

FIRST MERCHANTS COMMERCIAL BANKING

Positive Pay Online Banking User Guide

Positive Pay is a fraud detection tool that can automate certain tasks and mitigate payment fraud risk for your business. **Exception decisions must be finalized by 3:00 p.m. EST (2:00 p.m. CST).** Any decisions not submitted by the deadline will automatically default to the pre-determined decision option set within your organization's profile.

Check Positive Pay is a service that matches the account number, check number, and dollar amount of each check presented for payment against a list of checks previously authorized and issued by your organization.

ACH positive pay encompasses ACH Authorization and ACH Transaction Monitoring:

- ACH Authorization is a list of ACH transactions pre-approved to post to an account. An ACH authorization rule can include the originating company, standard entry class, transaction type (debit/credit), and maximum dollar amount.
- ACH Transaction Monitoring is a list of guidelines for monitoring ACH activity and alerting the client of items that exceed these guidelines. An ACH monitoring rule can include guidelines on the originating company, standard entry class, amount, and debit/credit designation.

Making Pay/Return decisions

Use Positive Pay as a fraud prevention service to make pay/return decisions that are identified as exceptions by First Merchants Bank, per the check issue files (see Submitting an Issued Check File section below) you uploaded, or the ACH business rules you set up within Positive Pay.

To make Pay/Return decisions:

1. In the navigation menu, select Services > Positive Pay.
2. Select an account in the accounts drop-down list or search for an account in the search box.

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The screenshot displays the 'Positive Pay' interface. At the top, there are navigation links for 'Exceptions', 'Add Check', and 'Submit Issued Check File', along with a 'Launch Advanced Options' button. The main area is divided into several sections: 'Accounts' with a dropdown set to 'All Accounts'; 'Status' with a dropdown set to 'Decision Needed'; and a 'Search PosPay Exceptions' field. A table lists exceptions, with the first entry highlighted: '\$5,000.00 Blocked Transaction Issued Payee: Found Payee:'. To the right of this entry, transaction details are shown: 'Account Name: Ops1000', 'Paid Date: 1/8/2024', 'Description:', 'Company ID: 121231234', 'Account Number: 987654321', 'SEC Code: TEL', and 'Transaction Type: Credit'. Below the details are 'Pay' and 'Return' buttons, which are highlighted with an orange box. At the bottom, a summary bar shows 'Total Exceptions (16) \$43,356.90', 'Total Decisined (0) \$0.00', and a 'Submit Decisions' button.

3. From the Exceptions tab, click the Status drop-down list and select Decisions Needed, Decisined, or All.
4. Select the Exception from the Decisions Needed list. The transaction details will display.
5. Click Pay or Return.
6. For Returns, select a reason in the drop-down list.
7. Select Submit Decisions.

For ACH transactions:

8. Click on an ACH transaction for which a decision is required. The transaction details will display.
9. Click Pay or Return.

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Positive Pay

Launch Advanced Options

Exceptions Add Check Submit Issued Check File

Exceptions will be given a decision of Return if decisions are not made by 1:30 PM Central Time (US & Canada).

Accounts: All Accounts Search PosPay Exceptions: Search

Status: Decision Needed

\$5,000.00	Blocked Transaction Issued Payee: Found Payee:
\$2,500.00	Unauthorized ACH Trans...
\$500.00	Unauthorized ACH Trans...
\$125.75	Unauthorized ACH Trans...

\$2,500.00 Unauthorized ACH Transaction
Account Name: Ops1000 Account Number: 987654321
Paid Date: 1/8/2024 SEC Code: PPD
Description: American Express (AMEX) payment Transaction Type: Debit
Company ID: 121231234

Pay Return

Total Exceptions (16) \$43,356.90 Total Decided (0) \$0.00 Submit Decisions

10. For Returns, select a reason in the drop-down list.

Self-service for check encoding corrections

If you adjust coding information, such as check number or check amount, use the self-service feature for check encoding. As a reminder, corrected encoding errors may create a second exception, which you'll see when logging into Positive Pay the next business day. We require that you review these a second time for accuracy.

