Positive Pay

A Collaboration Between CU*Answers and eDOC Innovations

INTRODUCTION

*Positive Pay is currently only available to credit unions that use CU*Answers Item Processing to process their checks or credit unions that have an interface with eDOC Innovations.*

Developed in partnership with eDOC Innovations and the CU*Answers Item Processing team, Positive Pay is a service for CU*Answers IP clients to offer to members who produce large checks that are frequently subject to fraud. For example, a title company produces checks for real estate sales and these checks are sometimes altered or faked, resulting in potentially large losses. Insurance providers often require that title companies have some sort of protection to prevent a check from clearing unless it is expected and for a certain dollar amount.

Positive Pay gives their members peace of mind, knowing that irregular checks written on their account will be held and evaluated prior to processing.

The service can be used to prevent checks from clearing on a specific member account via Teller In-house checks. It also allows members to upload a listing of checks to clear with ones that do not meet the criteria being added to an exception listing that the member works during the day.

Internet Explorer is not supported for Positive Pay.

CONTENTS

IN A NUTSHELL, HOW DOES POSITIVE PAY WORK?

ACTIVATION IN IDOC VAULT AND CU*ANSWERS

See page 9 for more details.

Members must be activated for Positive Pay in iDOC Vault including adding the member's checking accounts that are using the feature. This grants access to the eDOC Innovations credit union-side interface and allows members to upload check lists in **BizLink 247**.

In addition, CU*Answers needs to activate **BizLink 247** to show the Positive Pay drop-down to allow the member to input the checks.

Both are required; the order is not important.

CU*BASE BLOCK LIST FOR ADDED SUPPORT FOR CHECK CLEARING

See page 13 for more details.

Credit Union Optionally Adds Blocked Account Listing

Additionally, member's checking accounts associated with Positive Pay can be added to the blocked in-house/ACH listing in CU*BASE (Tool #1870). This determines whether a member's checks are allowed to clear via any channel other than normal share draft processing, and provides an extra measure of support that the member's checks clear as they expect.

CU*BASE Stops In-house Checks and Incoming ACH Items of Blocked Accounts

Once the member's account is on the blocked list, the CU*BASE *In-house Check* screen in the teller system directs the employee to place outside check holds on checks associated with accounts on the blocked list. Since checks can be converted to ACH transactions, of accounts set up with Positive Pay, all incoming ACH debit transactions are coded with a stop pay code so that they can be reviewed by CU staff.

MEMBER MANAGES CHECK LIST IN "BIZLINK 247"

See page 21 for more details.

Members Upload Checks to "Outstanding Items" List to Control Checks that Clear

Members upload checks to the *Outstanding* list in the Positive Pay interface in **BizLink 247** by the end of day before the day the check may clear. During the day, shared draft processing will match checks to those on the *Outstanding* listing. If the check is not a match, it will appear in the *Exceptions* list to be worked by the member.

Members Work Check Exception Listing

Exceptions are worked by the member until a cut-off time provided by the credit union. Exceptions can be approved by the member or set to be returned to the Item Processor.

Remaining Exceptions Follow Member-Selected Policy

At the cut-off time, all remaining exceptions are either all approved or all returned to the Item Processor, per the policy selected by the member.

CREDIT UNION IS GRANTED ACCESS TO MONITOR MEMBER ACTIVITY

Credit Union Views Member Activity in eDOC Innovations Interface (and is Granted Access to Act Upon It)

Your credit union will have access to an interface that will allow you to view and also act on all member activity in **BizLink 247**. *Credit union policies and procedures should be followed when accessing this interface.*

FREQUENTLY ASKED QUESTIONS

Which credit unions can participate in Positive Pay?

Positive Pay is currently only available to credit unions that use CU*Answers Item Processing to process their checks or credit unions that have an interface with eDOC Innovations.

Additionally, the member must use **BizLink 247** as their online banking solution.

Do credit unions need to sign contractual documents?

Credit unions wishing to get started with Positive Pay must first sign required contractual documents with CU*Answers. Activity by credit unions who do not sign these documents is not warranted by CU*Answers.

Credit unions are also encouraged to create contractual documents for their members.

Is a mobile version of Positive Pay available?

No, a mobile version is not currently available. Positive Pay can only be accessed by members in a desktop version of **BizLink 247**.

Should a member use bill pay with an account set up for Positive Pay?

A member's bill pay vendor may elect to send a check or pay a bill via ACH. Because all ACH withdrawals are stopped for accounts enrolled in Positive Pay, a member may wish to use a separate checking account for bill pay.

Do checks need to use Share Draft Processing to use Positive Pay?

Yes, only checks processed via your normal share draft processing (through the Federal Reserve) use the Positive Pay feature.

Checks processed in another manner, such as in-house drafts or checks converted to ACH items, do not use Positive Pay, which is why these channels must be blocked for members that sign up for Positive Pay services. Refer to the CU*BASE features covered in this booklet.

When are the check exceptions the member works in "BizLink 247?" processed?

Members will receive a cut of time when they will have to complete their evaluation of all check exceptions in **BizLink 247**. After this time, programming will be run and the checks will either be returned to the Item Processor or to prepared for posting, as indicated by the member. The timing of this process will be determined by the member's business rules and your Item Processor.

When will checks appear on the "BizLink 247" Exceptions list for the member to work them?

The timing of when checks will appear on the Exceptions list in **BizLink 247** depends on your Item Processor.

How will the member be notified that there are exceptions to work on the Exceptions list in "BizLink 247"?

The member will receive an email notification each time exceptions are added to the Exception list in **BizLink 247**. The email address that is used for these emails is entered during the activation process, so it is important that the member supply an email address that will be monitored throughout the day.

Will using Positive Pay change my daily settlement processes?

Yes. When you begin to use Positive Pay, be sure to notify your accounting team as they will need to make small adjustments in their daily balancing. See page 41.

BEFORE YOU START

To assist you with a smooth adoption of Positive Pay, consider setting up the following items in advance.

Use Agreement

When the member enrolls in Positive Pay in **BizLink 247** the first thing they will do is accept a Use Agreement. Part of this Agreement includes text from eDOC Innovations. The first section, however, includes your credit union-specific text. Here you will include information about your Positive Pay program, including fees and other costs of the program. This Use Agreement will need to be completed before you enroll your first member. It is important to have this agreement completed and ready before enrolling your first member in your Positive Pay program.

Additionally, your credit union may also elect to have the member sign copy of the Use Agreement prior to their first login.

Permissions in iDOC Vault

CU*Answers Item Processing will need to grant the credit union employees who will set up the members in iDOC Vault user the following iDOC Vault permissions: Edit Users, Edit Customers, Edit Groups and View Customers. This will allow this person to view and add new members to the iDOC Vault system.

Permissions in CU*BASE

Your security officer will need to grant permissions to **Tool #1870** *Block Accounts for In-House Checks/ACH* to your credit unions who will set up members in CU*BASE. This will allow them access the screen used to add the member's checking account suffixes to the blocked listing.

Email Address(es) for Exceptions Email

Members who enroll in Positive Pay should understand that this is a daily review and plan accordingly. Each day an email will be sent to the membership alerting them to any exceptions that need to be worked during the day.

- This is different than the email for your credit union which will receive a listing of all exceptions for all credit unions.

Before adding the member to iDOC Vault, be sure to collect the email addresses that you will enter during the iDOC Vault activation. Two emails can be added to iDOC Vault. These email addresses can be group distribution list.

Preferred Default Action

Members will be able to work their check exceptions until a set time in the day. At that time, all checks are processed by the Positive Pay system.

If any checks remain on the Exceptions listing, the will either be auto-approved or auto-declined, according to the settings in iDOC Vault. This

setting can be different per membership to follow the individual wishes of each member.

- You enter the member's default action when setting them up for Positive Pay in iDOC Vault. This setting will apply to all checks for their memberships.

Before adding the member to your Positive Pay program, be sure you understand the member's preferred default action.

Preferred Handling of Incoming ACH Payments

As part of your Positive Pay service your credit union all incoming ACH payments to the checking accounts of members enrolled in the service will be stopped on the Exception screen. This is to stop the posting of incoming checks to these accounts (which are often converted to ACH payments).

You and your member will need to develop a strategy for handing these ACH payments. One option, of course, is call the member and individually review each payment. Another option is to post all of these payments and allow the member to work them on their Exceptions list in **BizLink 247**.

Before adding your member to your Positive Pay program, be sure to understand the member's preferred handling of incoming ACH payments.

