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(54) WORLDWIDE CASH VENDOR PAYMENT

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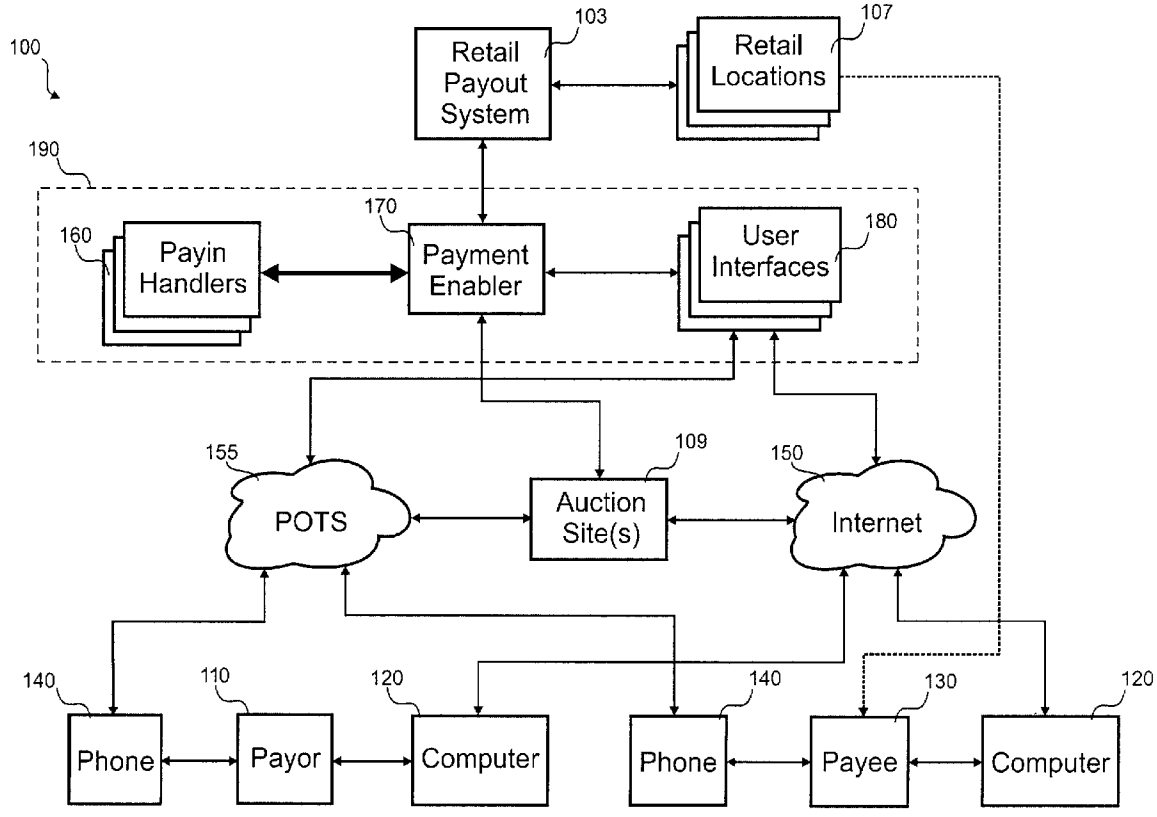
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(57) ABSTRACT

According to the invention, a method for paying for an item with an online payment system by a payor associated with a first currency to compensate a payee associated with a second currency is disclosed. In one step, a selection of the second currency for the online payment system to use when paying the payee is received. Payment information is also received from the payor or the payee and includes at least a payee identifier and a first payment amount. A money handler associated with the payor is used to provide at least the first payment amount. A conversion ratio between the first and second currencies is determined. A second payment amount is made available to the payee for pickup at a retail location. The first currency is different from the second currency. The second payment amount is related to the first payment amount.



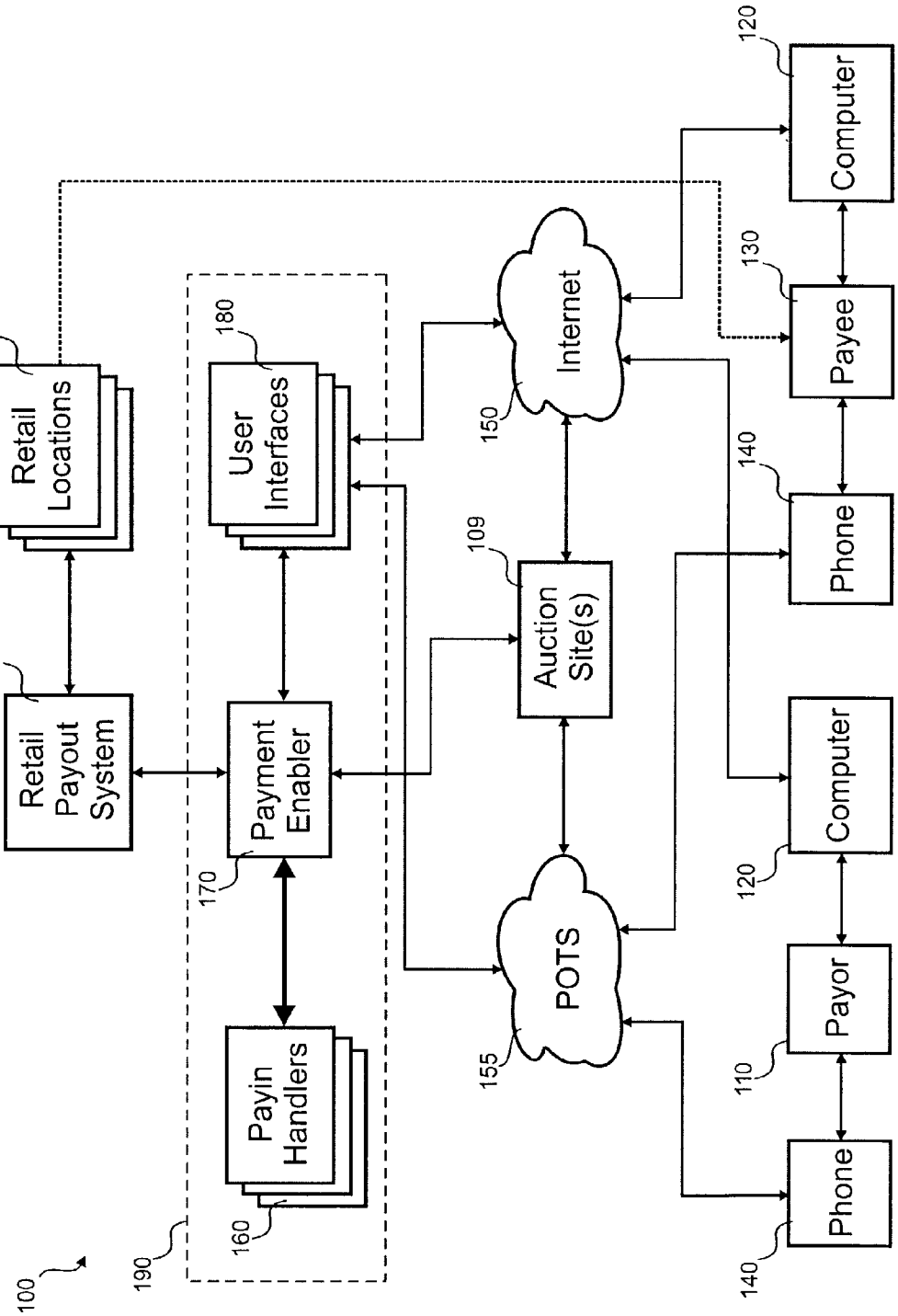

Retail Locations
107
User Interfaces
180
Internet
150
Computer
120
Payee
130
Phone
140
Retail Payout System
103
Payment Enabler
170
Auction Site(s)
109
POTS
155
Computer
120
Payor
110
Phone
140
Payin Handlers
160
190
100