To make check encoding corrections:

1. In the navigation menu, select Services > Positive Pay. The Positive Pay page appears.
2. Select Launch Advanced Option in the upper righthand corner.
3. Select Quick Exception Processing.
4. Select the transaction that needs corrections.

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All Account Nicknames Quick Exception Processing

Search exceptions

Decisions Needed (28)		\$1,616,208.03
Unauthorized ACH transaction (17)	Arrow Test 1	\$1,535,578.05
Paid not issued (11)	Arrow Test 1	\$80,629.98
Paid not issued	Arrow Test 1	\$253.20
Paid not issued	Arrow Test 1	\$7,228.00
Paid not issued	Arrow Test 1	\$629.16
Paid not issued	Arrow Test 1	\$2,285.24
Paid not issued	Arrow Test 1	\$49,939.67
Paid not issued	Arrow Test 1	\$2,310.38
Paid not issued	Arrow Test 1	\$7,088.00
Paid not issued	Arrow Test 1	\$6,538.33
Decided (0)		\$0.00
Total (28)		\$1,616,208.03

Paid not issued

Default Decision: Return

Cutoff Time: 3:00 PM Eastern Time (US & Canada)

Account Nickname: Arrow Test 1
Paid Date: 05/20/2025

Check #: 115779
Issued Date: 05/20/2025

Amount: \$253.20

Front Back

Hover over image to zoom. Click to view full-size image.

Image not available

Pay Return Correct

5. Click Correct (pencil icon).

Search exceptions

Decisions Needed (28)		\$1,616,208.03
Unauthorized ACH transaction (17)	Arrow Test 1	\$1,535,578.05
Paid not issued (11)	Arrow Test 1	\$80,629.98
Paid not issued	Arrow Test 1	\$253.20
Paid not issued	Arrow Test 1	\$7,228.00
Paid not issued	Arrow Test 1	\$629.16
Paid not issued	Arrow Test 1	\$2,285.24
Paid not issued	Arrow Test 1	\$49,939.67
Paid not issued	Arrow Test 1	\$2,310.38
Paid not issued	Arrow Test 1	\$7,088.00
Paid not issued	Arrow Test 1	\$6,538.33
Paid not issued	Arrow Test 1	\$405.00
Decided (0)		\$0.00
Total (28)		\$1,616,208.03

Paid not issued

Default Decision: Return

Cutoff Time: 3:00 PM Eastern Time (US & Canada)

Account Nickname: Arrow Test 1
Paid Date: 05/20/2025

Check #: 115779
Issued Date: 05/20/2025

Amount: \$253.20

Front Back

Hover over image to zoom. Click to view full-size image.

Image not available

Search for a check

Reason: Altered/Fictitious Item

Correction Notes

Cancel Save

6. Choose a Reason code from the drop-down menu.

7. Enter Correction Notes.

8. Click Save.

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Adding a check

If you have Allow users to add/edit transactions entitlement, you will be able to add a check.

To add a check:

1. In the navigation menu, select Services > Positive Pay. The Positive Pay page appears.

First Merchants Bank
Helping you prosper

Good Afternoon, Chris Client

Home Transfers and Payments Services Information Reporting User Settings Admin Tools Connect With Us Log Off

Positive Pay

Launch Advanced Options

Exceptions **Add Check** Submit Issued Check File

Amount: \$ 0.00 Payee (optional): Account: [Dropdown]

Issue Date: 02/18/2024 Check Number: [Input] Auto Increment

Add Check

CHECKS ADDED

No Checks to display
No Checks have been uploaded this session.

2. Select the Add Check tab

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3. On the Add Check tab
 - a. Enter an Amount.
 - b. Enter a Payee (Optional).
 - c. Select an Account.
 - d. Select an Issue Date.
 - e. Enter a Check Number.
 - f. Select the Auto Increment check box (Optional).
4. Click Add Check.
5. In the navigation menu, select Services > Positive Pay. The Positive Pay page appears.

Submitting an Issued Check File

To Submit an Issued Check File:

1. In the navigation menu, select Services > Positive Pay. The Positive Pay page appears.

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Positive Pay Launch Advanced Options

Exceptions Add Check **Submit Issued Check File**

File Mapping Type
Standard Format Choose File

Account
Ops1000 Process File

ISSUED CHECK PROCESSING LOG


No Check Files to display
No Check Files have been uploaded today.