ACTIVATION

CU*ANSWERS ACTIVATION

CU*Answers activation is required so that members can access the *Positive Pay* drop down in **BizLink 247**. Contact a CSR for assistance.
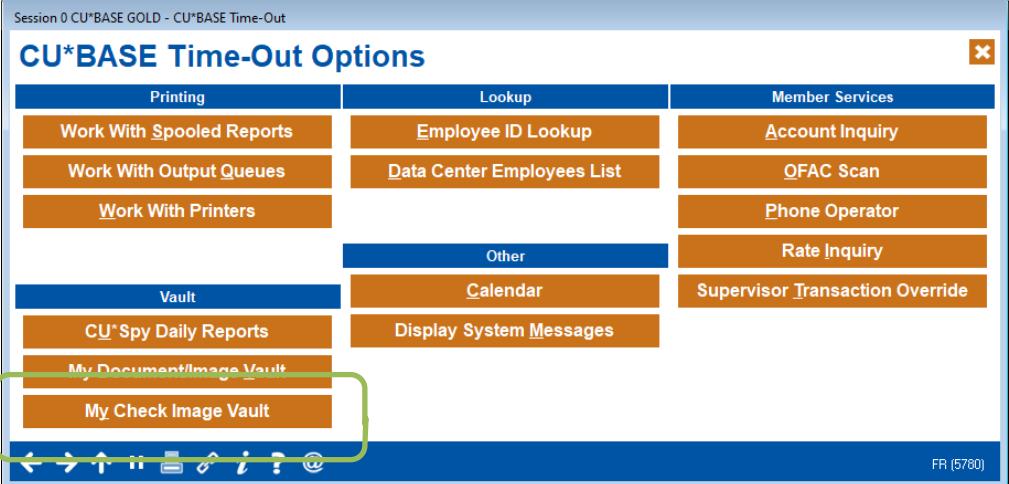
eDOC INNOVATIONS ACTIVATION

*Prior to this step, CU*Answers Item Processing will need to grant the iDOC Vault user Edit Users, Edit Customers, Edit Groups and View Customers privileges. This will allow this person to view and add new members to the system.*

Members' accounts using Positive Pay require set up in the eDOC Innovations interface.

1. To access iDOC Vault, use Escape from the CU*BASE Home Page. This will open the Time-Out Window.

Time Out Window

Session 0 CU*BASE GOLD - CU*BASE Time-Out

CU*BASE Time-Out Options

Printing	Lookup	Member Services
Work With Spooled Reports	Employee ID Lookup	Account Inquiry
Work With Output Queues	Data Center Employees List	OFAC Scan
Work With Printers		Phone Operator
	Other	Rate Inquiry
Vault	Calendar	Supervisor Transaction Override
CU*Spy Daily Reports	Display System Messages	
My Document/Image Vault		
My Check Image Vault		

FR (5780)

> To access iDOC Vault, click **My Check Image Vault**.

2. Click **My Check Image Vault** to access iDOC Vault.

3. This will open the iDOC Vault Window.

4. Click the **Admin** tab.

5. Next you will add the member to iDOC Vault. To add a member, click **Add Customer**. A **New Customer** window will appear.

Adding a Member into Admin Area of iDOC Vault

6. Enter the member's account number in the **Account** field.

7. Click **Add**.

Searching for the Added Member

8. In the **Search** are to the left, enter the account number.

9. Click **Search** to find the member's profile.

Profile Page for Member in eDOC Innovations (Blank Upon Entry)

10. In the upper left, add the name and email of member so that the account is easy to find in the future.

11. Enter a four-digit PIN. (This is used only in the sign-up process.)

Upper Left – Type Name and Email of Exceptions List Recipient

12. In the bottom, check **Positive Pay Enabled**.

Bottom – Check "Positive Pay Enabled"

Click **Positive Pay Enabled**.

13. In the room provided, enter an account and use **ADD**.

14. A blank line will appear allowing you to enter the **R&T number** and **MICR account** for each account that will use Positive Pay.

Additionally, include a **Max Item Age** which will be used to determine if a check will be considered stale, and will therefore appear as an exception. NOTE: This will only be used if the member enters a date when uploading the check to the check list. If this feature is not wanted by the member, then enter zero in this field.

Finally select a **Default action**. This will be used to determine what should happen with a check on the Exceptions list when action has not been taken by the member. Select from *Approve* (shown) or *Decline*. (See drop-down of second image.)

Bottom – Add Accounts (Two Account Example)

Full Page - Positive Pay Screen Complete and Ready to Save

15. Click **Save** at the top of the screen. This completes the addition of the member's account to Positive Pay on the eDOC Innovations side.

ADDING MEMBER ACCOUNTS TO THE BLOCK LISTING IN CU*BASE

In order to indicate to CU*BASE which accounts should be blocked from having checks run through an "on us" channel, including the In-house Checks screen and ACH processing (without a stop), credit unions can elect to add the member's suffix to the blocked accounts listing.

Adding a Suffix to the Block Listing

Each suffix needs to be added to the block listing. If the member has two checking accounts and wants both to use the Positive Pay program, then the credit union needs to add both suffixes to the listing.

1. Use **Tool #1870** *Block Accounts for In-House Checks/ACH* to access the screen used to add the suffixes to the blocked listing.

   The *Accounts to Block from In-house Check/ACH Clearing* screen will appear.

   Block Accounts for In-house Checks/ACH (Tool #1870)

2. From the screen shown above, use **Add** (F6) to add a new suffix to the listing.

Add Screen

3. Enter a valid savings or checking account (membership and suffix). Use the *Reason/Comment* field to enter any text you wish, such as the date the member was enrolled into your Positive Pay program or another comment.

- NOTE: The *Allow cashier services (teller in-house checks only)* feature will be available in a future enhancement and is currently deactivated.

Add Screen with Fields Entered

4. Use Enter to return to the initial screen.

Entry Screen with Account Added

Account #	Name	Reason	Cashier Svcs	Last Maint	By	Employee
2-001	SMITH	ADDED FOR POSITIVE PAY 11/29 AAM		11/27/2019	;Y	RS

■ Edit   ■ Delete   ■ View

Add

5. Follow steps 2-4 until all suffixes in the program are added.

Block List with Multiple Suffixes Added

| Account #	Name	Reason	Cashier Svcs	Last Maint	By	Employee
2-001	SMITH	ADDED FOR POSITIVE PAY 11/29 AAM		11/27/2019	;Y	RS
1-001	H	ADDED 12/08/12 MMD		11/27/2019	;Y	RS
1-001	SMITH	ADDED TO POSITIVE PAY 12/19 MMD		11/27/2019	;Y	RS

■ Edit   ■ Delete   ■ View

Add

Working with an Account Added to the Blocked Listing

At this point, you can edit or delete suffixes from the listing. You can also add additional accounts using the directions covered previously.

If you select an account and then **Edit** or **View**, a screen similar to the **Add** screen will appear. View will only allow you to view the data. Edit will only allow you to edit the description.

To remove an account from the block list so that checks can start clearing via in-house drafts and ACH, select it in the list and use **Delete**. A confirmation message will appear:
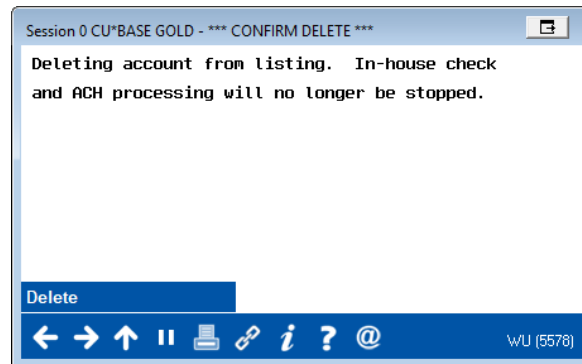
Use the **Delete** button to finalize the removal of the account from the listing.

- NOTE: Accounts are not automatically removed from this list if the checking account is subsequently closed. If you see any accounts with ***ACCOUNT NOT FOUND*** listed, use the **Delete** function to clean up the block list.

POSTING INSIDE CHECKS ON A BLOCKED ACCOUNT

Teller in-house checks will provide an error message to the teller instructing them to post the deposit via outside checks (with appropriate hold).

If a business account or other membership has been added to the In-house Check/ACH Block List, you will see an error message when attempting to post a check against that account.

Following is the *Inside Checks* screen with several checks populated.