Fig. 1

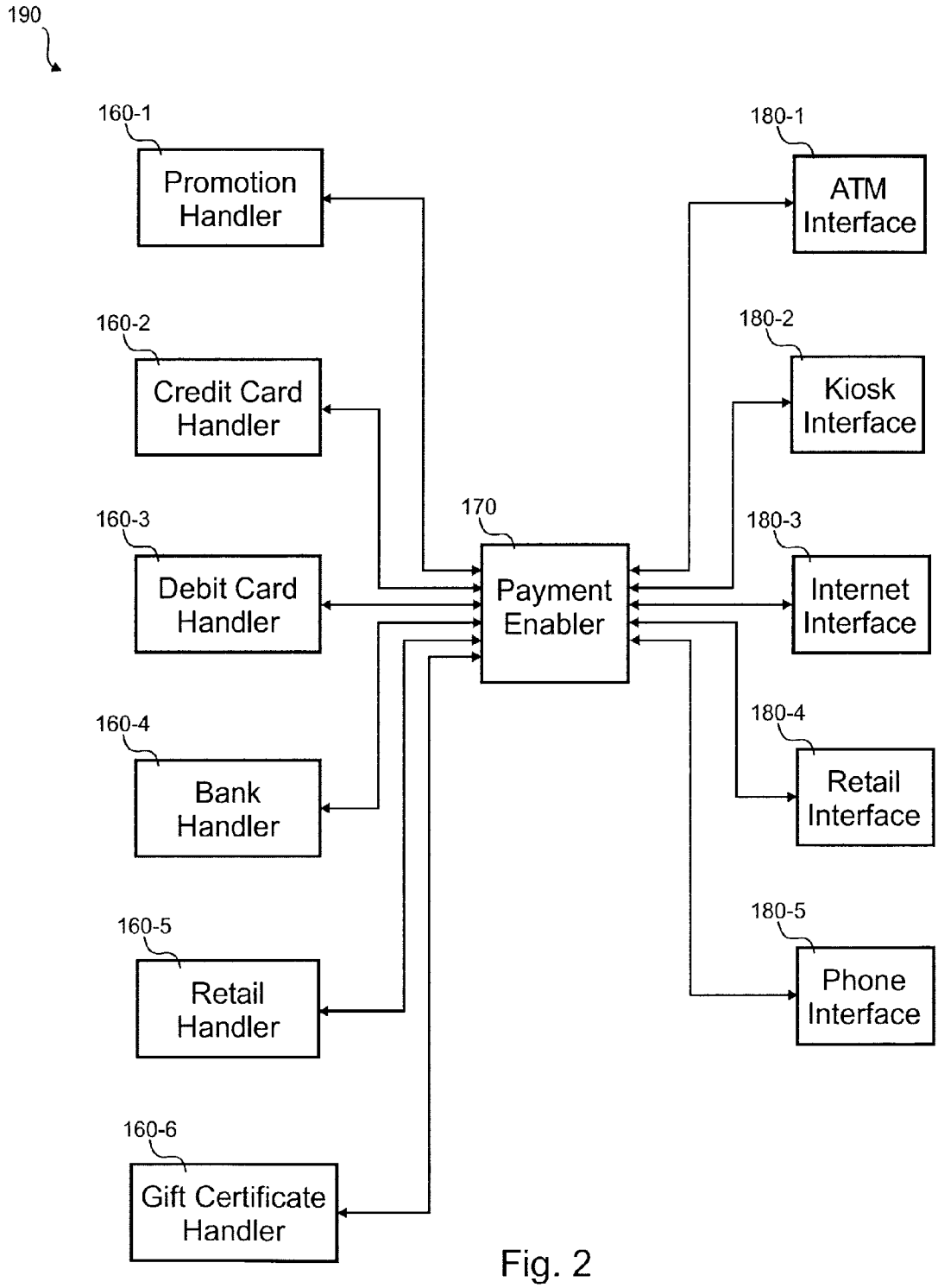

190
160-1
Promotion Handler
160-2
Credit Card Handler
160-3
Debit Card Handler
160-4
Bank Handler
160-5
Retail Handler
160-6
Gift Certificate Handler
170
Payment Enabler
180-1
ATM Interface
180-2
Kiosk Interface
180-3
Internet Interface
180-4
Retail Interface
180-5
Phone Interface

Fig. 2

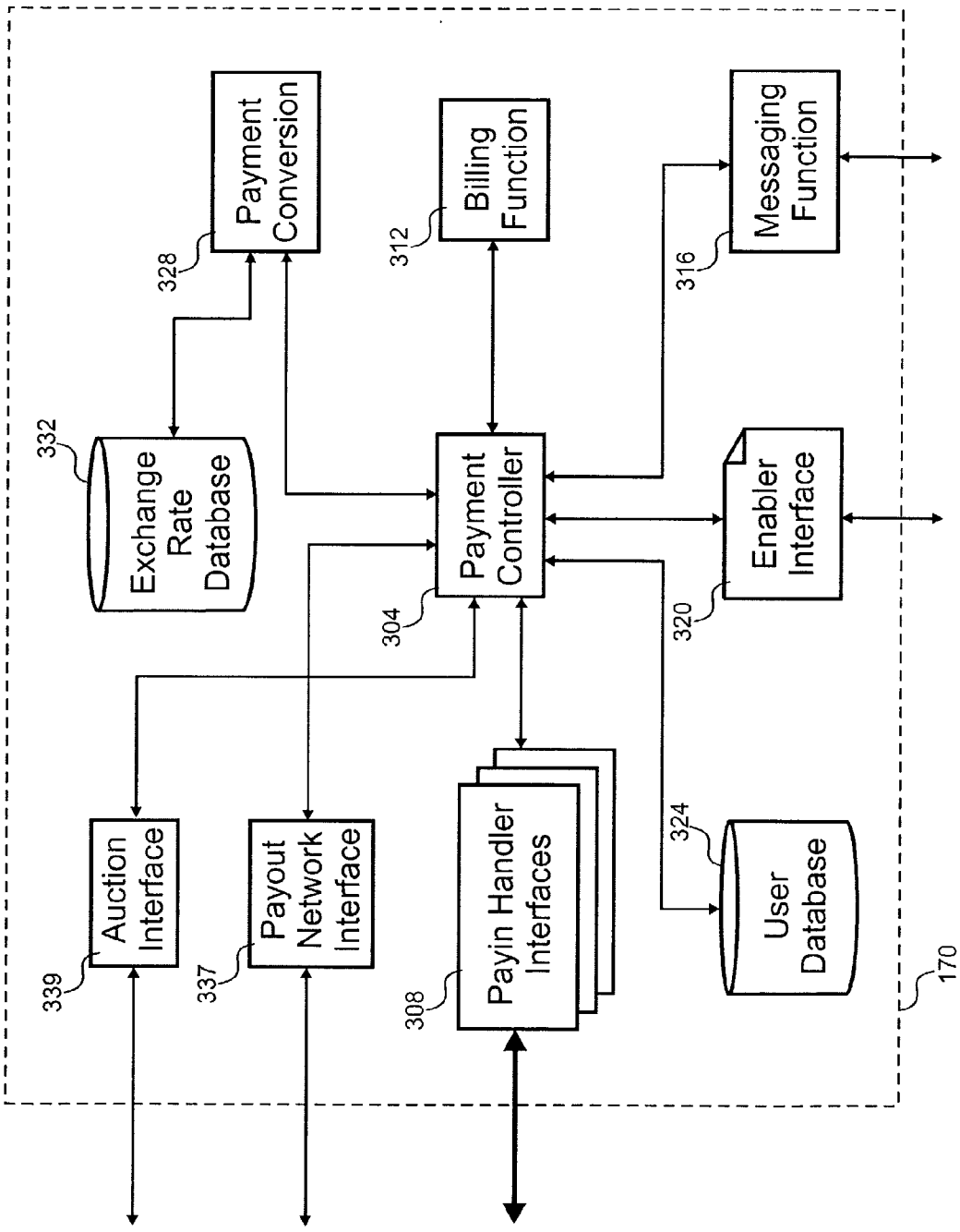

Payment Conversion
328
Billing Function
312
Messaging Function
316
Exchange Rate Database
332
Payment Controller
304
Enabler Interface
320
Auction Interface
339
Payout Network Interface
337
Payin Handler Interfaces
308
User Database
324
170

Fig. 3

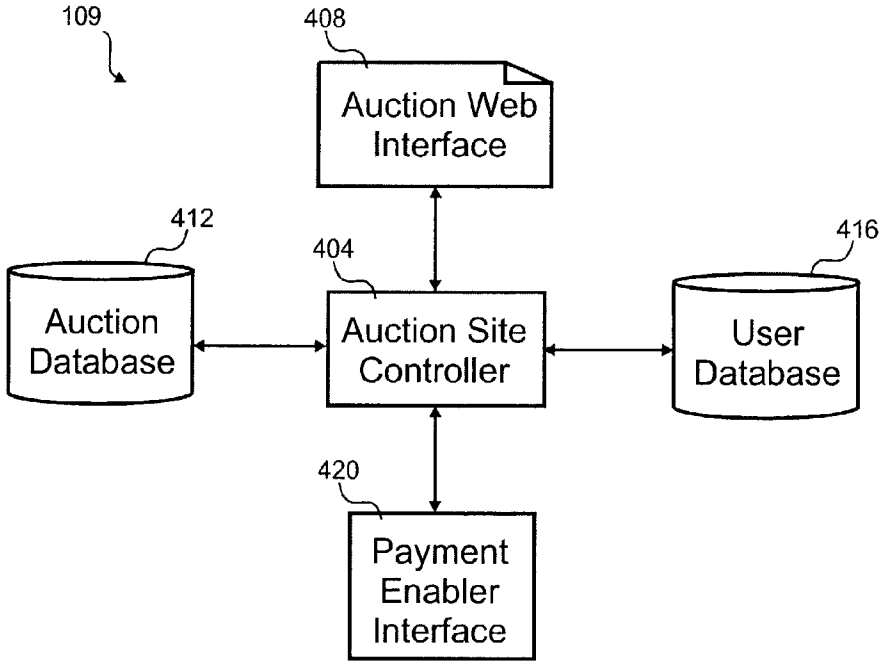

109
408
Auction Web Interface
412
404
416
Auction Database
Auction Site Controller
User Database
420
Payment Enabler Interface

Fig. 4

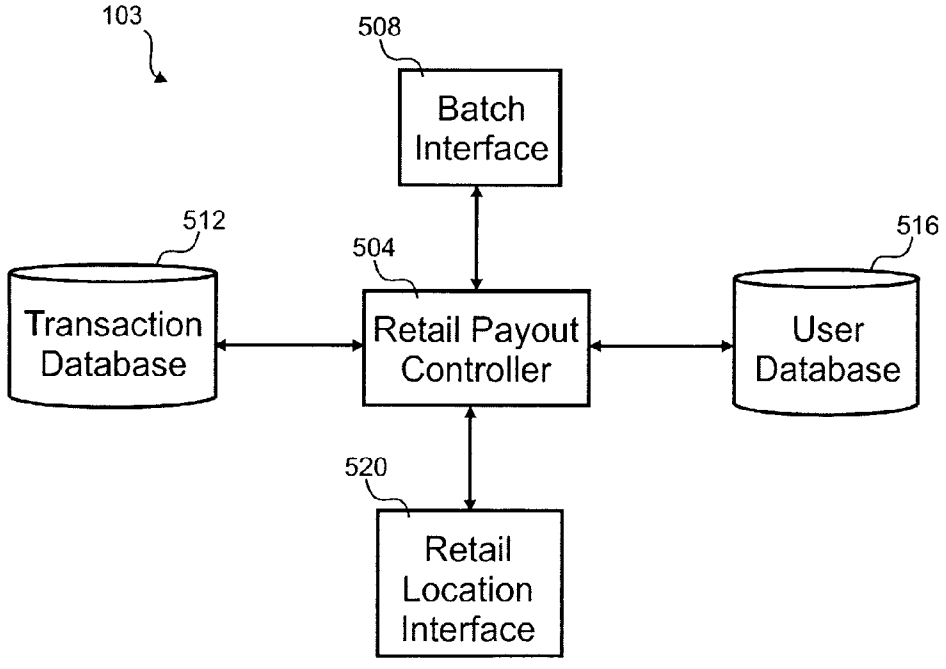

103
508
Batch Interface
512
504
516
Transaction Database
Retail Payout Controller
User Database
520
Retail Location Interface

