

## What Is It?

Positive Pay is a fraud detection tool for customers offered by the bank to minimize the risk associated with altered, counterfeit items, lost or stolen checks.

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## How It Works

- ◆ An electronic file detailing checks previously authorized and issued by the customer is transmitted to the bank prior to checks being issued.
  - ◆ This file contains issue date, account number, check number, and dollar amount.
  - ◆ The bank matches the data of each check presented for payment against a customer's account. All components of the check must match exactly or the check becomes an exception item.
  - ◆ The customer can set up an alert to be notified via e-mail when an exception item occurs.
  - ◆ The customer then reviews the image of the check online and instructs the bank to pay or return the check.
  - ◆ The customer's designated default, whether to pay or to return, occurs if no action is taken by the cut-off time of 12:00 pm CST.
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## Benefits

- ◆ Minimizes risk associated with check fraud
  - ◆ Provides control in managing authorized check activity
  - ◆ Additional levels of security minimize internal fraud
  - ◆ Issued item file import from accounts payable, payroll or other systems
  - ◆ Manual issue and void item input available online
  - ◆ Online image access of exception items and decision processing
  - ◆ "Exception item waiting" alerts available via e-mail notification
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