"Inside Checks" Screen with Several Checks Entered

1. After using Enter, the first check posted to a blocked account will appear highlighted. A warning at the bottom of the screen directs the teller to which checks require a check hold on the *Outside Checks* screen.

Highlighted Checks Indicate the Account is on the Blocked Listing

Close Up of Highlighted Check

Account #			16		
Screen total			0.00		
Total checks			0.00		

Chk #	Check Amount	Account #	ID	
1234	50.00	502	1	
2222	100.37	901	1	
41721	300.80	33	1	
	0.00			

Close Up of Warning Message

2698-Account is blocked from in-house check clearing. Use outside checks with appropriat

2. Once the highlighted check is removed and Enter is used, the next check associated with an account that is on the blocked list will be highlighted.

Next Blocked Account Highlighted on In-House Checks Screen

3. When all checks of blocked accounts are removed the blocked account warning will no longer appear.

All Blocked Accounts Removed from Inside Checks Screen

4. Use Continue to return to the *Teller Posting* screen.

At this point, tellers use the *Outside Checks* lookup to access the *Outside Checks* screen where they can place an appropriate hold according to credit union policies.

SHARE DRAFT EXCEPTIONS LISTING

If a membership is on the check block listing and there is an exception for this account, it will appear as highlighted on the Share Draft Exception listing (Tool #986). This alerts staff to handle this according to your credit union policies and procedures.

Share Draft Exception Listing (Tool #986)

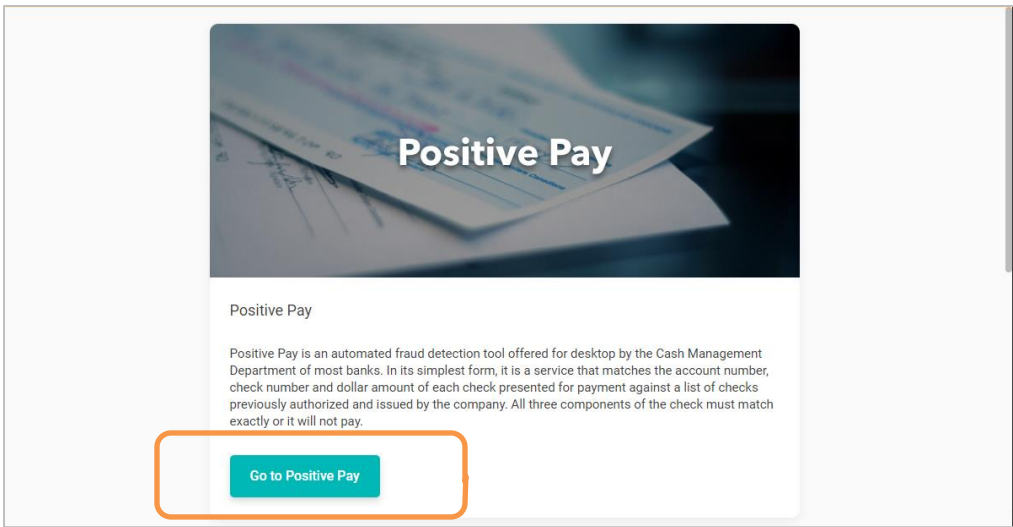# Member Experience in "BizLink 247"

Accessing Positive Pay

1. Once Positive Pay is activated for a membership, the member will see the *Positive Pay* drop-down.

Access Positive Pay via the "Positive Pay" Drop Down
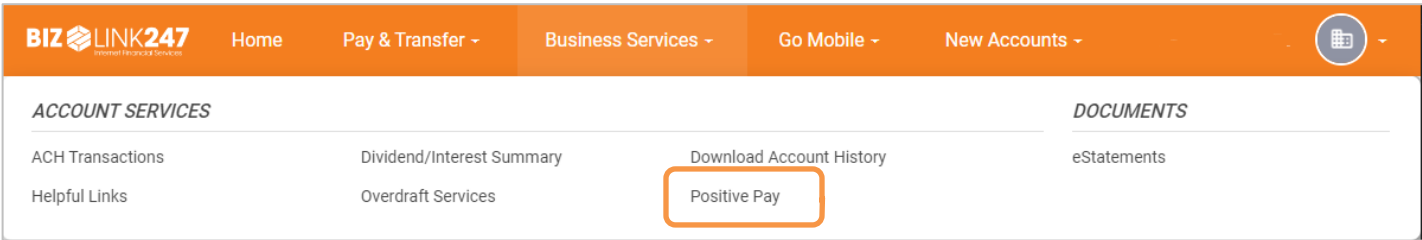
2. From there, the member clicks *Go to Positive Pay* to access the feature.

Click "Go to Positive Pay"

The first time the member enters the Positive Pay section, they are presented a Use Agreement to accept. This is a one-time step.

The member clicks **Agree** to advance to the Positive Pay screens.

3. The member enters the Positive Pay feature and the view defaults to *Exceptions*.

"Exceptions" - Entry View of Positive Pay

UPLOADING CHECKS TO THE OUTSTANDING CHECK LISTING

Members upload a list of checks that are added to the *Outstanding* listing in the Positive Pay interface in **BizLink 247**. Incoming checks are then matched against this list. Checks on the list are cleared. Checks not on the *Outstanding* list are added to the *Exceptions* list for the member to work during the day.

It is a best practice to upload checks before they are sent to recipients of the checks.

Preparing the File for Upload

The upload file must be formatted as a .csv file. If not, the member will receive the following error message when attempting to upload the file.

Check Data Matching

Data columns are matched in the following order: Routing Number, MICR Account, Check Number, Amount, Check Date, Payee, and Memo. It is a good practice to add a header row to identify the column matching during the upload process. (This row can then be easily deleted once the file is uploaded.)

Field	Comment
Routing Number	Required for matching. Matched first.
MICR Account	Required for matching. Matched second.
Check Number	Required for matching. Matched third.
Amount	Required for matching. Matched fourth.
Check Date	Check date is not required for check matching, but is used to determine if the check should be added to the exception list for being outside the allowed period for stale checks.
Payee	Optional. Allows for easier identification of check once uploaded.
Memo	Optional. Allows for easier identification of check once uploaded.

Important Rules to Follow When Preparing Data in the File

Data in the file will be uploaded exactly as it appears in the file; however, Positive Pay will not complete the import and add the items if it is not formatted as expected.

Other good rules to follow:

- If creating the .csv file in Excel, remove all scientific formatting. The routing and check number field must not have decimals included, so use the number format with no decimals.

- Be sure to add decimals to the amount and do not add dollar signs. If the decimal is not in the file, it will automatically be added to the numbers during the upload process. If the amount is written as 2 (and not 2.00), it will show up as .02 after the upload.

- The date used must be in the MMDDYYYY or DDMMYYYY format. (If the date is outside of the "allowed" timeframe the check will be marked as "stale dated" and will go to the *Exceptions*" listing for review.)

Uploading the Check Listing File

1. To upload a list of checks, the member clicks *Add Items*.

Select "Add Items" to Add New Checks

Check Account	Check #	Amount	Payee	Exception Type	Approve	Decline	Reason

To add checks to the Outstanding List, click **Add Items**.

2. The member clicks *Upload*.

Click "Upload"

You may manually upload data. Click **Upload** to upload a .csv file.

3. The member navigates to the .csv file saved to their computer and uses *Open* (not shown).

4. The member matches the header rows against the items listed to the left. Required fields are *Routing #*, *Check Amount*, *Check #*, and *Amount*.

Matching the Column Headers to the Item Fields

NOTE: If your fields remain constant, Positive Pay will remember the order of your fields for future uploads. It is, however, a good practice to always review this screen. If you clear your Internet browser cookie information, this information will also not be retained.

5. The member clicks *Continue* to upload the data.

Check Data Uploaded Including Header Row

The data will upload including the header row.

You may enter any notes you wish to have saved with each entry in the **Memo** field.

*Routing #	*Check Account	*Check #	*Amount	*Check Date	*Payee	Memo	
R&T	Check Account	Check #		Check Date			🗑
...6	...84	505	$2.00	6/12/2019	John Customer		🗑
...6	...84	506	$3.04	12/12/2019	Dave Othercustome		🗑
...6	...34	507	$.2	12/12/2019	Anne Buyer	.	🗑
...6	...84	509	$.2	12/12/2019	Sue Otherbuyer		🗑

6. The member deletes the header row by clicking the trash can icon next to the row.

Removing the Header Row

*Routing #	*Check Account	*Check #	*Amount	*Check Date	*Payee	Memo	
R&T	Check Account	Check #		Check Date			🗑
...6	...84	505	$2.00	6/12/2019	John Customer		🗑
		506	$3.04	12/12/2019	Dave Othercustome		🗑

Remove the header row by clicking the trash can.