Fig. 5

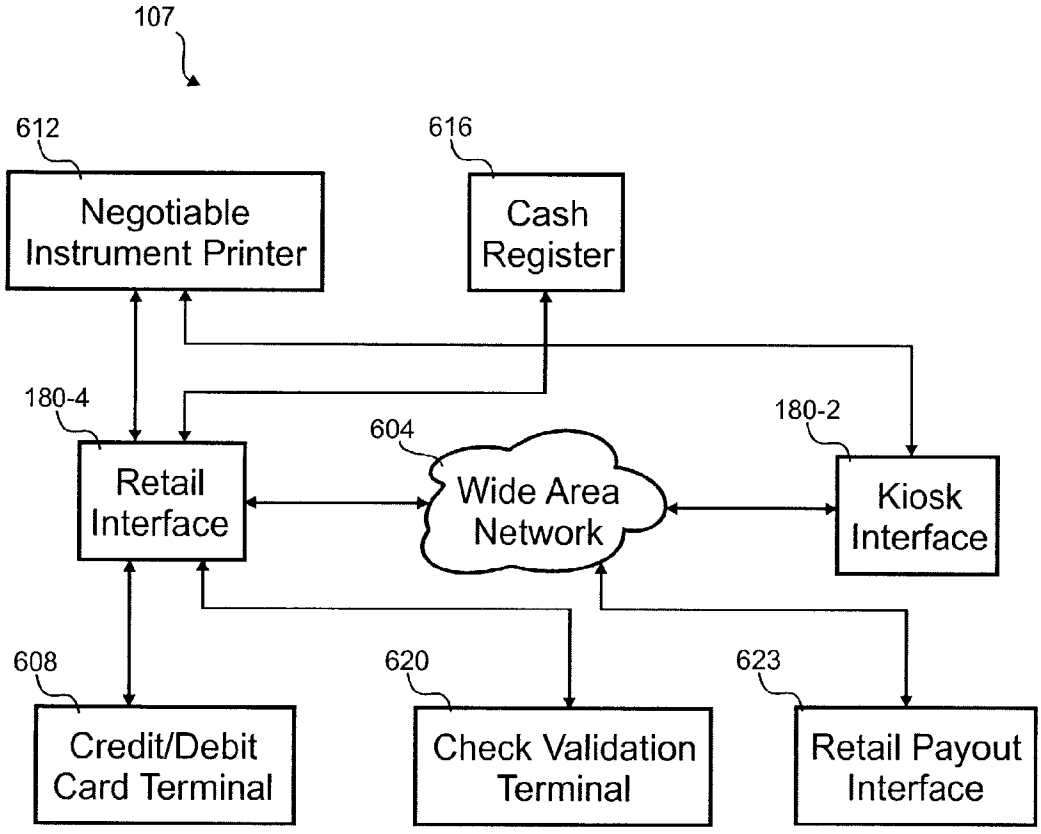

107
612
Negotiable Instrument Printer
616
Cash Register
180-4
Retail Interface
604
Wide Area Network
180-2
Kiosk Interface
608
Credit/Debit Card Terminal
620
Check Validation Terminal
623
Retail Payout Interface

Fig. 6

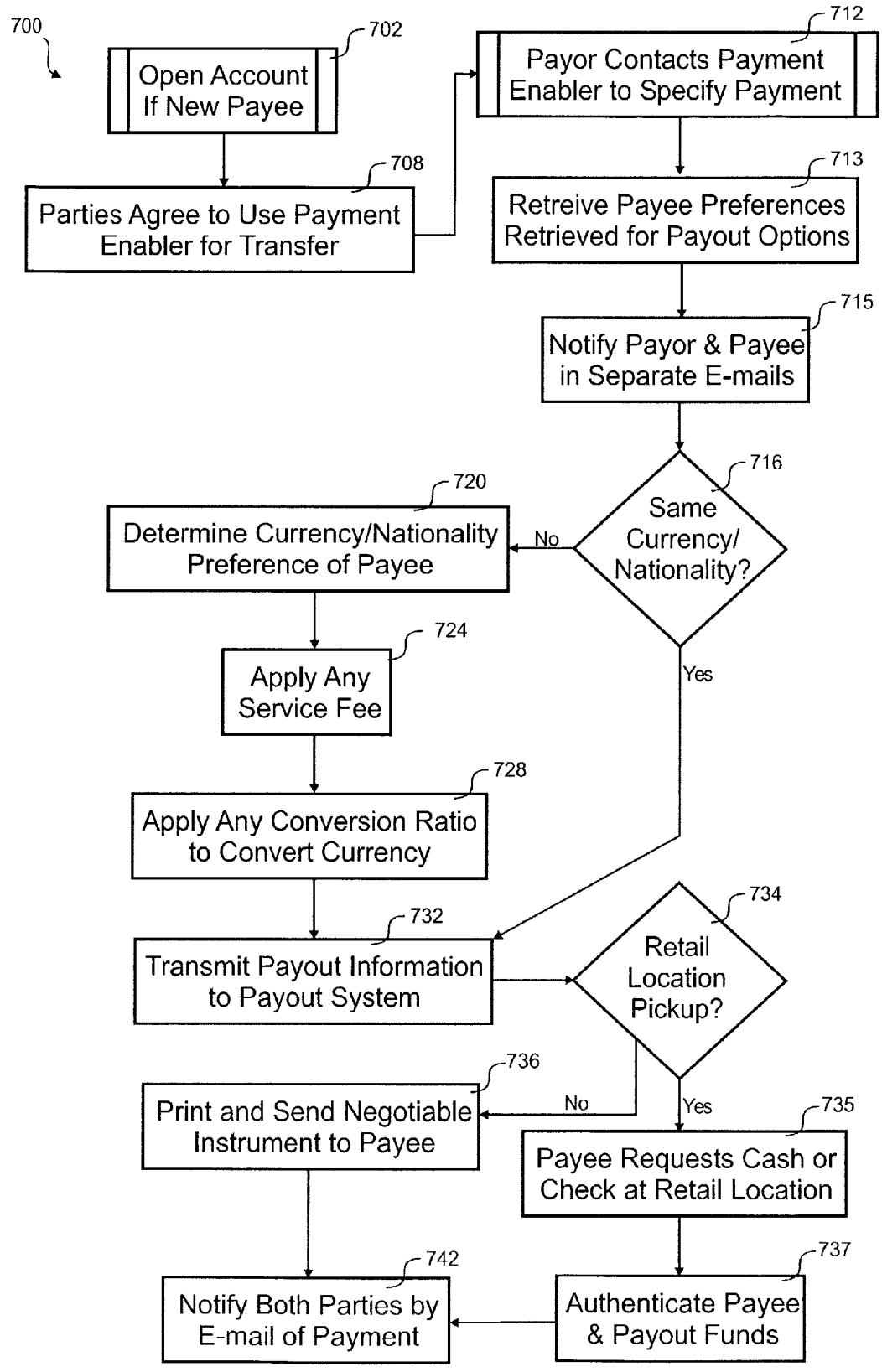

700
Open Account If New Payee
702
Parties Agree to Use Payment Enabler for Transfer
708
Payor Contacts Payment Enabler to Specify Payment
712
Retreive Payee Preferences Retrieved for Payout Options
713
Notify Payor & Payee in Separate E-mails
715
Same Currency/ Nationality?
716
No
Determine Currency/Nationality Preference of Payee
720
Yes
Apply Any Service Fee
724
Apply Any Conversion Ratio to Convert Currency
728
Transmit Payout Information to Payout System
732
Retail Location Pickup?
734
No
Print and Send Negotiable Instrument to Payee
736
Yes
Payee Requests Cash or Check at Retail Location
735
Authenticate Payee & Payout Funds
737
Notify Both Parties by E-mail of Payment
742

Fig. 7A

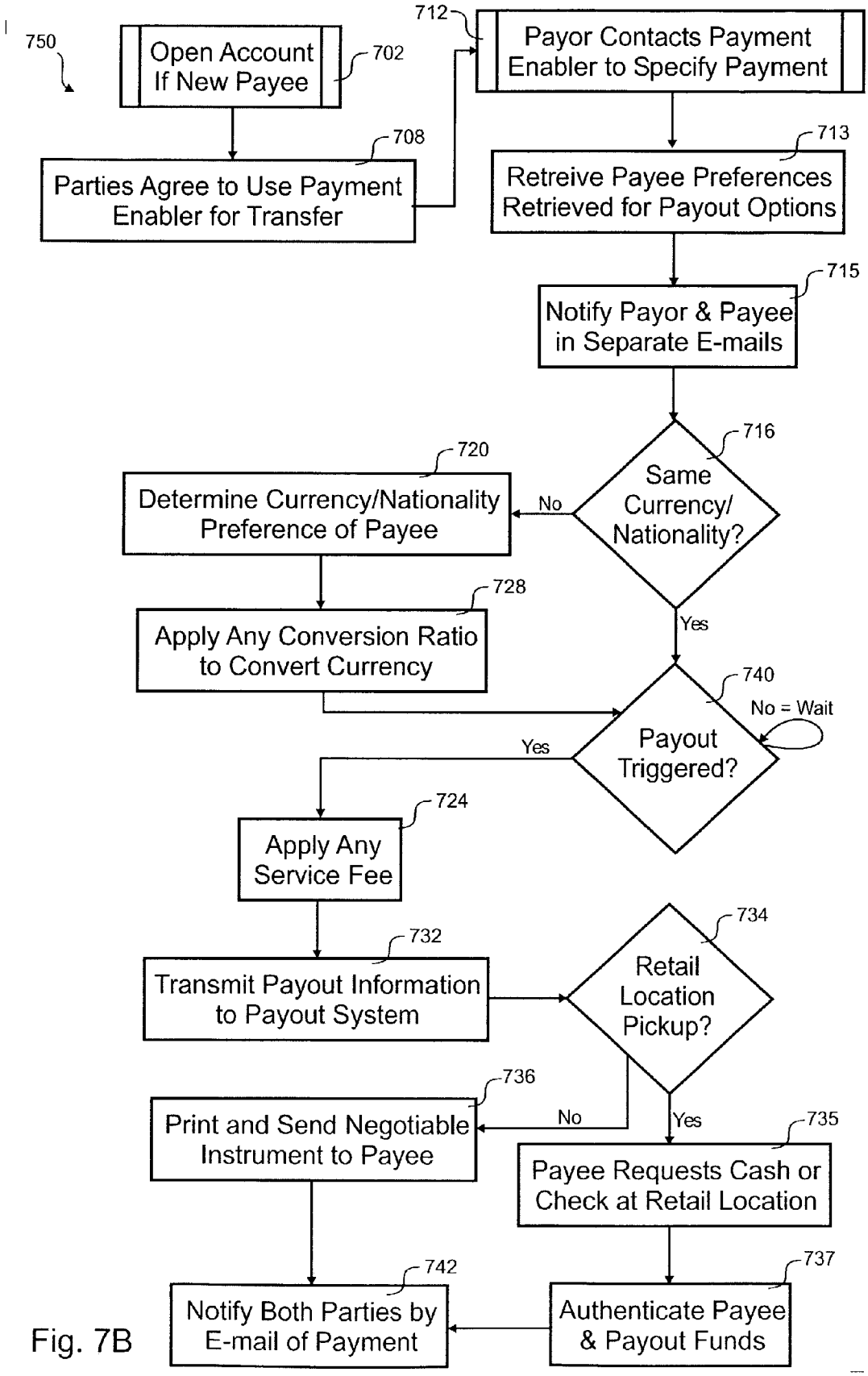

750
Open Account If New Payee
702
712
Payor Contacts Payment Enabler to Specify Payment
708
Parties Agree to Use Payment Enabler for Transfer
713
Retreive Payee Preferences Retrieved for Payout Options
715
Notify Payor & Payee in Separate E-mails
716
Same Currency/ Nationality?
No
720
Determine Currency/Nationality Preference of Payee
Yes
728
Apply Any Conversion Ratio to Convert Currency
740
No = Wait
Payout Triggered?
Yes
724
Apply Any Service Fee
732
Transmit Payout Information to Payout System
734
Retail Location Pickup?
736
Print and Send Negotiable Instrument to Payee
No
Yes
735
Payee Requests Cash or Check at Retail Location
742
Notify Both Parties by E-mail of Payment
737
Authenticate Payee & Payout Funds

