
March 22, 2016

To Our Valued Suppliers:

Covanta would like to save you time, improve your cash flow and reduce your paperwork by remitting payments via our ePayables credit card program. This program allows suppliers to receive more accelerated payments (net 15 vs. net 60) and eliminates check float time. It also provides electronic remittance information via email or fax. The attached FAQ will provide you with additional details regarding the program.

Please complete the necessary information below and send to my attention:

E-mail: lnallen@covanta.com

Mail: Covanta, Attn: Lori Nallen, 445 South Street, Morristown, NJ 07960

The information below should be for the recipient of the remittance notices from the Bank of America. You will need to designate whether you want to receive notices via email or fax. Please note, both cannot be sent. If email is selected, the notice can be sent to multiple email addresses.

Supplier Name: _____

Contact Name: _____

Remittance Notice Preference: Email or fax (select one) _____

Contact Email Address: _____

Additional Email Address: _____

Contact Fax Number: _____

Make manual payments a thing of the past by selecting ePayables today!

Sincerely,



Lori Nallen
Manager, Accounts Payable Customer Service

Bank of America ePayables (EFT) Program

Covanta utilizes an electronic payment option for our suppliers through Bank of America's credit card program called ePayables. ePayables provides credit card accepting suppliers with a unique Visa credit card number for each remittance location; no physical cards are issued. The program allows suppliers to receive more accelerated payments since it eliminates check float time. It also provides electronic remittance information via email or fax. For more information on the program, please go to:
www.bankofamerica.com/epayablesvendors

Q: What are the benefits to a supplier of accepting payment via credit card?

A: Vendor benefits may include:

- Expedited receipt of cash which can improve Days Sales Outstanding (N15 vs N60 payment terms)
- More efficient handling of exception items
- Control benefit; avoid giving out bank information for ACH payments
- No check processing costs
- Invoice detail provided electronically
- Going green – paperless, electronic payments are more secure, save money and conserve the environment by eliminating the printing and mailing of paper checks

Q: Is card acceptance a requirement? Will it affect our Vendor-Covanta relationship if we decline? Will the net terms change? How soon will we get paid?

A: This is the preferred method of payment and part of an effort to reduce checks and eliminate paper waste and inefficiencies. Your terms will change to N15, and you do gain the float. With ePayables funds are typically deposited within 48 hours after processing the transaction as compared to waiting for Covanta's check to be received in the US mail and then the time required for the check to clear through the banking system which could take a total of 7 – 10 days.

Q: How does this affect our invoicing? What about credits and short-pays?

A: Your invoicing, current procedures and client contacts will remain the same.

Q: Are there any fees associated with this method of payment? Is Covanta willing to absorb the fees?

A: Payments will be processed as credit card transactions, so your standard merchant fees will apply. There are not any direct fees imposed by Covanta or Bank of America. It is not Covanta's intention to absorb fees associated with your Merchant Service Provider.

Q: How will I receive the card account number, expiration date and the 3-digit CVV2 value on the back of the card?

A: Covanta will provide you with the card account number, expiration date and 3 digit CVV2 via a phone call. If you elect not to keep the card account number on file, you can opt to receive the card account number and expiration date with each remittance advice by secure email.

Q: Is it safe to keep the card number on file?

A: This payment process keeps the card account with a credit limit of \$0 until an invoice has been approved for payment. Once it is approved, the card will be funded with the exact amount due and you will receive a remittance, which is an electronic confirmation that the card is ready to be charged. This technology makes keeping a card on file completely safe.

Q: Will I receive payment for all of our company locations?

A: Currently your company is sent a separate check to each remittance address. A unique card number will be assigned for each remittance address, so this will be determined or driven solely by your remittance address set up and would not be segregated if billed by multiple locations. If you currently receive one check for multiple locations, you will maintain one card account number on file and the remittance advice will identify the appropriate location by invoice number, date and amount.

Q: How will I receive the remittance advice?

A: You can elect to receive the remittance advice by an email sent from remittanceadvice@works.com or by fax (see attached sample). The remittance advice can be sent to multiple email addresses or one fax number. Also, some suppliers establish a general email alias that will forward the remittance to several people in your organization. If you elect to receive the card account number and expiration date with each remittance advice, the delivery method is secure email.

Q: Are there other card payment options if our company policy does not allow us to keep a card account number on file?

A: Yes. If you cannot keep a card account number on file, the card account number and expiration date can be included in each remittance advice and sent via secure email.

Q: What is the process to access the card account number and expiration date from a secure email?

A: You will receive an email with a link to a secure site. You may access the card account number and expiration date by clicking on the link and entering a username and password which will decrypt the card account information. Please note there is a one-time registration process where you will be required to enter your email address and create a password, security question and answer. Registration takes less than 5 minutes.

Q: Once the card account information is decrypted, will the card account information continue to stay decrypted?

A: Each time you receive a secure remittance advice you will be required to click on the link contained within the email to access the card account number and expiration date. Once you log out of that site, the card account information will not be accessible again until you re-authenticate to the site.

Q: Your Company does not want to initiate credit card transactions. Is there any other option to accept credit card payments from Covanta?

A: Yes. An alternative option is to participate in a process whereby a payment is pushed to your merchant account. This eliminates the need to initiate a credit card transaction and the need to maintain a card account number on file. Bank of America can provide additional information on this alternative methodology.

Q: Our Company requires a signed Card Authorization Form for every credit card transaction; can the Covanta fax this information along with the remittance?

A: Covanta will contact you with the card information to keep on file; at that time you can provide your internal Card Authorization Form to Covanta and maintain that form with the card information. The remittance is your ongoing authorization to process the card for the exact amount indicated.

Sample ePayables Remittance Advice

(Attached to Confirmation Email sent to Vendors Who Enroll)

***** SAMPLE ELECTRONIC REMITTANCE ADVICE *****

From: "Covanta Energy" <remittanceadvice@works.com>

To: John.smith@abccompany.com

Cc:

Bcc:

Reply-to: appaymentrequests@covantaenergy.com

Subject: Covanta Energy/ 0000034195-001 ABC Company

X-Works-Remittance-Advice:

Remittance Advice for 0000034195-001 ABC Company.

Business Unit: Covanta Indianapolis, Inc.

To receive payment for the invoice(s) below, please draft the total amount of

\$123.45 AS A SINGLE TRANSACTION

on your dedicated Covanta Energy VISA card with the account ending 2639.

By charging the amount shown as a single transaction within three business days you will significantly reduce the possibility of payment complications.

If your merchant terminal imposes a lower transaction limit, please process drafts by single invoice amounts totaling \$123.45.

If there is only a single invoice to be paid and that amount is greater than your merchant terminal limit, please process multiple drafts in the largest dollar increments accepted by your merchant terminal totaling \$123.45.

If you have any questions or need assistance, please reply via e-mail to appaymentrequests@covantaenergy.com.

INVOICE COMMENT DISCOUNT AMOUNT

232196 0.00 123.45

TOTAL: \$123.45

Thank You,

Covanta Energy Accounts Payable

Covanta Energy