Below the header row has been removed.

Imported Check Data with Header Row Removed

*Routing #	*Check Account	*Check #	*Amount	*Check Date	*Payee	Memo	
...6	...84	505	$2.00	6/12/2019	John Customer	Old Date	🗑
			$3.04	12/12/2019	Dave Othercustome	Good	🗑

Here the header row is removed.

- NOTE If the header row is not removed, the member will receive an error on the first incorrect item, in this case that the routing number is invalid.

7. Now the data is ready to be imported.

Clicking Save to Finalize the Import of the File

8. The member clicks *Save* to complete the import.

9. The screen will indicate the items are added by showing the *Ok* button.

Clicking "Ok" to Acknowledge the Upload

10. The member clicks *Ok*. They will remain on the same screen.

11. To view the uploaded checks, the member clicks *Outstanding*.

Clicking "Outstanding" to View the Checks in the Outstanding List

To move to view the imported items, click **Outstanding**.

Positive Pay

	Exceptions	Outstanding	Add Items	History	Reports

01/28/2020	02/27/2020	Check Account	Check #	Amount	Search	Save

Check Account	Check #	Amount	Check Date	Payee	Status	Cancel	Memo	Reason	
████84	014023	$205.00	2020-01-02 06:30:37	payee	Imported	☐			🗑
████84	014046	$102.00	2020-01-02 06:30:49	payee	Imported	☐			🗑
████84	014060	$37.88	2020-01-02 06:30:49	payee	Imported	☐			🗑
████84	014064	$363.91	2020-01-02 06:30:37	payee	Imported	☐			🗑

If desired, you can remove an item from the Outstanding list. Either click the trash can or check **Cancel** and then **Save**. The trash can removes the check from the list with no record. Cancel moves the check (with comments if added) to the Exceptions list for review and recording.

12. The member moves to the *Outstanding* listing to view the uploaded checks.

The *Outstanding* listing is the list against which the incoming checks will be validated. If a match is found, the check will clear. If a match is not found, the check will appear on the *Exceptions* listing to be worked by the member. (See above or page 35 for information on removing or cancelling a check from this screen.)

Error Messages

As mentioned earlier, if the file is not in the correct .csv format, the member will receive an error that the file is in an invalid file type.

Invalid File Format Error Message

> Invalid file type
>
> Ok
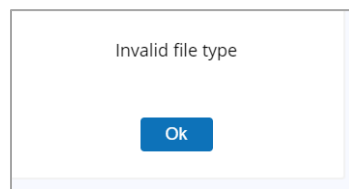
If the member attempts to upload a duplicate check, the member will see the appropriate error message.

Duplicate Entry Error Message

t*	Serial #*	Amount*	Check Date*	Payee*
███4				John Cus

An Item, RT ████6 Account ████34 Serial 505 already exists.

Ok
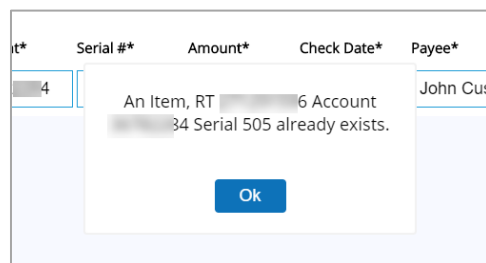
Manually Adding Checks to the Outstanding Check Listing

The member may also manually add checks to the Outstanding Check Listing. In this case, they move to the *Add Item* screen and click *Manual*.

Click "Manual" to Begin the Process of Manually Adding Checks

The field appear and the member manually enters the check information. They click *Add* to add additional rows.

Click "Add" and Enter the Check Data and "Save"

When completed, they click *Save* to complete the manual addition of the data.

HOW CHECKS CLEAR THE MEMBER'S ACCOUNT DURING THE DAY

When checks are cleared against the checking account, the system first reviews the checks on this *Outstanding* list.

If there is a match, then the check is processed.

- The match requires that the following items match: routing number and account number (MICR Account), Check #, and Amount. If a check is cashed that does not match all four items, then the check appears on the *Exceptions* list. (See following section.)

- Check date is run past the stale date processing, and if it is out of the acceptable range, this check also appears on the *Exceptions* list to be worked.

If there is not a complete match, or the check is stale dated as determined by the check date, then the check is not processed and moves to the Exceptions screen to be worked.

Remaining checks remain on the *Outstanding* listing.

WORKING EXCEPTIONS DURING THE DAY

When a check is presented on an account, if it does not match an item on the *Outstanding* list, it will appear in the *Exceptions* list to be worked.

Members will have until a time set by your credit union to work the exception items to direct that the checks should either clear or be returned to your Item Processor.

"Exceptions" List After the Exceptions are Worked

> Until the cutoff time shown on the screen, work this list and either approve or decline the exceptions.

> A reason for the action can be entered for each item.

The search criteria on this screen can be used to identify a specific exception. When the member has completed their work on the *Exceptions* list, or periodically during the day, they click *Save* to save their elections.

Click "Save" to Save the Exceptions Choices

> Click the check icon to view an image of the check.

If the member has a question about which exceptions still need to be worked, they can hover over the *Processing time remaining* countdown clock to see the exceptions left to be worked. (See following example.)

Exceptions Left from Clicking "Processing time remaining" Countdown

Below is a list of accounts and their default processing action. When time expires, items that have not been marked as Decline or Approve will be marked with the default processing action for that account.

Check Account	Default Action
21493140	Approve
77400871	Approve
90004615001	Decline

Exception Processing Cut Off Times

At the cut-off time Positive Pay programming will occur and will clear this screen. Items checked to clear will clear the member's account. Items declined by the member will be prepared for return to the Item Processor. Checks that are not approved or declined will follow the default setting selected by the member.

CU*Answers Item Processing

Final check processing occurs at approximately 2 PM. It is good rule to check your Exceptions list again after that time so that all exceptions are reviewed by the cut off time. Exceptions are processed at 3PM. These times are not credit union specific and cannot be changes per credit union

eDOC Innovations

Final check processing occurs at approximately 2 PM. It is good rule to check your Exceptions list again after that time so that all exceptions are reviewed by the cut off time. Exceptions are processed at 3PM. These times are not credit union specific and cannot be changes per credit union

System-Generated Exception Types

Below are the system-generated Exception Types that appear on the Exceptions list. They also appear on the History tab to assist with later research.

Amount Mismatch	Check entered IP clearing and did not match the amount on the list.
Cancelled Item	Member cancelled the check.
Not Approved	Check entered IP clearing and is not on the list.
Post Dated	Check entered IP clearing before the check date*.
Stale Dated	Check entered IP clearing after the check date* plus the days in the configuration for stale dated checks.

*Check date is the date the from the list of approved items uploaded or entered by the member.

TIME OUT MESSAGES FOR ONLINE BANKING AND POSITIVE PAY

While working in Positive Pay, members may receive two separate error messages. While on a Positive Pay page, the member will see a countdown of before the page will time out due to inactivity in online banking. This is a standard countdown screen for **BizLink 247**.

> Page will timeout in 4:55
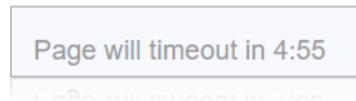
After fifteen minutes of inactivity in online banking, the member will see the following message. They will need to click *Continue This Session* or they will be logged out of online banking.

In order to not be logged out of online banking, click **Continue This Session**.
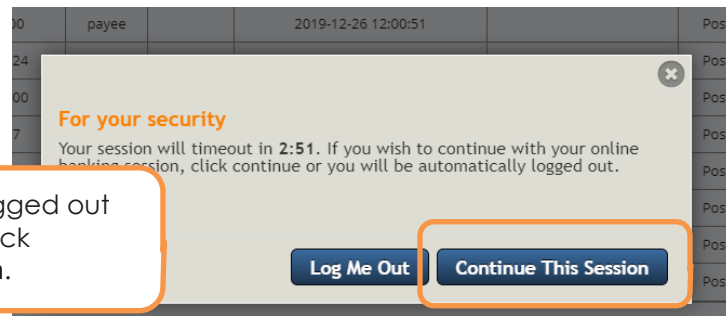
Additionally, in rare circumstances, the member may also see the logout warning for Positive Pay (which is separate from the online banking logout. This also occurs after twelve minutes of inactivity. To remain in Positive Pay, click **Refresh**. If you are logged out of Positive Pay, simply access it again from the top navigation.