Fig. 7B

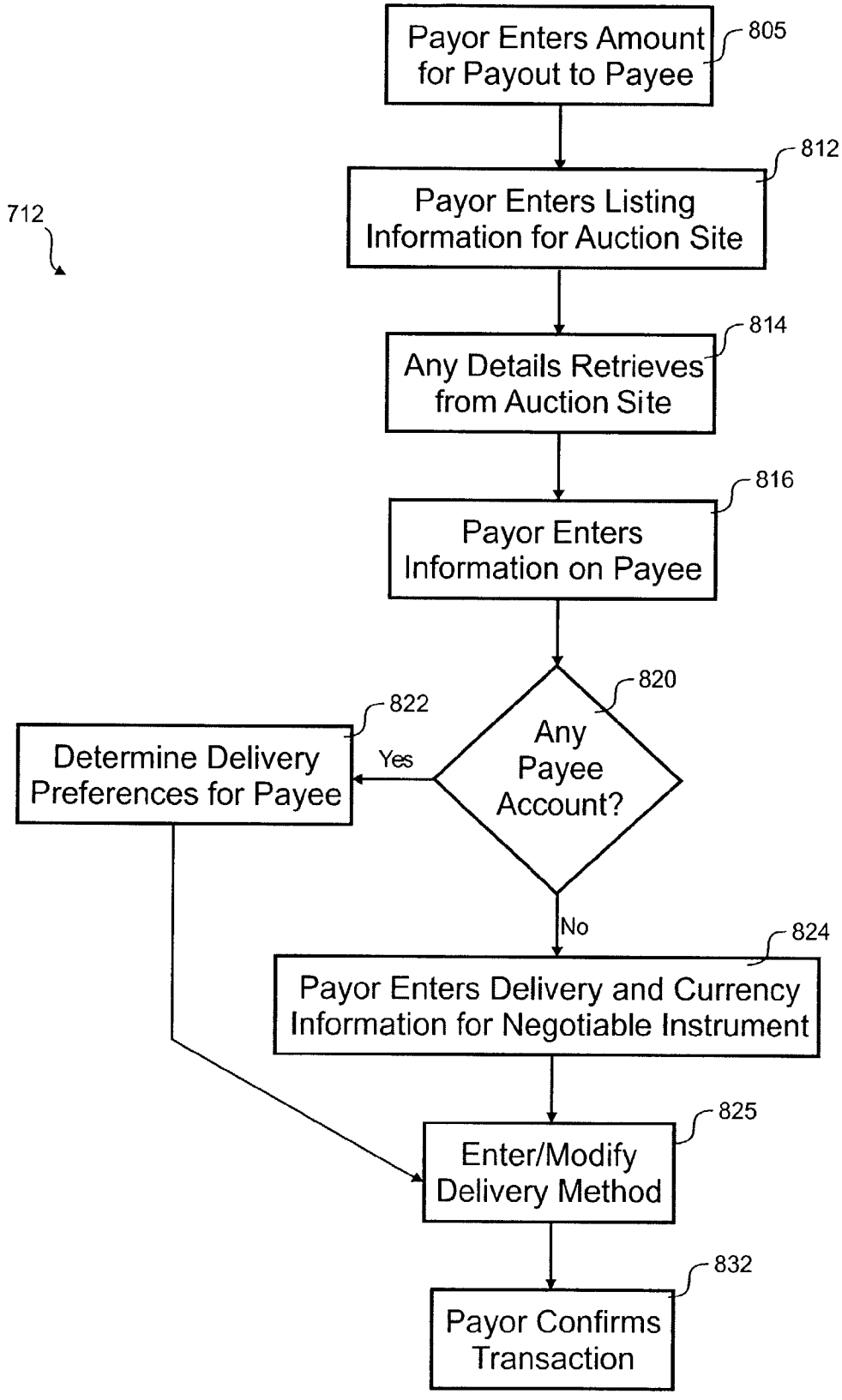

712
Payor Enters Amount for Payout to Payee
805
Payor Enters Listing Information for Auction Site
812
Any Details Retrieves from Auction Site
814
Payor Enters Information on Payee
816
Any Payee Account?
820
Yes
Determine Delivery Preferences for Payee
822
No
Payor Enters Delivery and Currency Information for Negotiable Instrument
824
Enter/Modify Delivery Method
825
Payor Confirms Transaction
832

Fig. 8

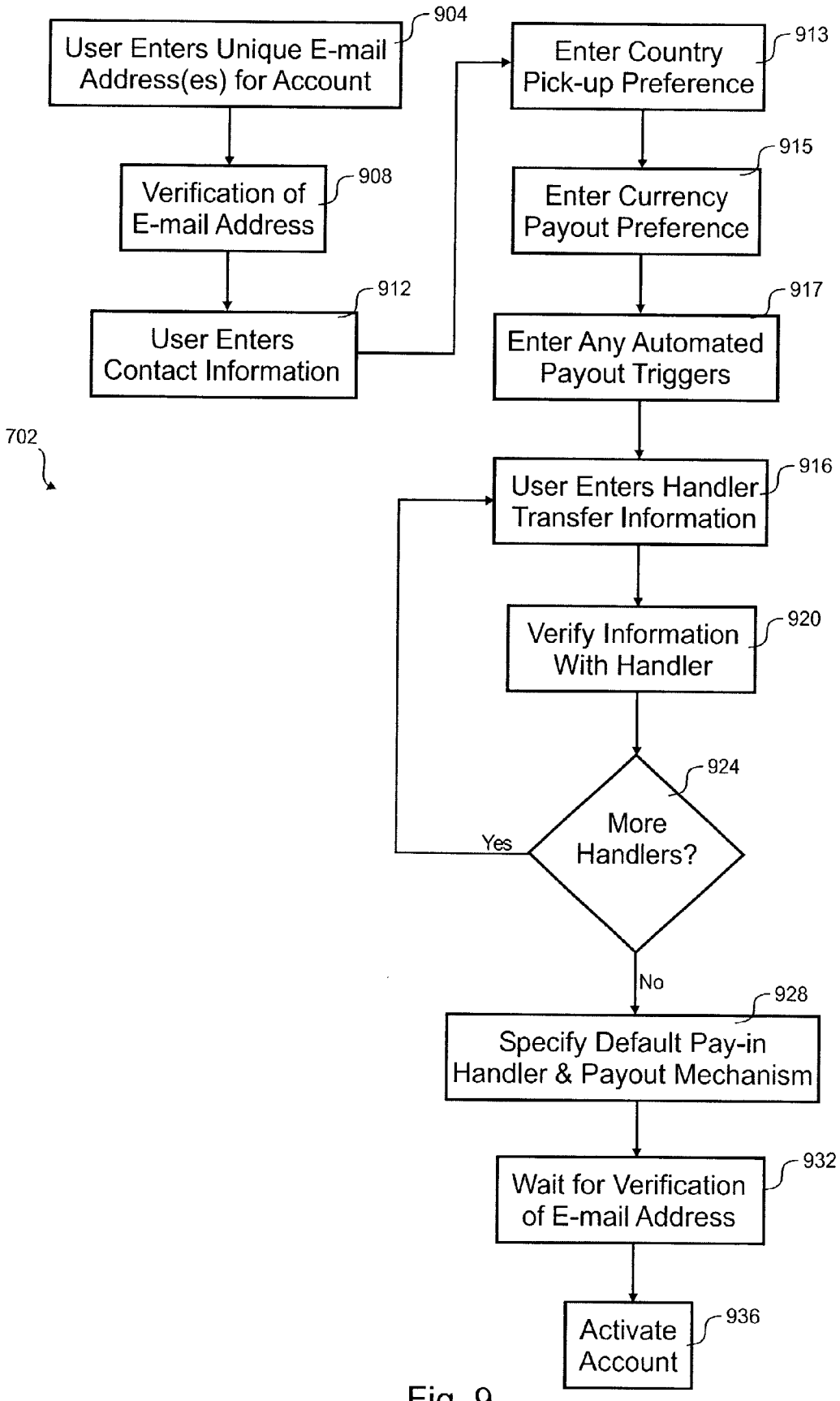

User Enters Unique E-mail Address(es) for Account
904
Verification of E-mail Address
908
User Enters Contact Information
912
Enter Country Pick-up Preference
913
Enter Currency Payout Preference
915
Enter Any Automated Payout Triggers
917
702
User Enters Handler Transfer Information
916
Verify Information With Handler
920
More Handlers?
924
Yes
No
Specify Default Pay-in Handler & Payout Mechanism
928
Wait for Verification of E-mail Address
932
Activate Account
936

Fig. 9

WORLDWIDE CASH VENDOR PAYMENT

[0001] This application is a continuation in part of U.S. patent Ser. No. 10/109,559 filed on Mar. 27, 2002, which is incorporated by reference in its entirety.