2. Select the Submit Issued Check File tab.

Positive Pay Launch Advanced Options

Exceptions Add Check **Submit Issued Check File**

File Mapping Type
Standard Format Choose File

Account
Ops1000 Process File

ISSUED CHECK PROCESSING LOG


No Check Files to display
No Check Files have been uploaded today.

3. Click File Mapping Type drop-down and select the file format.
4. Choose File to import.
5. Click the Account drop-down and select the account these checks are being drawn on.

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Positive Pay

Launch Advanced Options

Exceptions Add Check Submit Issued Check File

File Mapping Type
Standard Format

Account
Ops1000

ISSUED CHECK PROCESSING LOG

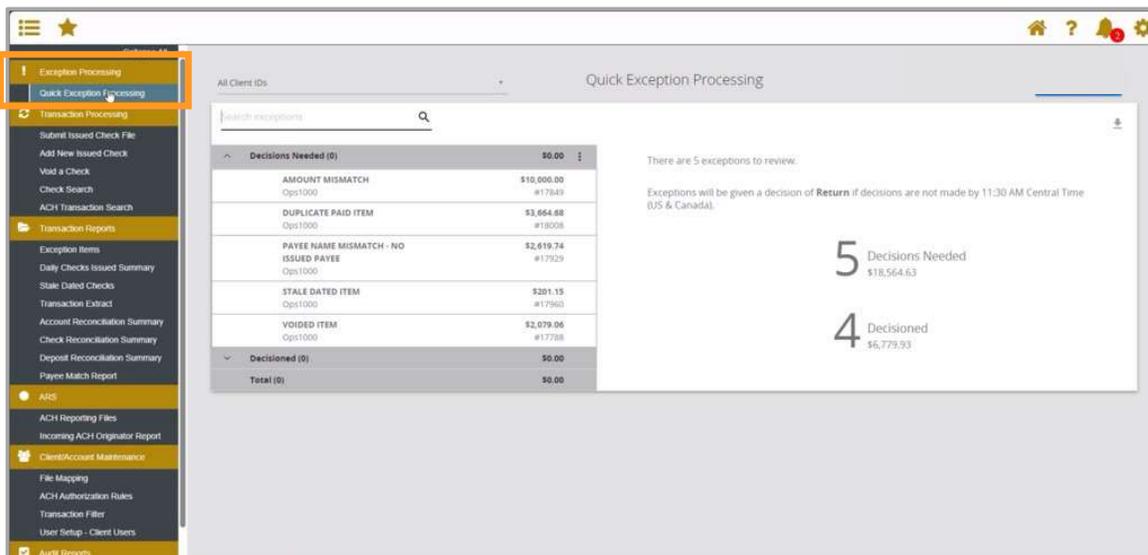


No Check Files to display
No Check Files have been uploaded today.

6. Click Process File.

Accessing Advanced Options

You can click on Launch Advanced Options in the top right-hand corner to launch the full Positive Pay solution, where you can find all the additional features including user setup.



The screenshot shows the 'Quick Exception Processing' screen. On the left, a navigation menu is visible with 'Quick Exception Processing' highlighted. The main content area displays a table of exceptions and summary statistics.

Exception Type	Amount
AMOUNT MISMATCH	\$10,000.00
DUPLICATE PAID ITEM	\$3,664.68
PAYEE NAME MISMATCH - NO ISSUED PAYEE	\$2,619.74
STALE DATED ITEM	\$201.15
VOIDED ITEM	\$2,079.06
Decisions Needed (0)	\$0.00
Total (0)	\$0.00

Summary Statistics:

- 5 Decisions Needed: \$18,564.63
- 4 Decided: \$6,779.93

In the navigation menu, select Quick Exception Processing.

For Check Processing, the options are Pay or Return.