Session Timeout

You are being timed out due to inactivity. Please choose to stay signed in or to logoff. Otherwise, you will be logged off automatically.

Log Off   Refresh
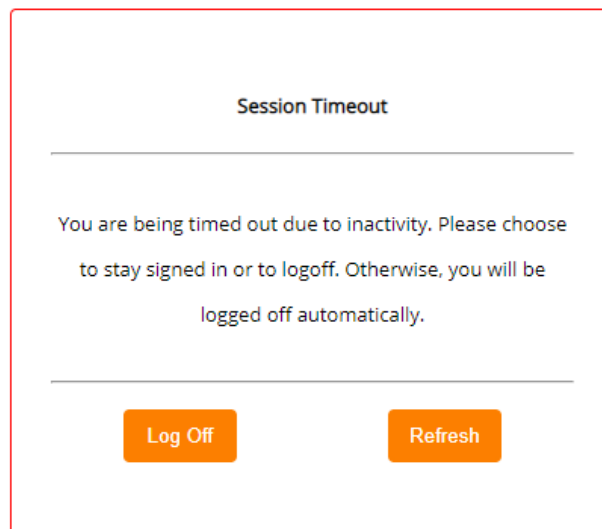
CANCELLING A CHECK ON THE "OUTSTANDING" CHECK LISTING

Checks remain on the list until they are processed by the Item Processor. If an item has errors during clearing, it will remain on this list until the item is reviewed and repaired by the item processor.

If a check is added to the *Outstanding* list in error, your member should click Cancel. The check will be moved to the *Exceptions* list where it can be worked. This will leave a record of the item.

(Deleting the check using the trashcan icon will simply remove it from the listing. If the check is then processed because the check was deleted in error, the check will appear on the *Exceptions* list with no notes.)

Using Cancel to Remove a Check from the "Outstanding" Listing

> If a check is added to the Outstanding list in error, use the **Cancel** box to move it to the Exceptions listing where it can be worked. There you still must approve or deny it.

Positive Pay

Exceptions	Outstanding	Add Items	History

| 01/28/2020 | 02/27/2020 | Check Account | Check # | Amount | Search | Save |

Check Account	Check #	Amount	Check Date	Payee	Status	Cancel	Memo	Reason	
84	014023	$205.00	2020-01-02 06:30:37	payee	Imported	☐			🗑
84	014046	$102.00	2020-01-02 06:30:49	payee	Imported	☑		Member not purchase service	🗑
84	014060	$37.88	2020-01-02 06:30:49	payee	Imported	☐			🗑
84	014064	$363.91	2020-01-02 06:30:37	payee	Imported	☐			🗑

If you cancel a check, you still must work it on the Exceptions screen, by either denying or approving it.

SEARCHING HISTORY TO VIEW CHECKS AND STATUSES

Members can review checks that have been processed using Positive Pay by clicking *History*. This allows them to search for a specific check. Members can click the check icon to view an image of the check.

Historical Record of Checks Processed by Positive Pay

> Click **History** to see a listing of checks that were processed by Positive Pay.

> Click the picture of the check to view an image of it.

The listing will default to the import date of the check. Members can sort on a row. To filter the items, member can use the filters at the top of the screen or click *Filter Status* for a deeper search.

Using the "Filter Status" to Access a Deeper Search

> Use the filters at the top of the screen to drill down to a specific check. Use **Filter Status** for a deeper search.

Here you can elect to search by import date, check date, or post/return date.

System-Generated Statuses

The system-generates statuses are shown on the History tab to assist with later research. Below is a summary listing.

Approved	Check failed Positive Pay criteria and was approved by the member.
Cancelled	Member cancelled check.
Failed	Check failed the Positive Pay criteria and appears on the Exceptions tab to be worked.
Declined	Check failed the Positive Pay criteria and was declined by the member.
Passed	Check passed Positive Pay criteria.
Posted	Check either passed the Positive Pay criteria, or failed and then was approved by the member, and then went on to be posted.
Returned	Check failed Positive Pay criteria or was cancelled by member and then was returned OR a check that was imported into the Positive Pay system but then returned by the Item Processing (IP) system.
Invalid	(Rarely used) Check was declared to be invalid (including duplicates) in the IP system. The difference between Invalid items and returned items is that Invalid items are not sent in a return file. They are adjusted in the Fed system directly.

CREATING REPORTS

In the *Reports* section members can enter a date range and a report selection. By Clicking *Run* the member can view either the Check Activity Report, which shows a graphical summary of their Positive Pay items or the Declined Items report, which shows a list of declined items for the date range. (The *Reports* section defaults to the last month.)

In the Check Activity report, a status of "Imported" indicates that the check has not cleared.

Viewing the Check Activity Report

Positive Pay

Exceptions	Outstanding	Add Items	History	Reports

Check Activity ▼	12/03/2019	01/03/2020	Run

Check Activity Report   2019-12-03 00:0

Summary

Click **Reports** to see a how your checks processed. Select a date range and click **Run**.

Approved ▢ Canceled ▢ Declined ▢
Imported ▢ Posted ▢

View the Check Activity report for the date range selected.

Approved	10	$943,293.00
Canceled	1	$41,202.00
Declined	5	$680,553.00
Imported	14	$12,170,157.00
Posted	14	$158,534,571.00
Total	44	$172,369,776.00

Checks By Status

Imported checks

Check Account	Routing #	Check #	Amount	Payee

Below the graph is data on individual checks.

Viewing Data on Individual Checks in the Check Activity Report

Checks By Status

Imported checks				
Check Account	Routing #	Check #	Amount	Payee
84	96	014060	$3,788.00	payee
84	96	014064	$36,391.00	payee
84	6	014046	$10,200.00	payee
84	96	014023	$20,500.00	payee

Viewing the Number of Declined Items in the Declined Items Report

Exceptions	Outstanding	Add Items	History	Reports	

Declined Items ▼	09/01/2019	01/21/2020	Run
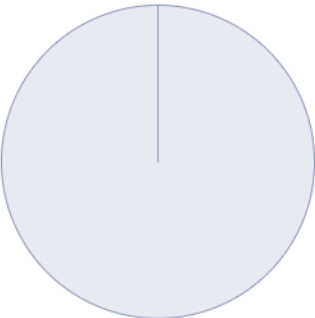
Declined Items Report   **2019-09-01 00:00:00 to 2020-01-21 23:59:59**

Summary

Additionally, view the Declined Items report for the date range selected.

☐ Declined

Declined	1	$2.00
Total	1	$2.00

Checks By Status

Declined checks					
Check Account	Routing #	Check #	Amount	Payee	Return Date
1900	2	507	$2.00	Bob C	2019-12-16 15:01:02

Item Count: 1   Total Dollars: $2.00

eDOC Innovations Client-Side Access

IMPORTANT NOTE: CU*Answers Item Processing will perform this step for its clients.

Your credit union will have access to an interface that is very similar to what the member will be given access to in **BizLink 247**. There you can view the checks uploaded, view exceptions, and perform processing in a manner similar to the member. In addition, you will be able to view a report for declined checks for a single credit union or across all credit unions.

Because interface gives you permission to not only view, but also perform all the activities outlined in the member facing section of this document, *credit union policies and procedures should be followed when using this area.*

Your credit union may elect to assist members with their Positive Pay functions. *(Be sure to have appropriate agreements signed before offering this service.)*

ADJUSTMENTS TO ACCOUNTING PROCEDURES

When processing your accounting, use the following steps to remain in balance.

In iDOC Vault on the *Run Report* tab select the *All Deleted* Items report in the and the date range.

Run Reports – All Deleted Items Report

Below is an example of the Deleted Items report. (It has a declined and a failed item.)