[0002] This application is related to U.S. patent application Ser. No. _____, filed on the same date as the present application, entitled "MERCHANT CASH PAYMENT SYSTEMS AND METHODS" (temporarily referenced by Attorney Docket No. 20375-031600), which is incorporated by reference in its entirety.

BACKGROUND OF THE INVENTION

[0003] This invention relates in general to online payment systems and, more specifically, to Internet-based payment systems that use negotiable instruments for payments to non-merchant parties such as individuals.

[0004] There are online systems that allow paying parties that may not have a merchant account with a credit card company or bank. Further, some parties do not even have a personal bank account to accept payment into. In these situations, a money order may be used to pay for merchandise, services or to otherwise send money. There are systems that automate the process of sending money orders through use of an online system where a payor can have a money order generated and mailed to the payee. A bank account or credit card is used by the online system to fund the money order and pay any service fees. These online systems are commonly used to pay for online auction transactions where the buyer and seller may not be in the same city or country.

[0005] Where the payee is in a country using a different currency, cashing a foreign money order is problematic. Although money exchanges and banks can cash a foreign money order, the exchange rate may be unfavorable and service fees may be added to the transaction. Further, a foreign bank cashing the money order may place a hold on the availability of the funds until they clear, which can take months. Where the money order is in payment for an auction, the fees and other costs deducted from the payment limit the profit on the auction. These impediments to commerce serve to impede transactions in different currencies.

BRIEF DESCRIPTION OF THE DRAWINGS

[0006] The present invention is described in conjunction with the appended figures:

[0007] **FIG. 1** is a block diagram of an embodiment of an international payment system;

[0008] **FIG. 2** is a block diagram of an embodiment of an online transfer system;

[0009] **FIG. 3** is a block diagram of an embodiment of a payment enabler;

[0010] **FIG. 4** is a block diagram of an embodiment of an auction site;

[0011] **FIG. 5** is a block diagram of an embodiment of a retail payout system;

[0012] **FIG. 6** is a block diagram of an embodiment of a retail location;

[0013] **FIG. 7A** is a flow diagram of an embodiment of a process for transferring funds to a payee with a negotiable instrument or a credit redeemable at a retail location;

[0014] **FIG. 7B** is a flow diagram of an embodiment of a process for transferring funds to a payee where the payout may be aggregated until a triggering event;

[0015] **FIG. 8** is a flow diagram of an embodiment of a process for initiating payment with the payment enabler; and

[0016] **FIG. 9** is a flow diagram of an embodiment of a process for configuring a user with an account for the payment enabler.

[0017] In the appended figures, similar components and/or features may have the same reference label. Further, various components of the same type may be distinguished by following the reference label by a dash and a second label that distinguishes among the similar components. If only the first reference label is used in the specification, the description is applicable to any one of the similar components having the same first reference label irrespective of the second reference label.

DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

[0018] The ensuing description provides preferred exemplary embodiment(s) only, and is not intended to limit the scope, applicability or configuration of the invention. Rather, the ensuing description of the preferred exemplary embodiment(s) will provide those skilled in the art with an enabling description for implementing a preferred exemplary embodiment of the invention. It being understood that various changes may be made in the function and arrangement of elements without departing from the spirit and scope of the invention as set forth in the appended claims.

[0019] The present invention provides for paying sellers with cash or a negotiable instrument, such as a money order, even though the seller may want payment in a foreign currency and/or drawn on a foreign bank.

[0020] In one embodiment, a method for paying for an item with an online payment system by a payor associated with a first currency to compensate a payee associated with a second currency is disclosed. In one step, a selection of the second currency for the online payment system to use when paying the payee is received. Payment information is also received from the payor or payee and includes at least a payee identifier and a first payment amount. A money handler associated with the payor is used to provide at least the first payment amount. A conversion ratio between the first and second currencies is determined. A second payment amount is made available to the payee for pickup at a retail location. The first currency is different from the second currency. The second payment amount is related to the first payment amount.

[0021] In another embodiment, a method for paying for items with an online payment system to compensate a payee for transactions with a plurality of payors is disclosed. In one step, a selection of a payment currency for the online payment system to use in paying the payee is received. First payment information is also received. The first payment information includes a first payee identifier and a first payment amount. A first money handler associated a first

payor is debited for at least the first payment amount in a first currency. Second payment information is received. The second payment information includes a second payee identifier and a second payment amount. The first payee identifier and second payee identifier both correspond to the payee and may be the same. A second money handler associated a second payor is debited for at least the second payment amount in a second currency. The first and second money handlers may be the same. It is determined if a triggering event is satisfied, where the event is at least one of an monetary event and a temporal event. An amount is made available in a currency at one or more retail locations when the event is satisfied. The amount is equal to or larger than a sum of the first and second payment amounts minus any fees. At least two of the currency, the first currency and the second currency are different. An identity of the payee is authenticated.

[0022] In yet another embodiment, a method for paying for an auction item with an online payment system by a payor associated with a first currency to compensate a payee associated with a second currency is disclosed. In one step, payment information is received, which includes at least a payee identifier, a first payment amount and an auction listing identifier. A money handler associated with the payor is debited for at least the first payment amount. A second payment amount is made available to the payee for pickup at one or more retail locations. The second payment amount is related to the first payment amount.

[0023] Referring first to **FIG. 1, a** block diagram of an embodiment of an international payment system **100** is shown. In this embodiment of the payment system **100**, a payor **100** and a payee **130** interact with an online transfer system **190** using either a computer **120** and the Internet **150** or a phone **109** and the plain old telephone system (POTS) **155**. The payee **130** may also interact with a retail location **107** to retrieve funds originating from the payor **110**.

[0024] The payor and payee **110, 130** can access the online transfer system **190** using their computers **120** or phones **140** in this embodiment. When accessing through their computers **120**, a web browser is used in this embodiment. Other embodiments could use application software to access the online transfer system **190**. For those without access to a computer **120**, a phone **140** could be used with voice prompts, touch tone recognition and/or speech recognition to interact with the online transfer system **190**. Other embodiments may provide have fewer or more interfaces to the online transfer system **190**.

[0025] The online transfer system **190** can produce a negotiable or payment instrument to transfer money from the payor **110** to the payee **130**. Types of negotiable instruments include: a money order, a cashiers check, a certified check, a travelers check, a bank check, a bank draft, a tellers check, a gift certificate, and/or check. The negotiable instrument is mailed, couriered, or otherwise sent to the payee **130**, or made available for pick-up by the payee **130** at a bank or retail location **107**. Once the payee **130** obtains the negotiable instrument, it may be cashed in the traditional way at a bank. The negotiable instrument can be any number of currencies that are drawn on any number of banks having different nationalities. With a choice of currency and nationality of the negotiable instrument, the payee **130** has more options when cashing that instrument.

[0026] The online transfer system **190** can make funds available at one or more retail locations **107** for pickup by the payee **130**. Those funds can be disbursed at the retail location **107** as cash, negotiable instrument, credit to a debit or credit card, a money order, promotional points, a coupon, or any other money substitute. The online transfer system **190** interacts with the retail payout system **103** to indicate how much funds should be available to one or more payees. The online funds transfer system **190** could indicate to the retail payout system each time a new payment should be made available or could accumulate many payout instructions for transmission in bulk. Those bulk transmission could occur at a set periodicity or when a monetary and/or transaction count threshold is met.

[0027] The retail payout system **103** is system that manages some payouts available at retail locations **107**. A commercially available service like Quick Cash™ available from Western Union™ (available from WU.com) could be used in the retail payout system **103** and retail locations **107**. The payment enabler **170** or other party can have a dedicated link, a per-use login and/or a file transfer connection with the retail payout system **103**. The amount to make available and currency is passed to the retail payout system **103**. Also, the identity of the payee **130** and any authentication information is passed to the retail payout system **103**. Authentication information could include a password, pass phrase, test question, obscure personal information and/or other code. Identity cards could also be used for authentication. An exchange rate and fee could be set by the payment enabler **170** at the time of availability or when the payee **130** claims the funds.

[0028] Retail locations **107** are store fronts that provide transferred money and other services. These retail locations **107** could also cash checks, provide banking services, payday loans, etc. Various retail locations **107** may provide negotiable instruments and/or cash as possible payout options. Some retail locations **107** could mail the negotiable instrument to the payees **130**. The payee **130** could be limited to receiving their payout from one or more retail locations **107**. Other retail locations **107** could provide the payout for additional fees. **1291** The online transfer system **190** includes payin handlers **160**, a payment enabler **170**, and user interfaces **180**. The payin handlers **160** allow compensating the payment enabler **170** for the negotiable instrument or cash payout and any associated fees. The payor configures one or more payin handlers **160** such that the payment enabler **170** can automatically transfer in funds. Some embodiments retain the information for interfacing to the payor's account with a payin handler **160** while other embodiments do not. There are national banks are the drawees for the negotiable instruments issued to payees **130** if the negotiable instrument payout option is chosen. These national banks serve each currency and/or jurisdiction. For example, there may be a Swiss bank that issues money orders in Euros, there may be another Swiss bank that issues money orders in Swiss francs, or there may be a French bank that issues money orders in Euros. Typically, the payee wants a negotiable instrument issued by a bank in their country that uses the currency of that country.

[0029] The user interfaces **180** accommodate the different methods the payors and payees **110, 130** use to interface with the payment enabler **170**. In this embodiment, an Internet interface **180** is provided that includes web pages

for users to interact with along with a phone interface. As will be discussed below, other embodiments could have additional interfaces **180**.

[**0030**] In this embodiment, the transaction is related to an auction performed at an auction site **109**. The payor **110** is a buyer of an auction item sold by the payee **130**. The payment enabler **170** can link to the auction site **109** to gather auction information such as a description, an auction identifier, item cost, shipping and handling costs, insurance costs, and payee and payor information. The payee and payor **110**, **130** may provide login information to the payment enabler **170** to allow accessing this information. Some embodiments could use the international payment system **100** to pay for items other than auction items. For example, the payment system **100** could be used to pay for goods available at an off-line auction or retail store, an online store, or other payment for goods and/or services. Alternatively, the payment system **100** could be used to send money internationally using a online interface.

[**0031**] With reference to **FIG. 2, a** block diagram of an embodiment of an online transfer system **190** is shown. In this embodiment, there are six handlers **160** and five user interfaces **180**. Other embodiments could have more or less handlers **160** and interfaces **180**. Each of the handlers **160** allows a payor add money from the payment enabler **170**. In some cases, the handlers **160** can accept money from a payout. The user interfaces **180** allow interaction with the payment enabler **170** to transfer money to a stored value fund that is used for the transfer. Some embodiments do not use a stored value fund in the online transfer system **190** by transferring funds directly to the retail payout system **103** which could immediately issue a negotiable instrument or hold the funds in a stored value fund for a later issuance of negotiable instrument or pick-up of cash at a retail location **107**.

