CHECK POSITIVE PAY SYSTEM REQUIREMENTS

INTRODUCTION

Positive Pay is a fraud prevention service that allows companies to have checks deposited or cashed from their accounts to be doublechecked against records they supply to the bank.

When a check from an account with Positive Pay is deposited or cashed, the check's serial number and amount are checked against records given to HealthcareBank by the company to make sure that the check is legitimate.

Checks that do not match the criteria become "exceptions," and the company is given the option of paying or returning the checks before 3 p.m. CT each business day.

These records are provided either in the form of an uploaded file, or by entering each individual check's information manually through Business Online Banking.

Many accounting software suites and add-ons are able to generate issued check files that are compatible with the Positive Pay system. This document outlines the options available to you in building your company's file format. Our guide also explains options for working with Positive Pay and the requirements necessary for format and layout of the upload file.

MINIMUM REQUIREMENTS

Each Positive Pay file must include the following information:

- Issued Date
- Check Number
- Amount
- Payee Name
- Account Number[1]
- Record Type (I, V, S)[2]

[1] Account Number is optional except for when uploading a single file with multiple accounts and auto-load issued check files

[2] Record type field is optional; if excluded will default

To view how each of these may be formatted for compatibility, please see each field's individual section below.

ISSUED DATE

Positive Pay requires that the date the check was issued be included for each record within the file. Date is the most flexible field in terms of how it can be expressed. The date February 1, 2017, can be expressed in all of the following formats:

- 2/1/2017
- 02/01/2017
- 02012017
- 020117
- 170201
- 20170201
- 010217
- 01022017
- 2017032 (with 032 representing the 32nd day in a 365-day year)

CHECK NUMBER

Check Numbers are a required numeric field. There are no special formatting rules associated with check numbers.

AMOUNT

The amount is a required numeric field. The dollar sign is optional.

A check for $123.45 can be expressed as 123.45 or 12345 (with the Positive Pay system inserting the decimal point).

Provided the format does not require inserting the decimal place, 0 values past the decimal point can be excluded. For example, $100.00 can be expressed as 100 and $114.20 can be expressed as 114.2.

ACCOUNT NUMBER

Account Number is a required numeric field and should contain the full account number. There are no special formatting rules associated with account numbers.

PAYEE

Payee can be used for personal records or for use with Payee Match positive pay as an additional feature.

RECORD TYPE (I, V, S)

Positive Pay files can include an optional field for if the check is Issue, Void or Stop Payment. Any character can be used to represent each of these values, but I, V and S are recommended. Files without this field will assume all checks are issued.

HealthcareBank's Positive Pay system allows for the following file formats to be uploaded:

- **Delimited Text –** Usually .txt, .csv files. These files separate the fields with special characters to create columns for reading into HealthcareBank's Positive Pay system. This file format is the most common format.

- **Fixed Length –** Usually .txt. This format uses a predetermined number of characters per row with certain characters representing certain values for the check.

- **Microsoft Excel –** .xlsx files. A standard Excel file with each column representing a different field.

Examples of each of these files are available at the end of this document.

FILE EXAMPLES

DELIMITED

The following example shows a Delimited text file where a special character separates each field and each of the fields come in a specific order. In this file, the order is Account Number, Record Type, Check Number, Issued Date, Amount and Payee. This file uses a comma to separate each field. Other common options include tab or semicolons. However, any character can be used as separators provided parentheses (" ",' ') are used around the field.

```
xxxx1234,I,10001,2/2/17,5886.00,PAYEE COMPANY
xxxx1234,I,10002,2/2/17,200.75,PAYEE COMPANY
xxxx1234,I,10003,2/2/2017,695.50,PAYEE COMPANY
xxxx1234,I,10004,2/2/2017,140.30,PAYEE COMPANY
xxxx1234,I,10005,2/2/2017,81.50,PAYEE COMPANY
```

FIXED LENGTH

The following example shows a fixed-length file where the Check Number is represented by the first 10 characters of each row, date represented by characters 11 through 20 in a MM/DD/YYYY format, the account number in character spaces 21 through 29, the record type in 30th character position, the amount spaces 31 through 40 with the decimal point being inserted automatically, and the payee taking up the rest of the check row up to 99 characters in length.

```
0000010001 02/01/2017xxxx1234i0000204050PAYEE COMAPNY
0000010002 02/01/2017xxxx1234i0000386383PAYEE COMPANY
0000010003 02/01/2017xxxx1234i0000000900PAYEE COMPANY
0000010004 02/01/2017xxxx1234i0000214200PAYEE COMPANY
0000010005 02/01/2017xxxx1234i0000130500PAYEE COMPANY
```

EXCEL SPREADSHEET

The example below is a screenshot of an Excel Spreadsheet with each field in its own column and each check in its own row.

Issued date	Check #	Amount	Account #	Payee	Record Type (I, V, S)
2/1/2017	1001	500	xxxx1234	Payee Company	I
2/1/2017	1002	5.25	xxxx1234	Payee Company	I
2/1/2017	1003	7.5	xxxx1234	Payee Company	I
2/1/2017	1004	8290.06	xxxx1234	Payee Company	I
2/1/2017	1005	154.26	xxxx1234	Payee Company	I