

J.P. Morgan Invests in AP Automation with New Enhancements to Single-Use Accounts and Integrated Supply Chain Financing

Successful Single-Use Accounts Solution Sees Client Spend Volumes Nearly Quadruple in Two Years

NEW YORK, July 13, 2011 - J.P. Morgan's Commercial Card Solutions unit today announced several new enhancements to its accounts payable (AP) automation and working capital portfolio. J.P. Morgan is investing in its quickly-growing [Single-Use Accounts \(SUA\)](#) solution by making it more easily configurable for buyers and providing greater value to suppliers. In addition, J.P. Morgan also announced the integration of its AP automation platform with its trade finance platform, facilitating the creation of an integrated supply chain finance offering.

J.P. Morgan SUA provides secure, efficient card-based payment delivery that is designed to streamline the payment process and improve cash flow for both buyers and suppliers. The solution is one of the fastest growing products in the company's AP portfolio. Client AP spend via J.P. Morgan SUA nearly quadrupled from 2008 to 2010. One of the reasons for the product's growth is its effectiveness in reducing credit card fraud.

J.P. Morgan recently created a more comprehensive SUA solution that includes several new features, providing distinct benefits to both buyers and suppliers. Using SUA, buyers now can obtain greater visibility into spending through more sophisticated reporting and payment information and leverage new on-boarding tools to more easily and more quickly ramp suppliers. The new platform also enables buyers to integrate directly with their enterprise resource planning (ERP) systems to create and reconcile SUA payments and to add full working capital and AP automation services (e.g., e-invoicing) when ready.

"Our Single-Use Accounts offering is a cornerstone of J.P. Morgan's AP portfolio. Clients are realizing the true value of an electronic card solution: an efficient, low cost alternative to paper checks that offers rebates as well as excellent spend visibility and tracking," said David Peraino, managing director, B2B Payment Solutions, J.P. Morgan. "Our growth in both client adoption and spend is reflective of this value and will drive further innovation in this product area going forward."

On the Supplier side, SUA offers a portal where suppliers can receive SUA payment details, including full card number details, cleared status, and comprehensive remittance information for invoice and payment reconciliation. SUA also provides self-service tools for enrollment, enabling suppliers to easily connect to other buyers. SUA also enables suppliers to get paid on invoices more quickly than they would through paper check processing by providing them with secure, detailed remittance data via e-mail or the supplier portal. SUA eliminates check processing costs, courier fees and AR collections processes. Leveraging J.P. Morgan's AP automation platform, suppliers have the flexibility to receive not only SUA payments, but can process multiple additional payment types such as ACH, wire, etc.

Also announced today is the availability of J.P. Morgan's Supply Chain Finance offering for clients of its AP solutions. As a global financial institution, J.P. Morgan is well-positioned to provide much needed liquidity to the supply chain. Supply Chain Finance enables buyers to increase their working capital by giving suppliers the ability to sell receivables at a discount and receive funds immediately, accelerating cash receipt and potentially taking advantage of favorable rates. By doing so, buyers improve their supplier relationships through prompt payment delivery, while potentially mitigating the impact of extended days payables outstanding (DPO).

"Integrating our AP portfolio with our supplier finance trade platform enables buyers to put in place a wider suite of payables-related solutions while minimizing the number of interfaces and technology platforms," said David Conroy, managing director, J.P. Morgan.

SUA is an electronic payables tool that provides customers with the flexibility, float and rebate of a purchasing card while delivering powerful security, antifraud and reconciliation features. SUA can be used to streamline the AP process by providing an electronic replacement for paper check payments. In addition, SUA can be used to execute payments for core business processes such as eProcurement, B2B travel payments, warranty or insurance claims or other critical business activities. With SUA, instead of having a general virtual account number for all of an organization's charges, the payee receives a unique 16-digit account number for each single payment with purchasing controls embedded in the system. This account number is active for only a defined amount and time frame and is electronically matched to pre-purchase information.

J.P. Morgan is a pioneer in Single-Use Account technology, having launched the solution in 2004. J.P. Morgan SUA clients span a variety of vertical markets including healthcare, higher education, retail, manufacturing and energy. To find out more about Single-Use Accounts, visit www.jpmorgan.com/visit/singleuseaccounts or for information on other J.P. Morgan Commercial Card Solutions, visit www.jpmorgan.com/commercialcard.

About J.P. Morgan Commercial Card Solutions

J.P. Morgan has offered commercial card solutions for more than 25 years. The Bank currently serves more than five thousand public and private sector clients and more than six million cardholders. The firm offers programs in more than 95 countries and 30 currencies and continues to expand. According to The Nilson Report, J.P. Morgan is the leading issuer of Visa/MasterCard commercial and purchasing cards in terms of dollar volume. J.P. Morgan offers the world's most widely accepted card with coverage at more than 31 million outlets worldwide.

About JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.2 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.