[**0032**] The promotion handler **160-1** allows adding money in a form other than legal tender or a negotiable instrument. Examples include airline mileage programs and prepaid phone cards. For example, a user could use airline miles at a given exchange rate to send cash to a payee **130** using an airline mileage handler **160-1**. A conversion rate would be applied to convert the mileage credit into money. The promotion handler **160-1** may need special information from the payment enabler **170**, such as the sender's **110** promotion account number, etc. Some of the interfaces **180** used to gain access to the payment enabler **170** could be used to also gain access to the auction site **140** to allow participation in an auction.

[**0033**] The credit and debit card handlers **160-2**, **160-3** largely behave the same. Both can be used to add money into the payment enabler **170**. In other embodiments, these handlers **160-2**, **160-3** can also be used to remove money from the payment enabler **170** also, for example, to purchase a prepaid credit/debit card, to pay down a balance on a credit card, or to add credit to a bank account associated with a debit card. To use these handlers **160-2**, **160-3**, the payment enabler **170** stores the information for receiving money from credit or debit cards in the conventional way, such as the account number, expiration date, name, and/or PIN. Similar information may be used when paying-out money to a credit/debit card.

[**0034**] The bank handler **160-4** allows electronic funds transfer (EFT) of money from a bank account of the user. The user enters the account number and routing information into the payment enabler **170** with a user interface **180** to facilitate adding and removing of money from the bank handler **160-4**. In one embodiment, an automated teller machine (ATM) could incorporate the bank handler **160-4** along with an ATM interface **180-1** to allow adding and removing funds along with interfacing with the payment enabler **170**. Another embodiment uses a bank handler **160-4** branch location as a retail interface **180-4** for interacting with the payment enabler **170**. Some embodiments could wire money out of a bank account of the user instead of an EFT or could use ACH for the transfer.

[**0035**] The retail handler **160-5** typically corresponds to a retail location **107** that may wire money, payout cash, print money orders and/or cash checks. Money may be sent to the retail handler **160-5**, whereafter the user **130** is issued cash or a negotiable instrument for that money. Money can be added to the system **100** by the retail handler **160-5** also. For example, the user **110** may give cash to the agent who enters a credit into the payment enabler **170**. The user **110** could further specify to the agent a receiver **130** who should get the money. A retail interface **180-4** at the retail location **107** is used by the agent to indicate to the payment enabler **170** that the money has been received from or by the user **110**, **130**. Through a retail handler **160-5**, a sender **110** could use the international payment system **100** without any knowledge of computers or without any debit/credit card or bank account. The retail interface **180-4** is used at the retail location **107** to receive funds from the retail payout system **103**.

[**0036**] Gift certificates are redeemed through one or more gift certificate handlers **160-6**. The gift certificate, for example, could allow purchase of an auction item sing the online transfer system **190**. In some cases the negotiable instrument is paid-out with a gift certificate. The gift certificate can be limited to merchandise and/or services from a single store or a group of stores. In some cases, the gift certificate is used only online by entering a code provided to the receiver or could be printed for use in a bricks and mortar store. Cash equivalents such as Flooz™, formerly available from Flooz.com, could also be provided to the receiver **130**.

[**0037**] As briefly discussed above, the ATM interface **180-1** allows interaction with the payment enabler **170**. The user may **110**, **130** or may not have an affiliation with the ATM that is used to interface with the payment enabler **170**. Under this circumstance, the owner of the ATM may charge the user a fee for this service. The user **110**, **130** can receive cash from the payment enabler **170** or deposit cash into the payment enabler **170** if the ATM is coupled to a bank handler **160-4**. In any event, the ATM interface **180-1** can be used to interface with the payment enabler **170** in the same way a user **110**, **130** may interact through a web browser and computer **120** with the payment enabler **170**. If the ATM has a magnetic stripe or smart card reader, this could be used by to avoid entering credit or debit card information manually for the payment enabler **170** or could be used to read identification information from a government issued identity card, for example.

[**0038**] A kiosk interface **180-2** allows a user **110**, **130** to interact with the payment enabler **170**, but typically does not allow adding or removing cash. The kiosk interface **180-2** may be a browser terminal available for general use. Some embodiments may include a check or money order printer

with the kiosk interface **180-2** for removing money from the system **100**. The kiosk interface **180-2** could be in a retail location **107** and linked to the other systems in the retail location **107** such that a payout could be provided by other systems in the retail location **107**.

[**0039**] An Internet interface **180-3** is typically implemented through a web browser. The browser downloads web pages from the payment enabler **170**. The Internet interface could be hosted by the computer **120** of the user **110**, **130**. Some embodiments could host the Internet interface on a portable device such as a wireless phone or personal digital assistant (PDA). The Internet interface **180-3** may also be used by the ATM, kiosk and retail interfaces **180-1**, **180-2**, **180-4** in whole or in part. The Internet interface **180-3** uses encryption for the link to the payment enabler **170** in some embodiments.

[**0040**] The retail interface **180-4** allows for specialized interaction by an agent at the retail location **107**. Agents typically have special training and offer enhanced services over most interfaces **180** and handlers **160**. The agent can move money between senders **110** and receivers **130**. Also, the agent can pay-in and pay-out money from the payment system **100**. The retail interface **180-4** allows an agent to act on behalf of the user when manipulating the user's account. For security, the user's password or PIN may be entered by the user during this manipulation. Further, the agent may verify the identity of the receiver **130** before disbursing the cash or negotiable instrument. In one embodiment, a test question is provided by the sender **110** that the receiver **130** must answer before payment is available to the payee **130**. Passcodes or passwords could also be used or testing for obscure information such as the maiden name of the mother of the user.

[**0041**] Interaction with the payment enabler **170** may also be performed over a telephone **140** interfaced to the plain-old telephone system (POTS) **155**. The phone interface **180-5** provides voice prompts and recognizes the user's touch-tone or speech recognized input. Enhanced interaction with the phone interface **180-5** could be provided with wireless phones having wireless access protocol (WAP) and/or browser graphical user interfaces (GUIs).

[**0042**] Referring next to **FIG. 3, a** block diagram of an embodiment of a payment enabler **170** is shown. This embodiment includes a payment controller **304**, payin handler interfaces **308**, an auction interface **339**, a payout network interface **337**, a messaging function **316**, an enabler interface **320**, a user database **324**, a payment conversion function **328**, an exchange rate database **332**, and a billing function. This embodiment interfaces with users **110**, **130** using the Internet. The blocks of this figure may be arranged differently or have their functionality combined or separated on various computers, systems and/or locations as is well known in the art.

[**0043**] The payment controller **304** manages operation of the payment enabler **170**. The intelligence of the payment controller **304** is shown as one block in **FIG. 3**, but could be spread out throughout the payment enabler **170** through combination with other functions. Information gathered from the users and transactions is stored by the payment controller **304** in the user database **304**. This information can be viewed and/or modified by the users through the enabler interface **320**.

[**0044**] The enabler interface **320** and messaging function **316** are the communication mechanisms used by the payment enabler **170** and users **110**, **130**. The enabler interface **320** includes a set of web pages for entering information for transactions and viewing information about a user's account. These web pages may be viewed through the ATM interface **108-1**, kiosk interface **180-2**, Internet interface **180-3**, and/or retail interface **180-4** in various embodiments. Messages relating to the user accounts or transactions are sent by the messaging function **316**. This embodiment of the messaging function **316** uses e-mail, but other embodiments could use wireless pages, WAP messages, voice mail, instant messages, network broadcasts, or other means to contact the users.

[**0045**] The payout network interface **337** interacts with the retail payout system **103** to make cash available to the payee **130** or send a negotiable instrument to the payee **130**. Various national banks are used to back the negotiable instruments given to the payees **130**. The payees **130** may be in different countries and/or use different currencies. The negotiable instruments are printed by one or more retail locations **107** and mailed or couriered to the payee **130**. A batch file of all the transactions for a particular day are uploaded by the payout network interface **337** to the retail payout system.

[**0046**] Funds are added to the payment enabler **170** by the payor **110** to fund the transaction by using a handler **160**. These handlers **160** are manipulated by the payin handler interfaces **308**. These interfaces **308** use the account information entered by the user and stored in the user database **324** to draw funds to pay for the negotiable instrument and any associated fees. In this embodiment, the payor **110** is charged a flat fee for the negotiable instrument, but the payee **130** is charged for any currency conversion expenses. Other embodiments could assign these fees differently among the parties **110**, **130**. The billing function **312** tracks the transactions and determines the fee amount and how that fee amount is applied.

[**0047**] The payee **130** can choose to receive funds in a particular currency and drawn on a bank with a specified nationality. After the funds are received, an event is triggered or the funds are requested, these funds are converted and a service fee may be deducted. The payment conversion function **328** queries the exchange rate database **332** when one of these conversions is requested by the payment controller **304**. The exchange rate database **332** is updated daily or at some other frequency to reflect changes in the currency markets. The rate may incorporate a service fee in lieu of or in addition to any other fees. If the exchange rate is fixed when the funds are picked up or delivered to the user **130**, the retail location **107** can query the payment conversion function **328** and exchange rate database **332** through the payout network interface **337**.

[**0048**] With reference to **FIG. 4, a** block diagram of an embodiment of an auction site **109** is shown. The auction site **109** works in concert with the online transfer system **190** to allow gathering transaction details from the auction site **109**. The auction site **109** includes an auction site controller **404**, an auction web interface **408**, a user database **416**, an auction database **412**, and a payment enabler interface **420**.

[**0049**] The auction site controller **404** manages the functions of the auction site **109**. The auction web interface **408**

allows interaction with information in the auction database **412** and user database **416**. Both the sender and receiver **110**, **130** interact with the auction web interface **408** in their roles as buyer and seller of the auction item.

[**0050**] Information on auctions is stored in the auction database **412**. Information such as prices, descriptions and terms are stored in the auction database **412**. Through the payment enabler interface **420** the information in the auction database **412** is accessible to the payment enabler. For transaction identification or other purposes, the information from the auction database **412** is retrieved and shown to the payor **110** and payee **130**.