Example: Run Deleted Items Report with Declined Item
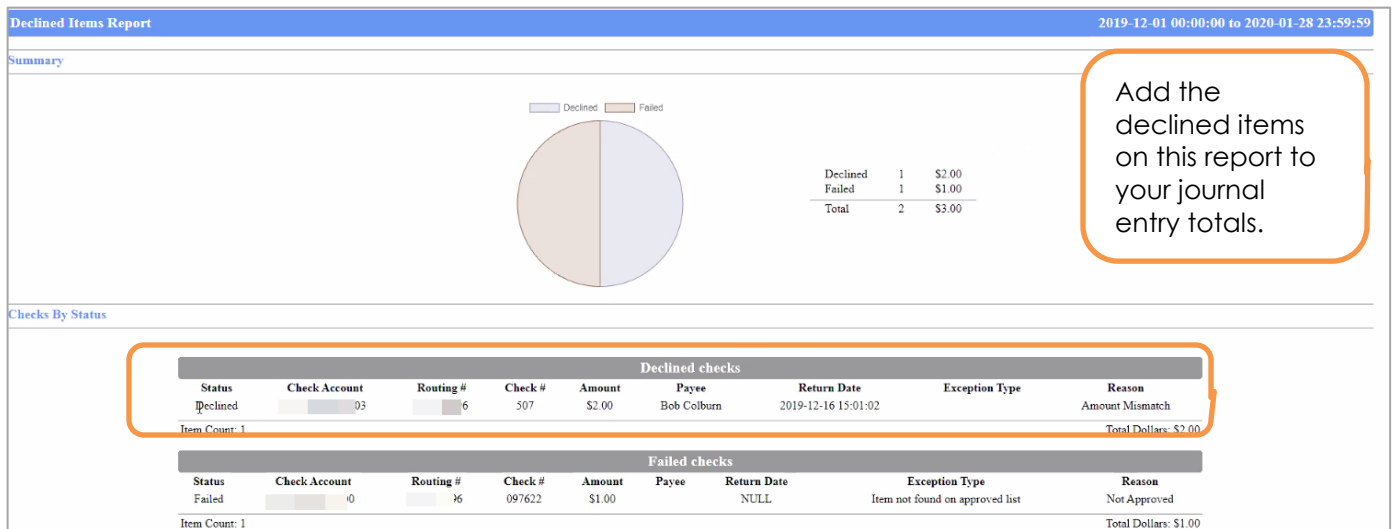
When calculating your final accounting, add the total for declined items to your journal entry totals. (Do not include failed items, since they are not yet processed.)

PROCESSING FILES FOR POSTING AND RETURN

IMPORTANT NOTE: CU*Answers Item Processing will perform this step for its clients.

The entity that creates the Posting and Exceptions files clicks "Process" on both tabs in the *Item Processing* tab in iDOC Vault, as documented bel
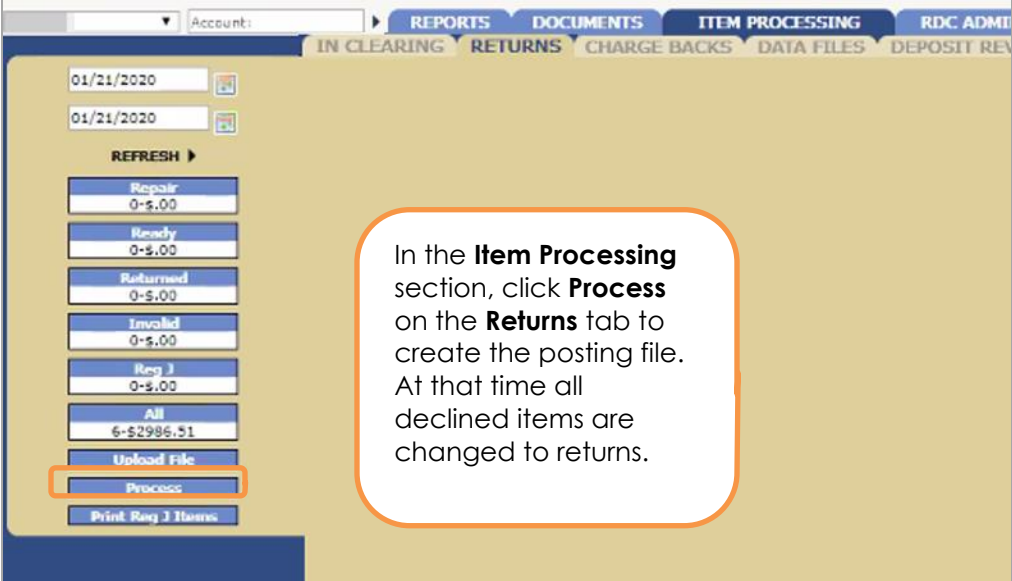
Clicking "Process" on the "In Clearing" tab creates the Posting file.

Creating the Posting File

In the **Item Processing** section, click **Process** on the **In Clearing** tab to create the posting file.
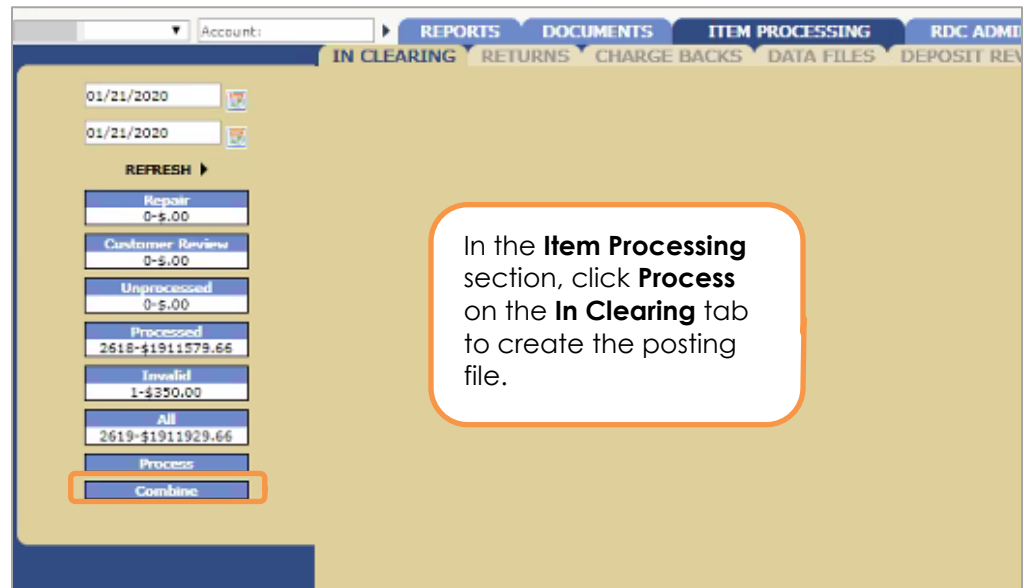
Clicking "Process" on the "Returns" tab prepares the returns for the Item Processor. (At that time, the declined items are changed to returns.)

Creating the Returns File

In the **Item Processing** section, click **Process** on the **Returns** tab to create the posting file. At that time all declined items are changed to returns.

APPENDIX

Following the text of the eDOC Innovations Positive Pay End User Terms of Service Agreement, which is appended after the credit union customer agreement.

POSITIVE PAY END USER TERMS OF SERVICE

This Positive Pay End User Terms of Service (this "Agreement") contains the terms and conditions for the use of the CheckLogic Positive Pay services provided or made available to you ("You", "Customer", "Your", or "User"), by Your credit union ("Credit Union"), through eDOC Innovations, Inc., its affiliates or authorized resellers of eDOC Innovations, Inc. or its affiliates ("eDOC", "Us", or "We").

eDOC PROVIDES THE SERVICES SOLELY ON THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT AND ON THE CONDITION THAT CUSTOMER ACCEPTS AND COMPLIES WITH THEM. IF YOU DO NOT AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT, YOU MAY NOT ACCESS OR USE THE SERVICES.

BY CLICKING THE "ACCEPT" BUTTON, YOU AFFIRM THAT YOU ARE OF LEGAL AGE TO FORM A BINDING CONTRACT WITH US, THAT YOU AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT AND WILL COMPLY WITH SUCH TERMS IN CONNECTION WITH YOUR USE OF THE SERVICES. IF CUSTOMER IS A CORPORATION OR OTHER LEGAL ENTITY, BY CLICKING THE "ACCEPT BUTTON" YOU ALSO AFFIRM THAT (I) YOU ARE AN EMPLOYEE, DIRECTOR, OR AGENT OF CUSTOMER; (II) YOU HAVE CONFIRMED THAT CUSTOMER HAS AGREED TO BE BOUND TO THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT; AND (III) CUSTOMER HAS AUTHORIZED YOU TO USE THE SERVICES ON ITS BEHALF.

1. Definitions. For purposes of this Agreement, the following terms have the following meanings:

"**Account(s)**" means each of Customer s accounts with Credit Union.

"**Authorized Users**" means an employee or agent of Customer authorized by Customer to access and use the Services.

"**Business Day**" means a day other than a Saturday or Sunday or national holiday on which commercial banks are open for general business in New York, New York.

