safe to receive my bills and statements electronically?
- Is it safe to pay my bills electronically?
- How will I keep financial records if I do not have paper bills and statements?
- What if there is a problem with an electronic payment?
- How do I prove I made a payment if there is no paper trail?
- How will I know how much my bill is?
- Will people have access to my account if I use electronic payments?
- Will people have access to my account if I receive my bills and statements electronically?
- What is Direct Payment?
- Do I need a computer or Internet access to use Direct Payment?
- What is the difference between Direct Payment and other electronic payments?
- What if the company does not offer the option of electronic payments?
- What is Direct Deposit?
- Is Direct Deposit safe?
- Do I need to have a checking account to use Direct Deposit?
- How do I sign up for Direct Deposit?
- How will I be able to keep track of the balance in my account?
- Can I be sure my privacy is protected if I use Direct Deposit?
- What if my employer does not offer Direct Deposit?
- If I use electronic payments, will my employer or companies have access to my account information?

## General Questions About the Benefits of PayItGreen

### **How do electronic payments benefit the environment?**

Switching to electronic payments would make a big environmental impact. Every year, paper checks use more than 674 million gallons of fuel and add more than 3.6 million tons of greenhouse gases to the environment. This amount includes the cost to cut, transport and mill paper; fuels used to cut, transport and mill paper; printing and delivering boxes of checks to consumers; and taking, clearing, and settling check payments, as well as returning checks to consumers in monthly account statements.

### **How do electronic bills and statements benefit the environment?**

In 2006, 19 billion bills - 533 million pounds of paper - were delivered to American households [U.S. Postal Service]. It requires an estimated 235 million gallons of fossil fuels to transport this much paper, resulting in more than 1.3 million tons of CO2 emissions [Dove Consulting, December 2007].

### **How does managing my finances electronically benefit me?**

There are many consumer benefits to managing your finances electronically:

- The average consumer saves 2.5 minutes per bill when paying electronically instead of with a check [CheckFree, a Fiserv company]. The costs of postage and check stock add up to more than \$100 per year; these costs are saved by making payments electronically, instead of by paper check.
- Almost 85% of identity theft cases are due to "offline" transactions, i.e., lost checkbooks and stolen bills, statements, and check payments [Javelin Strategy & Research].
- Credit scores are significantly increased when a consumer receives payments by Direct Deposit and uses Direct Payment to pay recurring monthly bills and/or save and invest automatically.
- Consumers reduce piles of paper and clutter when they receive electronic bills and statements. Personal electronic files can be set to automatically organize incoming bills and statements.
- Consumers receiving electronic bills and statements and making payments electronically can maintain tighter control over accounts in real-time. Nearly online consumers [Javelin Strategy & Research, 2007 Identity Fraud Survey Report] discover 47% of fraud attempts.

### **Could one household switching to electronic bills, statements, and payments make a difference?**

By switching to electronic bills, statements, and payments, the average American household can save these resources in one year [Project Performance Corp]:

- 6.6 pounds of paper
- 171 pounds of greenhouse gases. This is the equivalent of not driving 169 miles; planting two trees and allowing them to grow for 10 years; or preserving 24 square feet of forest from deforestation.
- 63 gallons of water

- 4.5 gallons of gasoline

If an additional 20 percent of all American households would switch to electronic bills, statements, and payments, the collective impact per year would be:

- Save 150,939,615 pounds of paper
- Save 1,811,2755 trees
- Avoid creating enough wastewater to fill 2,180 Olympic-size swimming pools.
- Avoid filling 6,141 garbage trucks with waste.
- Avoid filling 8,597,328 household garbage bags with waste
- Avoid producing 3,920,802,916 pounds (1,960,402 tons) of greenhouse gases. This is the equivalent of:
  - Not driving 3,861,769,517 miles
  - Taking 325,722 cars off the road
  - The emissions avoided by not consuming 200 million gallons of gasoline
  - Planting 45.6 million tree seedlings and allowing them to grow for 10 years
  - Preserving 12,405 acres of forest from deforestation.

### **How can I determine which bills, statements, and payments I can receive or make electronically?**

To determine which bills, statements, and payments you can receive or make electronically, use this easy, three-stop process: Assess, Ask, and Act.