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Quick Exception Processing

Decisions Needed (\$)		\$25,344.56
BLOCKED TRANSACTION	Ops1000	\$1,635.35
UNAUTHORIZED ACH TRANSACTION	Ops1000	\$1,846.24
AMOUNT MISMATCH	Ops1000	\$10,000.00
DUPLICATE PAID ITEM	Ops1000	\$3,664.68
PAID NOT ISSUED (2)	Ops1000	\$3,298.34
PAID NOT ISSUED	Ops1000	\$1,500.00
PAID NOT ISSUED	Ops1000	\$1,798.34
PAYEE NAME MISMATCH - NO ISSUED PAYEE	Ops1000	\$2,819.74
STALE DATED ITEM	Ops1000	\$201.15
Decided (0)		\$0.00
Total (\$)		\$25,344.56

PAID NOT ISSUED

Default Decision: Return

Cutoff Time: 11:30 AM Central Time (US & Canada)

Client ID: Ops1000
Paid Date: 05/15/2024

Check #: 18006
Issued Date: 04/19/2024
Amount: \$1,500.00

Front Back

Hover over image to zoom. Click to view full-size image.

Pay Return

1. Select your Decisions Needed item.

Quick Exception Processing

Decisions Needed (\$)		\$25,344.56
BLOCKED TRANSACTION	Ops1000	\$1,635.35
UNAUTHORIZED ACH TRANSACTION	Ops1000	\$1,846.24
AMOUNT MISMATCH	Ops1000	\$10,000.00
DUPLICATE PAID ITEM	Ops1000	\$3,664.68
PAID NOT ISSUED (2)	Ops1000	\$3,298.34
PAID NOT ISSUED	Ops1000	\$1,500.00
PAID NOT ISSUED	Ops1000	\$1,798.34
PAYEE NAME MISMATCH - NO ISSUED PAYEE	Ops1000	\$2,819.74
STALE DATED ITEM	Ops1000	\$201.15
Decided (0)		\$0.00
Total (\$)		\$25,344.56

PAID NOT ISSUED

Default Decision: Return

Cutoff Time: 11:30 AM Central Time (US & Canada)

Client ID: Ops1000
Paid Date: 05/15/2024

Check #: 18006
Issued Date: 04/19/2024
Amount: \$1,500.00

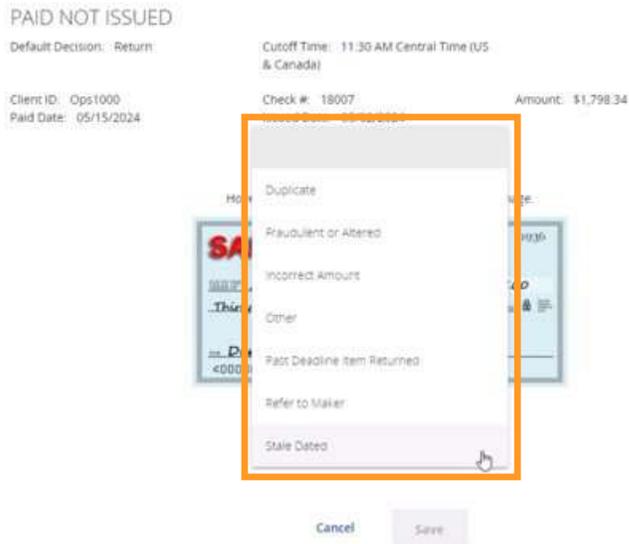
Front Back

Hover over image to zoom. Click to view full-size image.

