Positive Pay with Payee Match and ACH Fraud Control

Accessing Positive Pay

Accessible through the Horicon Bank Ascend website by clicking the Accounts menu and Positive Pay or by going directly to the site below (username and password needed).

https://www.centrixsecure1.com/HoriconBankPositivePay/Pages/Login.aspx

Important Info

- Positive Pay – you report the check number, amount, date, and payee name to us via issued check file upload. When the checks clear we compare that info. If any info does not match it's an exception and you have until 11am to decide to pay or return.
- ACH Fraud Control – you create a list of ACH authorization rules, based on company IDs (typically the EIN of the company) that can pull money from your account (ACH Debit). You can also define a limit per transaction. If it exceeds the limit, it is an exception. If the Company ID is not on your list, it is an exception. You have until 11:00 am to decide to pay or return.
- Our Positive Pay is a NEXT DAY System (not real time). Please keep in mind that it is important to make your exception decisions because as a business you only have a 24-hour return window for Checks and ACHs.
- Default Decision Return or Pay – this get applied if you do not make decisions on exceptions before 11am.
- Positive Pay is a fraud prevention system not a stop payment system. Stop payments are needed when the check is no longer in your possession and the recipient claims that they can't find it. If the recipient finds it and deposits it, then we can't return it via positive pay because it's not a fraudulent item. Another scenario would be if you know the checks have been stolen, then a stop payment needs to be placed.
- Voided checks - items can be VOIDED in the Positive Pay system, this is for the customer's records only. If you want to assure that a check does not get paid then they you'll have to contact Horicon Bank to place a Stop Payment on it. VOID should only be used when the check has been voided or destroyed by you, and you know it won't be deposited.
- Email notifications:
  - Exceptions
  - Reminder to process exceptions
  - Issued file processing status
  - New ACH authorization rule added

Tips for using Horicon Bank Positive Pay

- Login to Horicon Bank Positive Pay each day after 9:00 a.m. regardless of whether you receive notification by email.

Deadlines

- **5:00 p.m.** - Customer must load their issued check items and enter ACH rules
- **9:00 a.m.** - Horicon Bank will have Exception items posted
- **11:00 a.m.** - Customer will make decisions on exceptions items

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Frequently Asked Questions (FAQ)

Q: What if someone tries to cash or deposit a check at the teller line at Horicon Bank?

A: Our tellers will run the amount and check number against the system. If no issued item matches, they will contact you to confirm.   Until that happens, we cannot cash or deposit it.

Q: Will there be a hassle for a legitimate check?

A: There will be a hassle if you have not loaded the item into CENTRIX.

Q: Can I load one issued item quickly?

A: Yes, you have 2 options to load issues items. Issued items can be loaded as a big file or you can also add them one at a time. This is useful if you missed one or 2 items and you don't want to generate a file.

Q: How is ACH Fraud Control difference from Positive Pay?

A: ACH Fraud Control allows you to setup rules for external parties either debiting or crediting your account. Most customers setup a rule to allow all credits (incoming credits). However, you can setup the debit rules one of 2 ways. You can input all the information as you know it (ACH ID, etc.) or you can wait for an exception item and add it that way. Check Positive Pay requires you to input exact information about the issued day, amount, check number, and payee information.

Q: What is Payee Match (for Check Positive Pay) and how does it work?

A: It helps catch fraud where a good check is stolen and the payee name is erased. Without payee match the amount and check number would be valid. Our system takes the Check and scans for the payee name. Then it compares between the issued payee name and the paid check payee and calculates a confidence number from 1000 (perfect match) to 0 (no match). Anything less than 900 will cause an exception. Our Deposit Operations team reviews these items during the scrub process and tries to catch the items that the system reads incorrectly.

Contact Information

Horicon Bank Treasury and Commercial Payment Solutions
920-643-7670, treasury@horiconbank.com

Positive Pay Website Activities

Exception Processing

- Quick Exception Processing – list of all your exception items for you to make a pay or return decision; available until 11:00 AM, if no decision is made, reverts to default decision of return.

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<u>Transaction Processing</u>

- Submit Issued Check File – submit file whenever checks are issued. When you load an issued checks file it could have the status Processed, Processed with error, or Rejected. You may need to try again if it fails.   Please click on the status to review the errors.
- Add New Issued Check – ability to manually add issued checks to the system; often used for checks that are hand-written.

<u>System Reports</u>

- ACH Authorization Rules – ability to setup pre-authorized ACH companies, if an unauthorized ACH item posts to an account, the rules determine whether the item requires a pay/return decision.

Use the help section, click on the "?" at the top of the page for detailed instructions on the page/activity you are viewing.