[**0051**] Any account information on the sender and receiver **110**, **130** for the auction site **109** is stored in the user database **416**. Information in this database **416** includes demographic information. This demographic information can be used to determine or verify names, addresses, e-mail addresses, shipping preferences, etc.

[**0052**] When the sender or receiver **110**, **130** complete an auction, the auction web interface **408** can hands them off to the transfer system **190** to arrange payment. A link in the auction listing can provide the mechanism to hand of the user. The enabler interface **420** facilitates the communication between the auction site **109** and the transfer system **190** such that the user **110**, **130** is provided with a seamless experience. User information is passed by the payment enabler interface **420** to the auction interface **339** of the transfer system **190**. Through that same pathway, information on clearing of payment is provided to the auction site **109**. The auction site can track payment for updating status for the buyers **110** and sellers **130**.

[**0053**] Status information on the progress of the auction item shipping and the clearing of funds can be found either on a shippers tracking site or the auction site **109**. The status information can be gathered by the auction site **109** or payment enabler **170**. For example, shipping status, tracking status, return information, payment delivery, payment redemption, cash payout, and handlers refusing payment could be displayed by auction site **109** and/or payment enabler **170**.

[**0054**] With reference to **FIG. 5, a** block diagram of an embodiment of a retail payout system **103** is shown. Included in the retail payout system **103** are a batch interface **508**, a retail payout controller **504**, a transaction database **512**, a user database **516**, and a retail location interface **520**. Generally, the retail payout system **103** receives instructions from the payment enabler **170** to make funds available at the retail locations **107** or to mail a negotiable instrument from one of the retail locations **107**. The agent and/or payee **130** interact with the retail payout system **103** at a retail location **107** to retrieve the payout.

[**0055**] Only one interface to the payment enabler **170** and other users of the retail payout system **103** is shown. More specifically, only the batch interface **508** is depicted, but other embodiments could include a web interface, dedicated link or other connection types to allow funds to be made available at the retail locations **107**. The batch interface **508** receives a file from the payment enabler **170** that includes information on one or more transfers. The file is protected with encryption or a protected data channel. Authentication is used to confirm the payment enabler **170** is actually sending the file. The retail payout system **103** will charge the payment enabler as any transfers are redeemed, as the transfers are received or according to some other business terms.

[**0056**] The retail payout controller **504** manages the operation of the retail payout system **103**. Transaction related information is stored in a transaction database **512**. The status of redemption and clearing of these transactions is also stored in the transaction database **512**. Clearing status can be relayed from the payment enabler **170** to the retail payout system **103**. Auction information can be relayed from the auction site **109** to the payment enabler **170** to the retail payout system **103**. Identity and demographic information on the payee **130** is stored in the user database **516**. Communication with the retail locations **107** passes through the retail location interface **520**.

[**0057**] With reference to **FIG. 6, a** block diagram of an embodiment of a retail location **107** is shown. The retail location **107** can be used by the payor **110** to initiate and/or fund a transaction and by the payee **130** to receive and/or cash the negotiable instrument. In some embodiments, the retail locations can print and send negotiable instruments to a payee **130**. Also, any user can use the retail location **107** to manage their accounts with the payment enabler **170** and interact with the auction site **109**. Both the retail and kiosk interfaces **180-2**, **180-4** are coupled to a wide area network **604** that is coupled to the payment enabler **170**. The retail location **107** may be used as a retail handler **160-1** to accept money in the form of check, money order, cash, gift certificate, etc. for funding a transaction. In this embodiment, the retail location **107** is a physical store front.

[**0058**] The kiosk interface **180-2** is primarily intended for users to interact with, and the retail interface **180-4** is primarily intended for an agent at the retail location to interact with in this embodiment. In some embodiments, both the kiosk and retail interfaces **180-2**, **180-4** are used to perform a transfer. For example, the agent may use the retail interface **180-4** to perform the transfer while the kiosk interface **180-2** is used to monitor the agent's actions and enter a password or PIN that is kept secret from the agent. The kiosk interface **180-2** may also be used to perform a complete transfer in circumstances where the user **110**, **130** is trained to use the system **100**, but does not utilize other interfaces **180** for whatever reason.

[**0059**] The retail interface **180-4** and kiosk interface **180-2** can output a negotiable instrument with a printer **612**. The payee **130** or agent can use the printer when an in-person pick-up of the negotiable instrument is desired by the payee **130**. In some embodiments, each interface **180-2**, **180-4** may have a separate printer. The printer **612** may also be used to print receipts and messages related to the sending of a negotiable instrument.

[**0060**] Money can be added to or removed from the payment enabler **170** at the retail location **107** with various money distribution devices **608**, **616**, **620**. In the conventional manner, cash can be received by the cash register, credit or debit cards and be debited by the card terminal **608**, and checks can be confirmed with a check validation terminal **620**. Cash can be paid out from the cash register **616** or added to a credit or debit card by the card terminal **608** in a conventional fashion. These money distribution devices **608**, **616**, **620** all interface with the system **100** by way of the

retail interface **180-4** such that pay-outs and pay-ins can be automatically recorded by the payment enabler **170**. Other embodiments may only accept credit or debit cards to fund a transaction and may not allow printing or cashing of the negotiable instrument at the retail location.

[**0061**] Referring next to **FIG. 7A, a** flow diagram of an embodiment of a process **700** for paying a payee **130** for a transaction with funds is shown that may be in a currency different from the one used by the payor **110** and may involve a negotiable instrument drawn on a bank in another country. In this embodiment, a negotiable instrument is produced or cash is available for pickup after each transaction. The depicted portion of the process begins in step **702** where a new payee may open an account with the payment enabler **170** if no account has previously been configured with the payment enabler **170**. During any account creation, the payee **130** may specify preferences to the payment enabler **170** which would include currency and nationality of the negotiable instrument, payment address, e-mail address, preferred retail location for pickup, etc. Where no information is specified by the payee **130**, the payment enabler **170** presumes the currency and nationality of the negotiable instrument is the same as the address of payor **110**. Fees may be involved with conversion of payments to a different currency and nationality of the negotiable instrument such that assent to these fees is performed by the payee **130** before this service is available.

[**0062**] In step **708**, the parties agree to use the payment enabler **170** for the payment of an auction item. Of course, this agreement could occur before the payee **130** opens a new account in step **702**. A button in the auction listing could facilitate choosing the payment enabler **170** for the payment. In step **712**, the payor **110** contacts the payment enabler **170** to configure the payment. Payee preferences are retrieved to determine the default options to use for the payee **130** when sending payment in step **713**. Delivery address, retail location pickup, currency, and nationality of any negotiable instrument are retrieved in step **713** from the user database **324** in the payment enabler **170**.

[**0063**] Notifications are sent to the payor **110** and payee **130** in step **715**. In this embodiment, the notifications are different, but they could be the same in other embodiments. The e-mail message to the seller/payee **130** includes an identifier of the auction listing, an amount for payment of the auction, any fee associated with the service, links to the payment enabler to change preferences, shipping information for the payor/buyer **110**, and other information. In this embodiment, the payee **130** pays a fee for the ability to pickup cash at a retail location or to receive a negotiable instrument with a currency and/or nationality different from the payor **110**. Another e-mail message is sent to the buyer/payor **110** which includes an identifier of the auction listing, an amount paid for the auction item, any fee associated with the service, links to change preferences, contact information of the seller, and other information. In this embodiment, the payor **110** pays a fee for using the payment enabler **170**. The payor **110** can send a negotiable instrument to a payee **130** in the same country as the payor **110** for this fee. The preferences in the e-mail message to the payor **110** indicate the payin handler **160** that will be used and an identifier of the account that will be used with that payin handler **160**.

[**0064**] In this embodiment, the debit to the payin handler and the sending of money is not performed for a period of time, such as the next day. The payor **110** can modify the default payin handler **160** that will be used and the payee **130** can modify the default payout mechanism for some period of time. For example, the payor **110** can change the payin handler **160** and payee **130** can change the delivery mechanism at any time before the payor account is charged which happens in this embodiment when the negotiable instrument is mailed or when the cash or negotiable instrument is picked-up. Other embodiments could tie the ability to change these preferences to an arbitrary time after the e-mail messages are sent, after the transaction is passed to the retail payout system **103**, after the payor **110** specifies the payment to the payment enabler **170**, or some other event.

[**0065**] In step **716**, a determination is made as to the currency and nationality of the payor **110** and payee **130**. In certain cases, the currency may be the same (e.g., Euro), but the parties may be in different European Union countries such that the payee **130** would prefer a negotiable instrument drawn on a bank in the payee's same country. Where either currency or nationality of the negotiable instrument is different, processing proceeds to step **720** where the preference of the payee **130** is determined. In step **724**, a service fee is applied to the payee's payout. The fee may be split into one fee for different currencies in the case of a negotiable instrument or cash pickup and another fee for the case of a negotiable instrument with a different nationality than the payor **110**.

[**0066**] Although the payee **130** can specify preferences for the currency and bank nationality in this embodiment, other embodiments may work differently. For example, the payee **130** may only be able to specify the currency to use. A default bank for that currency would issue the check. That default bank may or may not have the same nationality of the payee **130**. Where there is a choice of bank nationalities for a currency, the payee **130** may be given a choice and/or the system may have a default choice corresponding to the payee's nationality. In another example, the payee **130** may specify only the bank nationality that should issue the check. A default currency would be used for the check. Where the issuing bank supports multiple currencies, the payee **130** could override a default to specify one of the optional currencies.

[**0067**] In step **728**, the currency is exchanged by the payment conversion function **328** of the payment enabler **170**. In some embodiments, the retail payout system **103** may have a payment conversion capability that is used instead. Yet other embodiments could simply charge the handler **160** in the target currency without conversion where the handler **160** supports various currencies. The payout information is transferred to the appropriate payout system **336** in step **732**. Processing also continues to step **732** from step **716** where the currency and nationality of the negotiable instrument is the same for both payor **110** and payee **130**.

[**0068**] The payee **130** back in step **713** or the payor **110** in step **712** could have indicated that the payee **130** would pick-up the negotiable instrument and/or cash at a specific or any retail location **107**. In step **734**, a determination is made as to whether a retail location pick-up is desired by the payee **130**. Where sending the negotiable instrument to the payee

130 is desired, the instrument is printed and sent by the payout system 103 and/or retail locations 107 in step 736 to a provided address of the payee 130. Alternatively, the payee 130 may request the negotiable instrument or cash in step 735 where a retail location pick-up is specified. Authentication of the payee 130 is performed and the funds are paid to the payee 130 in step 737. Regardless of how the negotiable instrument or cash is received, an e-mail is sent to the parties in step 742 to indicate successful payment for the listing. Status with the rest of the international payment system 100 is updated to reflect the payout of the funds.