Pay Return

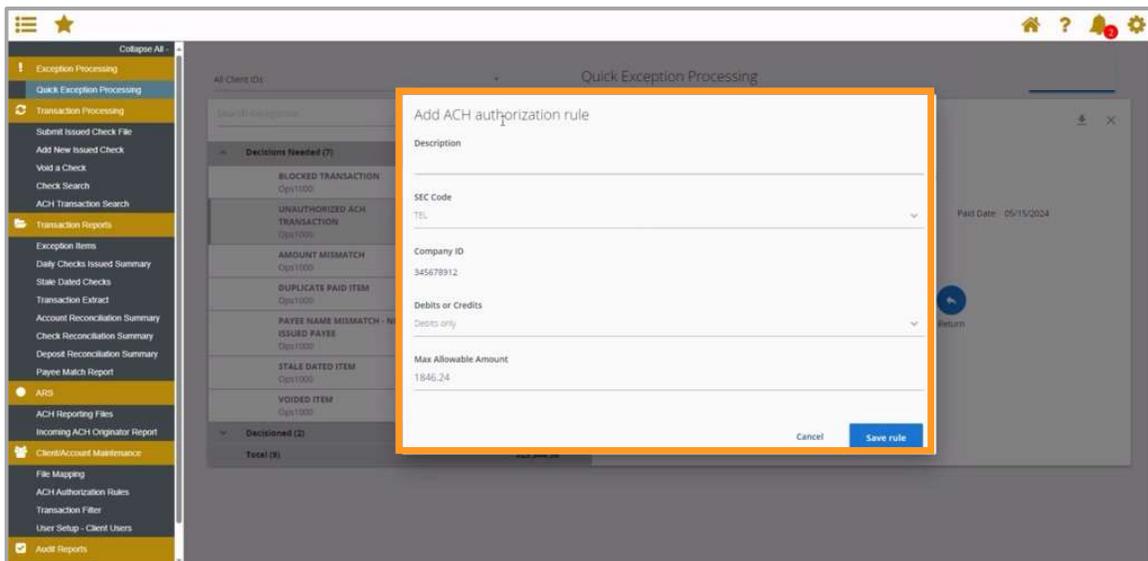
2. For checks, the image will display with check details. Click Pay or Return.

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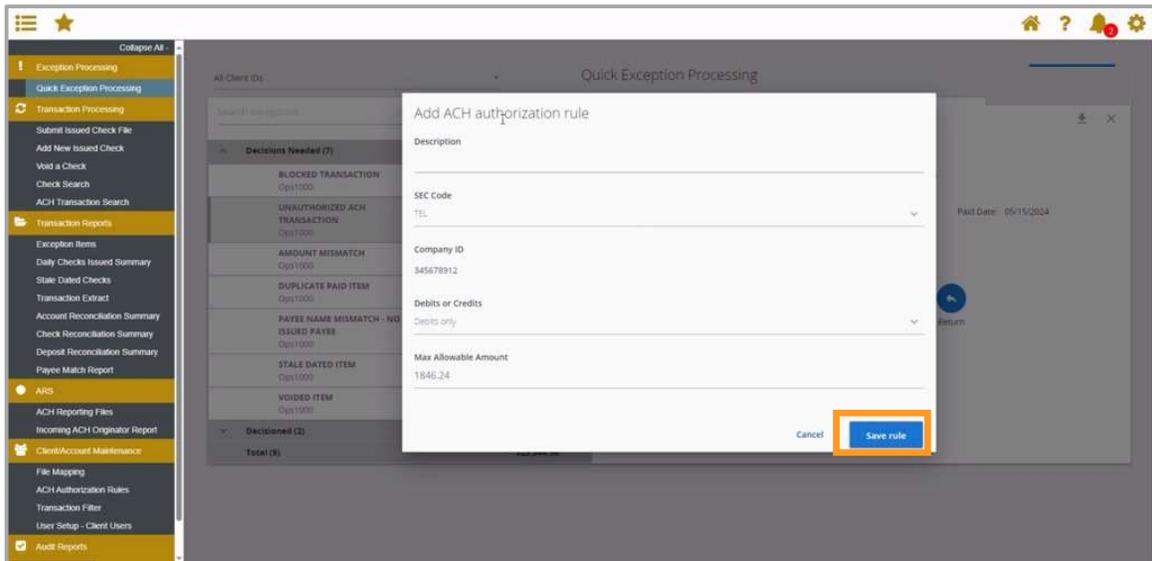
3. For Returns, select a reason in the drop-down list.

For ACH Exceptions, options are Add Rule, Pay or Return



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6. Select Add Rule to add an ACH authorization rule.
 - a. Enter the description.
 - b. Click the drop-down list to select the SEC Code.
 - c. Click the Debits or Credits for the rule.
 - d. Enter the Max Allowable Amount.



7. Click Save rule.