- Assess which bills, statements, and payments you currently receive and make that use paper.
- Ask your employer, financial institution, and the companies that send you bills how to manage your accounts and make and receive payments electronically.
- Act on your decision and set a specific date to stop the paper and PayItGreen at every opportunity.

## **Questions About Electronic Payments, Bills, and Statements**

### **How do I sign up for electronic bills and statements?**

Setting up electronic bills and statements is easy. Contact the companies that send you bills and statements to stop receiving paper bills and statements.

### **Is it safe to receive my bills and statements electronically?**

Electronic bills and statements are considered safe and more secure than paper delivery. Almost 85% of identity theft cases are due to "offline" transactions such as lost checkbooks and stolen bills, statements, and check payments [Javelin Strategy & Research, 2007].

### **Is it safe to pay my bills electronically?**

Yes. Electronic ACH payments use the same safe and secure network that financial institutions, businesses, and governments use to send and receive payments.

**How will I keep financial records if I do not have paper bills and statements?**

You can choose to keep important financial records in electronic files. You can also access your bills, statements, and payment records at the company's website. A number of secure layers protect your account.

**What if there is a problem with an electronic payment?**

Problems are rare with Direct Deposit and electronic payments. If there is a problem, it can be easily corrected. Electronic transactions are covered by Federal consumer protection rules and regulations.

**How do I prove I made a payment if there is no paper trail?**

Your account statement is considered proof of payment. You do not need a paper trail; electronic records carry the same legal standing as paper records.

**How will I know how much my bill is?**

Companies are required to provide you with a bill or statement in advance of the payment date. Ask to receive an electronic bill or statement.

**Will people have access to my account if I use electronic payments?**

No. Once you authorize or initiate an electronic payment, the payment is simply a transaction processed by computers.

**Will people have access to my account if I receive my bills and statements electronically?**

No. Your account information is confidential and protected by a number of systems developed to secure your account.

**What is Direct Payment?**

Direct Payment is a pre-authorized electronic payment from your account to the company that you make payments to on a regular schedule.

**Do I need a computer or Internet access to use Direct Payment?**

No. Once you sign up for Direct Payment the company automatically debits the amount due from your account on the payment due date. You do not have to do anything to pay your bill once you set up Direct Payment.

**What is the difference between Direct Payment and other electronic payments?**

Direct Payment is a pre-authorized, regularly scheduled electronic payment for a bill or outstanding loan such as a mortgage, insurance premium, or automobile loan payment directly from a consumer's

checking or savings account. Electronic payments are made when a consumer makes a one-time or recurring bill or loan payment with a debit/credit card or electronic check through the company's website, online banking or over the phone.

**What if the company does not offer the option of electronic payments?**

You can contact the company and ask them to consider offering electronic options. You may also want to talk to your financial institution about the electronic payment options they can offer you.

**What is Direct Deposit?**

Direct Deposit is an electronic payment deposited directly to your checking or savings account.

**Is Direct Deposit safe?**

Yes. Direct Deposit has been used since 1974. Not only is Direct Deposit safe, a Direct Deposit has never been lost.

**Do I need to have a checking account to use Direct Deposit?**

No. Your money can be deposited into any account you specify. Many businesses are also using payroll cards - a card that looks and functions like a debit card - to pay employees that do not have bank accounts.

**How do I sign up for Direct Deposit?**

Ask your company for the authorization form.

**How will I be able to keep track of the balance in my account?**

You will be able to keep track of your balance with your online statement, the automated phone system, or customer service.

**Can I be sure my privacy is protected if I use Direct Deposit?**

Yes. In fact, your privacy will increase when you use Direct Deposit. Once you have signed up, computers are processing the payments - not people. Multiple levels of security are in place to protect the payment as it passes electronically through the banking system.

**What if my employer does not offer Direct Deposit?**

Ask your employer to consider paying employees by Direct Deposit. Direct Deposit programs are common and can help businesses improve their environmental impact.

**If I use electronic payments, will my employer or companies have access to my account information?**

No. Direct Deposit and electronic payment transactions happen between computer networks; there is no access to the account that is not authorized. In fact, Direct Deposit and electronic payment

transactions use the same safe and secure network that financial institutions, businesses, and governments use to send and receive payments.