[0069] With reference to FIG. 7B, a flow diagram of an embodiment of a process 750 for paying a payee 130 for a transaction is shown where the payout may be aggregated until a triggering event. There are two types of events that may trigger payouts, namely, temporal events and monetary events. Temporal events could be a time period, a calendar date or a specified day in a month and monetary events could be reaching a certain threshold credit amount. In some cases a temporal event and a monetary event must be satisfied. For example, a negotiable instrument is issued if the balance exceeds $500 at the fifteenth day of the month. Reducing the payouts may reduce the number of fees charged in this embodiment.

[0070] The process 750 of FIG. 7B is largely the same as the process 700 of FIG. 7A, except that a payout triggering step 740 is added after step 728. Also, the service fee step 724 is performed after a payout is triggered in step 740 rather than with each transfer. The conversions are performed either on each transfer or after a payout is triggered in step 740. The service fee applied in step 724 could be for each payout and/or each transfer. For example, a payout fee could be $5 with a $2 fee for each transaction in that payout.

[0071] Referring next to FIG. 8, a flow diagram of an embodiment of a process 712 for initiating payment with the payment enabler 170 is shown. In this embodiment, the payee may or may not have an account with the payment enabler 170. Some embodiments could start with a step 702 that would open an account for the payor 110 where none existed such that each payor 110 of that process would have an account. Where there is an existing account, the payor 110 may have some fields prepopulated with information about the payee. The depicted portion of the process begins in step 805 where the payor 110 enters an amount for the payout. The amount could include separate amounts for the auction item, the shipping, the insurance, the tax, or the handling. The payment enabler 170 may reject amounts that are too large or too small based upon what is known about the pricing from the auction site 109.

[0072] Information about the auction item listing are entered in step 812 so that details can be retrieved. This information will be shown in status fields when the parties review their account history, may be used in various status e-mails and may be printed on the negotiable instrument or cash receipt. The information on the auction site and listing is retrieved in step 814. This information may be presented to the payor 110 for verification before allowing the payor 110 to continue. In step 816, information on the payee 130 is entered, such as an identifier. This embodiment uses an e-mail address as an identifier, but an identifier used by the auction site could be used or any other unique identifier.

[0073] If an account can be found in the user database 324 for the payee 130 in step 820, delivery preference information is retrieved from that database 324 in step 822. This preference information includes delivery method, delivery address, currency, and drawee nationality. Where an account cannot be located in step 820, the payor 110 enters the address, currency, and drawee nationality for the payee 130 in step 824. If the payor 110 does not know the nationality of the payee 130, the nationality of the payor 110 is presumed for the payee 130. In step 825, the payor 110 can enter or modify the delivery method for the payment regardless of whether the payee 130 has an account. In some embodiments, the payee 130 could specify that the delivery method and other preferences cannot be modified by the payor 110. The payor 110 can complete the depicted portion of the process 712 by accepting the terms presented for verification in step 832.

[0074] Referring to FIG. 9, a flow diagram of an embodiment of a process 702 for configuring a user with an account for the online transfer system 190 is shown. Where the receiver 130 or sender 110 is not external to the system, an account with the payment enabler 170 is created using this process 702. The depicted portion of the process 702 begins in step 904 where the user 110, 130 enters an e-mail address as the unique identifier for the account. The user 110, 130 may want to enter any other e-mail addresses that are aliases of the user and that may be used by counter parties to a transaction. Other embodiments could use any unique identifier for the user 110, 130.

[0075] Once an e-mail address is given to the payment enabler 170, it is verified. A message is sent to the e-mail address in step 908. A code is provided and an URL such that the user can click on the URL to load a page where the code is entered to verify the e-mail address. In this embodiment, the code is a randomly generated set of alphanumeric characters. Other embodiments could use any number of methods to verify the e-mail address.

[0076] The user 110, 130 enters contact information in step 912. This contact information could include address, phone number, pager address, instant message address, wireless phone address, contact e-mail address, etc. The country of payout and currency are specified in step 913 and 915. Any payout triggers that serve to aggregate payouts are specified in step 917. In step 916, the user enters handler interface information. For example, the user might enter credit card information and bank transfer information. In step 920, the information is verified with the handler 160 to the extent possible for that handler 160. In step 924, the process 612 can loop back to step 916 for entering and verifying additional handlers.

[0077] In step 928, a default paying handler 160 and a default payout mechanism can be chosen for transferring money into and out of the system 100. In step 932, the payment enabler 170 waits for verification at least one of the e-mail addresses before activating the account for sending and receiving money with that e-mail address in step 936.

[0078] A number of variations and modifications of the invention can also be used. For example, the payment enabler could be integrated into the auction site. With the embodiment of FIG. 7B, the service fee applied in step could be scaled per negotiable instrument or per payment received from a payor. In some of the above embodiments, the negotiable instrument is mailed, couriered, or otherwise sent to the payee, or made available for pick-up by the payee

at a bank or retail location. In other embodiments, negotiable instrument could take the form of an electronic transfer to a bank account of a different nationality than the payor or in a currency different than the currency of the payor.

[0079] Although some of the above embodiments contemplate the payee having an account with the system, no account is needed in some embodiments. The payor can specify the target currency and identification information for the payee. Once the payee authenticates against the identification information, the payment can be received in cash or as a negotiable instrument. If the payor specifies an address, a negotiable instrument can be mailed directly to the payee without the need for an account for the payee.

[0080] While the principles of the invention have been described above in connection with specific apparatuses and methods, it is to be clearly understood that this description is made only by way of example and not as limitation on the scope of the invention.

What is claimed is:

1. A method for paying for an auction item with an online payment system by a payor to compensate a payee, the method comprising steps of:

receiving payment information comprising at least a payee identifier, a first payment amount and an auction listing identifier;

debiting a money handler associated with the payor for at least the first payment amount;

making a second payment amount available to the payee for pickup at one or more retail locations, wherein the second payment amount is related to the first payment amount.

2. The method for paying for the auction item with the online payment system by the payor to compensate the payee as recited in claim 1, wherein the payor is associated with a first currency and the payee is associated with a second currency.

3. The method for paying for the auction item with the online payment system by the payor to compensate the payee as recited in claim 2, wherein the first and second currencies are the same.

4. The method for paying for the auction item with the online payment system by the payor to compensate the payee as recited in claim 1, wherein the first and second payment amounts vary by one or more fees.

5. The method for paying for the auction item with the online payment system by the payor to compensate the payee as recited in claim 1, wherein the amount made available is at least partially embodied in a negotiable instrument.

6. A computer-readable medium having computer-executable instructions for performing the computer-implementable method for paying for the auction item with the online payment system by the payor to compensate the payee of claim 1.

7. A method for paying for an item with an online payment system by a payor associated with a first currency to compensate a payee associated with a second currency, the method comprising steps of:

receiving selection of the second currency for the online payment system to use when paying the payee;

receiving payment information from one of the payor and the payee comprising at least a payee identifier and a first payment amount;

debiting a money handler associated with the payor for at least the first payment amount;

determining a conversion ratio between the first and second currencies;

making a second payment amount available to the payee for pickup at a retail location, wherein:

the first currency is different from the second currency, and

the second payment amount is related to the first payment amount.

8. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the item was sold in an auction listing of an auction site.

9. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the payee does not have an account with the online payment system.

10. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the first-listed receiving step comprises at least one of the following steps:

receiving selection of the second currency from the payee; and

receiving selection of the second currency from the payor.

11. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein debiting step comprises a step of debiting the money handler in the first currency.

12. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the first payment amount differs with respect to the second payment amount by a service fee.

13. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, further comprising a step of authenticating to an identity of the payee.

14. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, further comprising a step of determining if a triggering event has occurred before performing the making available step.

15. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, further comprising a step of making the second payment amount available to the payee for pickup at any of a plurality of retail locations.

16. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the payee identifier is an e-mail address associated with the payee.

17. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the determining step is performed after the payee requests the second payment amount at the retail location.

18. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, further comprising a step of notifying at least one of the payor and the payee in an electronic message that includes payment status.

19. The method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency as recited in claim 7, wherein the payor is located across a wide area network from the online payment system.

20. A computer-readable medium having computer-executable instructions for performing the computer-implementable method for paying for the item with the online payment system by the payor associated with the first currency to compensate the payee associated with the second currency of claim 7.

21. A method for paying for items with an online payment system to compensate a payee for transactions with a plurality of payors, the method comprising steps of:

receiving selection of a payment currency for the online payment system to use in paying the payee;

receiving first payment information, wherein the first payment information comprises a first payee identifier and a first payment amount;

debiting a first money handler associated a first payor for at least the first payment amount in a first currency;

receiving second payment information, wherein the second payment information comprises a second payee identifier and a second payment amount, and wherein the first payee identifier and second payee identifier both correspond to the payee and may be the same;

debiting a second money handler associated a second payor for at least the second payment amount in a second currency, wherein the first and second money handlers may be the same;

making available an amount in a currency at one or more retail locations, wherein:

the amount is equal to or larger than a sum of the first and second payment amounts minus any fees, and

at least two of the currency, the first currency and the second currency are different,

authenticating an identity of the payee.

22. The method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors as recited in claim 21, further comprising a step of determining a triggering event is satisfied, wherein:

the triggering event is at least one of an monetary event and a temporal event, and

the making step is at least partially in response to the determining step.

23. The method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors as recited in claim 21, wherein the monetary event is a stored value associated with the payor reaching a threshold amount.

24. The method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors as recited in claim 21, wherein the temporal event is chosen from a group consisting of:

a time period;

a calendar date; and

a specified day of any month.

25. The method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors as recited in claim 21, wherein the triggering event requires satisfaction of both the monetary and temporal events.

26. The method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors as recited in claim 21, wherein the debiting step comprises a step of debiting one or more of a promotion handler, a credit card handler, a debit card handler, a bank handler, a retail handler, and a gift certificate handler.

27. A computer-readable medium having computer-executable instructions for performing the computer-implementable method for paying for items with the online payment system to compensate the payee for transactions with the plurality of payors of claim 21.

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