"**Check Issue File**" means a record listing checks issued on an Account by Customer.

"**Customer Data**" means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is submitted, posted, or otherwise transmitted by or on behalf of Customer or an Authorized User through the Services.

"**Deadline**" means 3:00 pm Eastern Standard Time of each Business Day.

"**Documentation**" means Operational Instructions, user manuals, technical manuals, and any other materials provided by eDOC, in printed, electronic, or other form, relating to the Services.

"**eDOC IP**" means the Services, the Documentation, and any and all related technology and Intellectual Property Rights. For the avoidance of doubt, eDOC IP includes Aggregated Statistics and any information, data, or other content derived from eDOC s monitoring of Customer s access to or use of the Services, but does not include Customer Data.

"**Exception Check(s)**" means a check or check(s) submitted to Credit Union that is not listed on or does not match any check on the Check Issue File.

"**Exception Report**" means a report generated by the Services listing Exception Checks.

"**Intellectual Property Rights**" means any and all registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, or other intellectual property rights laws, and all similar or equivalent rights or forms of protection, in any part of the world.

"**Operational Instructions**" means the instructions provided to You by Credit Union.

"**Services**" means the CheckLogic Positive Pay services provided or made available to Customer, as further described in Section 2.

2. Services. The Services are designed to assist with detecting check fraud, and You agree to use the Services solely in accordance with the Documentation including, without limitation, the Operational Instructions. In accordance with the applicable Operational Instructions, prior to placing checks in circulation that are drawn on the Account(s), the Customer shall provide a Check Issue File containing a check serial number, issue date, payee name, and exact dollar amount for each check. If an Exception Report is generated by the Services, You will have until the Deadline to dispose of Exception Checks by making either a Pay Request or a Return Request. Neither eDOC nor Credit Union shall be obligated to comply with any instructions received after the Deadline, or in a format, medium, or place not designated in the applicable Operational Instructions, but shall treat such an instruction as though it had not been received. The failure of Customer to receive the e-mail transmission of the Exception Report for any reason does not affect Customer s responsibility to make the appropriate Pay Request or Return Request by the Deadline. eDOC may rely upon the contents of each Check Issue File and is not responsible for detecting any Customer error contained in any Check Issue File, Pay Request or Return Request sent by Customer or the Credit Union or eDOC.

3. Acceptance of these Terms. Your use of the Services constitutes Your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify You of any material change via e-mail or on our website(s) by providing a link to the revised Agreement. Your continued use of the Services will indicate Your acceptance of the revised Agreement. Further, eDOC reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Services. Your continued use of the Services will indicate Your acceptance of any such changes to the Services.

4. Limitations of Services. When using the Services, You may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that You may incur, and We do not make any commitment as to the uptime or availability of the Services. Some aspects of the Services have qualification requirements, and We reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or Your use of the Services, in whole or in part, immediately and at any time without prior notice to You. eDOC will have no liability to You or any third party for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that You or any Authorized User may incur as a result of such a change, suspension or discontinuation of the Services.

5. Access and Use. Subject to and conditioned upon Customer s strict compliance with all terms and conditions set forth in this Agreement, eDOC hereby grants to Customer, during the Term, a personal, non-exclusive, non-transferable, non-sublicensable, limited right to access and use the Services and Documentation, solely by and through Customer s Authorized Users, solely for Customer s internal use, and solely for the purposes of monitoring Customer s checks drawn on the Account(s) in accordance with the Documentation and subject to all conditions and limitations set forth in Section 6 or elsewhere in this Agreement.

6. Use Restrictions. Customer shall not, and shall require its Authorized Users not to, directly or indirectly: (a) use (including make any copies of) the Services or Documentation beyond the scope of the limited rights granted under Section 5; (b) provide any other person or entity, including any subcontractor, independent contractor, affiliate, or service provider of Customer, with access to the Services or Documentation; (c) modify, translate, adapt, or otherwise create derivative works or improvements, whether or not patentable, of the Services or Documentation or any part thereof; (d) combine the Services or any part thereof with, or incorporate the Services or any part thereof in, any other programs; (e) reverse engineer, disassemble, decompile, decode, or otherwise attempt to derive or gain access to the source code of the Services or any part thereof; (f) remove, delete, alter, or obscure any trademarks or any copyright, trademark, patent, or other intellectual property or proprietary rights notices provided on or with the Services or Documentation, including any copy thereof; (g) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer, or otherwise make available the Services, or any features or functionality of the Services, to any third party for any reason, whether or not over a network or on a hosted basis, including in connection with the internet or any web hosting, wide area network (WAN), virtual private network (VPN), virtualization, time-sharing, service bureau, software as a service, cloud, or other technology or service; (h) use the Services or Documentation in violation of any law, regulation, or rule or in any manner that interferes with or disrupts the Services or the servers or networks providing the Services; or (i) use the Services or Documentation for purposes of competitive analysis of the Services, the development of a competing software product or service, or any other purpose that is detrimental to eDOC.

7. Reservation of Rights. eDOC reserves all rights not expressly granted to Customer in this Agreement. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Customer or any third party any intellectual property rights or other right, title, or interest in or to the Services, the Documentation or the eDOC IP.

8. Collection and Use of Information. Customer acknowledges that eDOC may, directly or indirectly through the services of third parties, collect and store information regarding Your use of the Services, including, without limitation, through the provision of maintenance and support services or otherwise.

(a) Use of Information. Customer agrees that eDOC may use such information for any purpose related to the Services, including but not limited to: (i) improving the performance of the Services or developing updates to the Services; and (ii) verifying Customer s compliance with the terms of this Agreement and enforcing eDOC s rights hereunder.

(b) Aggregated Statistics. Customer further acknowledges and agrees that eDOC may collect and compile Aggregated Statistics. "Aggregated Statistics" means data and information related to Customer s use of the Services that is used by eDOC in an aggregated or de-identified manner, including to compile statistical and performance information related to the provision and operation of the Services. As between eDOC and Customer, all right, title, and interest in Aggregated Statistics, and all Intellectual Property Rights therein, belong to and are retained solely by eDOC, and eDOC may use Aggregated Statistics for any purposes permitted by applicable law.

9. Confidential Information. From time to time during the Term, either party may disclose or make available to the other party information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether orally or in written, electronic, or other form or media/in written or electronic form or media, that is marked, designated or otherwise identified as "confidential" (collectively, "Confidential Information"). Confidential Information does not include information that, at the time of disclosure is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third party; or (d) independently developed by the receiving party. The receiving party shall not disclose the disclosing party s Confidential Information to any person or entity, except to the receiving party s employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each party may disclose Confidential Information to the limited extent

required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the party making the disclosure pursuant to the order shall first have given written notice to the other party and made a reasonable effort to obtain a protective order; or (ii) to establish a party s rights under this Agreement, including to make required court filings. On the expiration or termination of the Agreement, the receiving party shall promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing party s Confidential Information, or destroy all such copies and certify in writing to the disclosing party that such Confidential Information has been destroyed. Each party s obligations of non-disclosure with regard to Confidential Information are effective as of the date of this Agreement and will expire five years from the date first disclosed to the receiving party; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of this Agreement for as long as such Confidential Information remains subject to trade secret protection under applicable law.

10. Intellectual Property Ownership.

(a) eDOC IP. Customer acknowledges that, as between Customer and eDOC, eDOC owns all right, title, and interest, including all Intellectual Property Rights, in and to the eDOC IP.

(b) Customer Data. eDOC acknowledges that, as between eDOC and Customer, Customer owns all right, title, and interest, including all Intellectual Property Rights, in and to the Customer Data. Customer hereby grants to eDOC a non-exclusive, royalty-free, worldwide license to reproduce, distribute, modify and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary for eDOC to provide the Services to Customer, and a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to reproduce, distribute, modify, and otherwise use and display Customer Data incorporated within the Aggregated Statistics.

(c) Feedback. If You provide, send or transmit any communications or materials to eDOC, whether by mail, email, telephone, or otherwise, suggesting or recommending changes to any Services, including, without limitation, new features or functionality, or any comments, questions, suggestions or the like (collectively, "Feedback"), eDOC is free to use such Feedback irrespective of any other obligation or limitation between the parties governing such Feedback, and eDOC hereby assigns and agrees to assign to eDOC, all right, title and interest in and to the Feedback. eDOC is free to use, disclose, reproduce, license or otherwise distribute and commercially exploit the Feedback without any attribution or compensation to any party, along with any ideas, know-how, concepts, techniques or other intellectual property rights contained in the Feedback, for any purpose whatsoever.

11. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICES AND ALL INFORMATION AND CONTENT CONTAINED THEREIN (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY WARRANTY OF ANY KIND. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, eDOC, ON ITS OWN BEHALF AND ON BEHALF OF ITS AFFILIATES AND ITS AND THEIR RESPECTIVE LICENSORS AND SERVICE PROVIDERS, EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT, AND WARRANTIES THAT MAY ARISE OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE. WITHOUT LIMITATION TO THE FOREGOING, eDOC PROVIDES NO WARRANTY OR UNDERTAKING, AND MAKES NO REPRESENTATION OF ANY KIND THAT THE SERVICES WILL MEET YOUR REQUIREMENTS, ACHIEVE ANY INTENDED RESULTS, BE COMPATIBLE, OR WORK WITH ANY OTHER SOFTWARE, APPLICATIONS, SYSTEMS, OR SERVICES, OPERATE WITHOUT INTERRUPTION, MEET ANY PERFORMANCE OR RELIABILITY STANDARDS OR BE ERROR FREE OR SECURE, THAT ANY RESULTS THAT MAY BE OBTAINED FROM THE SERVICES WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS OR DEFECTS IN THE SERVICES OR RESULTS CAN OR WILL BE CORRECTED.

12. LIMITATION OF LIABILITY. IN NO EVENT WILL eDOC OR ITS AFFILIATES, OR ANY OF ITS OR THEIR RESPECTIVE LICENSORS OR SERVICE PROVIDERS BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THE SERVICES, WHETHER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT eDOC, YOU OR CREDIT UNION WERE INFORMED OF THE POSSIBILITY THEREOF.

IN NO EVENT WILL eDOC S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR STRICT LIABILITY, EXCEED $1,000.

THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

13. User Warranties. You warrant to eDOC that:

(a) Check Issue File. You shall provide a record Check Issue File prior to placing checks in circulation that are drawn on the Account(s) per the Operational Instructions.

(b) Review Prior to Deadline. You will review all Exception Checks prior to the Deadline.

(c) Stop Payment. Customer may place a VOID or DELETE request on a check listed on the Check Issue File for any check not issued or listed in error, but only if the check remains in Customer s possession. If a check listed in the Check Issue File has been lost or stolen or otherwise cannot be accounted for, Customer must place a timely STOP PAYMENT order on such check. In no event is eDOC liable for Customer s failure to place a timely STOP PAYMENT order on such check or on any lost, stolen or missing check that is listed in the Check Issue File, nor is eDOC liable for any such check that is paid from the Account(s). You will not use the system to bypass STOP PAYMENT processes in effect at the Credit Union.

(d) Accuracy of Information; Rights in Information. All information You provide to eDOC or to your Credit Union in connection with the Services is complete, accurate and true, and you have all rights necessary to provide eDOC or your Credit Union with all such information and to grant eDOC all rights to such information granted in this Agreement.

(e) Compliance with this Agreement and Laws. You will comply with the terms and conditions of this Agreement and all applicable rules, laws and regulations.

14. Customer Responsibilities. Customer is responsible and liable for all uses of the Services and Documentation through access provided by Customer, directly or indirectly. Specifically, and without limiting the generality of the foregoing, Customer is responsible and liable for all actions and failures to take required actions with respect to the Services and Documentation by its Authorized Users or by any other person or entity to whom Customer or an Authorized User may provide access to or use of the Services and/or Documentation, whether such access or use is permitted by or in violation of this Agreement. Customer shall not use the Services or Documentation in violation of any federal, state and local laws, rules and regulations. Customer has and will retain sole responsibility for: (i) all Customer Data, including its content and use; (ii) all information, instructions and materials provided by or on behalf of Customer or any Authorized User in connection with the Services; and (iii) Customer s information technology infrastructure, including computers, software, databases, electronic systems (including database management systems), and networks, whether operated directly by Customer or through the use of third-party services, including any third-party hardware.

15. Indemnification. Customer shall indemnify, hold harmless, and, at eDOC s option, defend eDOC from and against any and all losses, damages, liabilities, costs (including attorneys fees) ("Losses") incurred by Customer resulting from any third-party claim, suit, action, or proceeding ("Third-Party Claim") (A) arising out of or relating to the Customer Data, or any use of the Customer Data in accordance with this Agreement and (B) based on Customer s or any Authorized User s (i) negligence or willful misconduct; (ii) breach of the representations, warranties and covenants of Customer in this Agreement; (iii) use of the Services in a manner not authorized by this Agreement; (iv) use of the Services in combination with data, software, hardware, equipment or technology not provided by eDOC or authorized by eDOC in writing; or (v) modifications to the Services not made by eDOC, provided that Customer may not settle any Third-Party Claim against eDOC unless eDOC consents to such settlement, and further provided that eDOC will have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its own choice.

16. Term and Termination.

(a) Term. This Agreement and all rights granted hereunder shall remain in effect until terminated pursuant to any of this Agreement s express termination provisions (the "Term").

(b) Termination Due to Breach. Either party may terminate this Agreement, effective on written notice to the other party, if the other party breaches this Agreement, and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured thirty days after the non-breaching party provides the breaching party with written notice of such breach.

(c) Termination Due to Customer Bankruptcy. eDOC may terminate this Agreement, effective immediately, if Customer files, or has filed against it, a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law, makes or seeks to make a general assignment for the benefit of its creditors or applies for, or consents to, the appointment of a trustee, receiver, or custodian for a substantial part of its property.

(d) Termination due to Credit Union Termination. eDOC may terminate this Agreement, effective immediately, if Credit Union terminates its agreement with eDOC or if Credit Union notifies eDOC to terminate provision of the Services to Customer or any Authorized User.

(e) Effect of Termination. Upon expiration or earlier termination of this Agreement, the rights granted to Customer hereunder shall immediately terminate, and Customer shall immediately cease accessing and/or using the Services or Documentation and shall delete, destroy, or return all copies of the Documentation to eDOC, and upon eDOC s request, certify in writing to eDOC that all of the eDOC IP has been returned, deleted or destroyed.

17. Force Majeure. In no event shall eDOC be liable to Customer, or be deemed to have breached this Agreement, for any failure or delay in performing its obligations under this Agreement, if and to the extent such failure or delay is caused by any circumstances beyond eDOC s reasonable control, including but not limited to, acts of God, flood, fire, earthquake, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

18. Equitable Relief. Each party acknowledges and agrees that a breach or threatened breach by such party of any of its obligations under Section 9 or, in the case of Customer, Section 6, would cause the other party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach or threatened breach, the other party will be entitled to equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity or otherwise.

19. Export Regulation. The Services and Documentation may be subject to US export control laws, including the Export Control Reform Act and its associated regulations. The Customer shall not, directly or indirectly, export, re-export, or release the Services or Documentation to, or make the Services or Documentation accessible from, any jurisdiction or country to which export, re-export, or release is prohibited by law, rule, or regulation. The Customer shall comply with all applicable federal laws, regulations, and rules, and complete all required undertakings (including obtaining any necessary export license or other governmental approval), prior to exporting, re-exporting, releasing, or otherwise making the Services or Documentation available outside the US.

20. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

21. Survival. Any right, obligation or provision under this Agreement that, by its nature, should survive termination or expiration of this Agreement, will survive any termination or expiration of this Agreement, including Sections 6 - 14, 16. e) , 17 - 22.

22. Other Terms. You may not assign, transfer or delegate this Agreement or any rights or obligations in connection hereunder without the prior written consents of eDOC. Any assignment or delegation not in compliance with this Section 22 shall be null and void. eDOC may freely assign or otherwise transfer all or any of its rights, or delegate or otherwise transfer all or any of its obligations or performance, under this Agreement without Customer s consent. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective permitted successors and assigns. This Agreement is shall be governed by the laws of the State of Vermont without regard to principles of conflicts of laws. This Agreement may be judicially enforced only in state or federal courts located within the State of Vermont, which courts will have exclusive jurisdiction. This Agreement excludes the application of the Uniform Computer Information Transactions Act. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid. This Agreement, together with all schedules, and exhibits attached hereto and all other documents that are incorporated by reference herein, constitutes the sole and entire agreement between Customer and eDOC with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. Except as otherwise provided herein, this Agreement is for the sole benefit of the parties hereto and their respective permitted successors and assigns and nothing herein, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.