

ACH Processing Services

Outsourced ACH Solutions
Tailored to Your Requirements
and Budget

Technology continues to advance as pressures to remain competitive and reduce operating costs intensify. Fiserv offers industry-leading Automated Clearing House (ACH) technology and expertise in a single, affordable solution.

As the volume of electronic payments you process grows and your ACH operations become more complex, outsourcing ACH payment processing to Fiserv makes more sense than ever.

Outsourcing improves your ability to control costs and increase your focus on serving customers and members by leaving technology implementations, support, integration and maintenance to Fiserv.

With ACH Processing Services from Fiserv, you can offer the products and services customers expect and keep your financial institution up-to-date and compliant with rules and regulations. With our managed configuration and a world-class feature set, implementation happens in months, not years.

Real-Time ACH Processing

ACH Processing Services combines our service bureau expertise with PEP+® from Fiserv, the industry standard for ACH processing for more than 30 years. An online, real-time solution for originating and receiving ACH electronic funds transfers, PEP+ provides a wide range of core functions and add-on modules to provide a complete, reliable solution for keeping pace with the escalating volume of electronic payments.

PEP+ processes electronic records coming from and going to ACH operators, financial institutions and corporations. The system accommodates all types of entries including the National Automated Clearing House Association (NACHA) format and dynamic entry items such as recurring payments with variable dollar amounts for each cycle.

PEP+ edits the entries for NACHA Rule requirements and, if necessary, adds any missing elements and reformats information for distribution to your in-house systems, corporate clients or correspondent banks.

PEP+ system handles each of the following ACH processes to ensure a comprehensive, end-to-end solution.

Collection

PEP+ accepts entries in whatever form and format they are in when delivered. They can arrive in ACH or non-ACH format.

Warehousing

Once entries have been collected and edited, they are stored in a data warehouse for efficient distribution. Entries can be changed or rescheduled if necessary.

Distribution

Entries are distributed from the warehouse to recipients, such as ACH operators, correspondent banks, savings and installment loans systems.

Posting to DDA and In-House Systems

Entries can also be distributed to your accounting systems in the correct formats, such as general ledger, accounts receivable and Demand Deposit Accounts (DDA) systems.

Scheduling

You can dictate a schedule of anticipated work to organize the entries PEP+ is processing. When work arrives early or late, the schedule can be adjusted.

Calendars

PEP+ calendar computes the release and settlement dates of entries, keeping track of business and nonbusiness days to ensure work is forwarded to the ACH operator in a timely manner.

Balancing

PEP+ provides input and output balancing and control in a multibank, multicompany environment.

Settlement

The system maintains settlement account information for originating companies, the ACH and all distribution points. Settlement amounts are computed and entries made automatically on settlement day to general ledger or DDA.

Cycle Processing

Collection and distribution totals are accumulated at three levels: daily, cycle-to-date and year-to-date. These totals are closed out on a periodic or cyclical basis.

Statistics

PEP+ maintains cycle-to-date totals of all processing activity and records year-to-date totals for historical information.

General Reporting

A complete line of audit, control and management reports are available, including operational, management, activity, volume level, end-of-cycle, year-end, database activity and maintenance and summary reports.

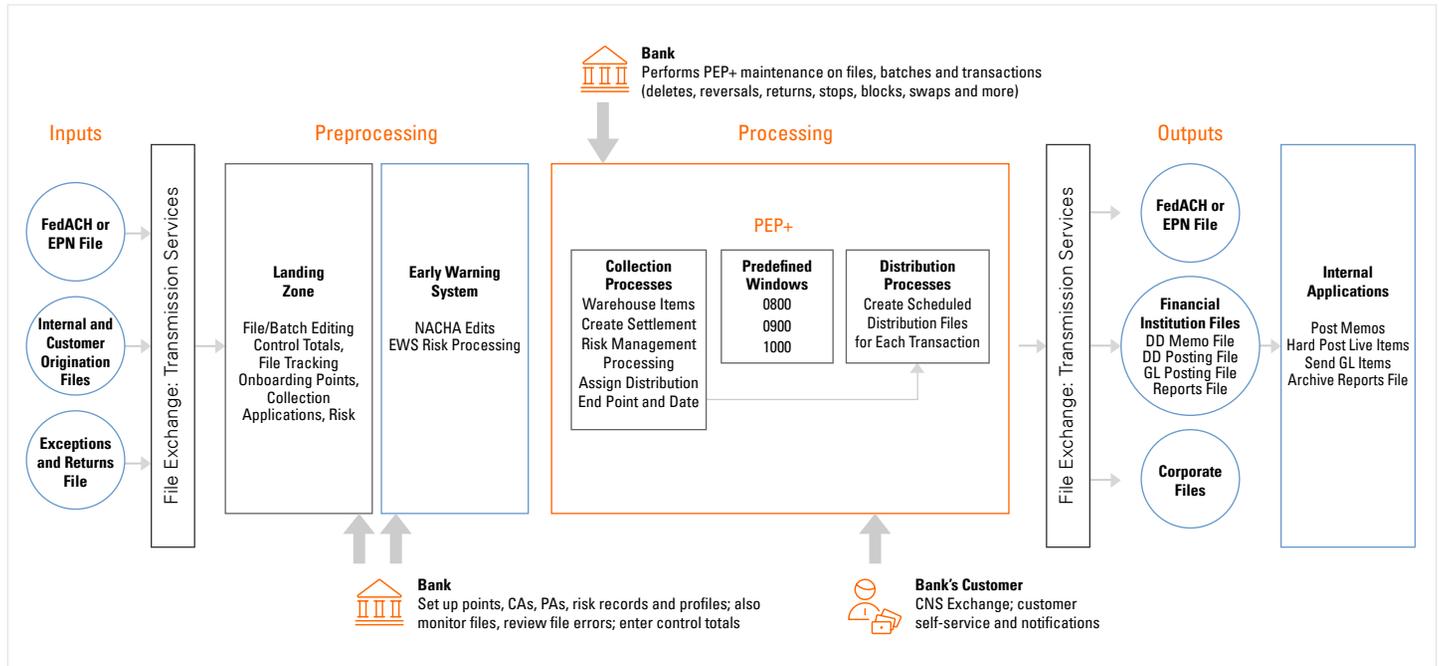


Key Features:

- Online access
- Automated settlement
- Operational security
- Multi-institutional processing
- Automated edits/interfaces
- Fraud detection
- Debit authorization/protection
- Automated scheduling
- Non-ACH reformatting
- Warehousing
- Reversals
- Comprehensive reporting
- Specialized processing



PEP+ Process Flow in an ASP Environment



Verification Reporting

PEP+ produces verification reports for all online and batch maintenance activity. You can also view security violations and inquiries and maintenance activity.

Return Processing

PEP+ handles returns with superior efficiency. The system addresses return-entry processing from two perspectives:

- As the receiving financial institution, entries are returned to the ACH when they fail to post in the DDA, savings or your other in-house posting systems
- As the originating financial institution, the system handles your entries that have been returned to you through the ACH

The system also efficiently handles Notifications of Change (NOC) for returned transactions that require updates to the account information prior to subsequent ACH transactions. You can specify a range of different processing options for corporate customers such as:

- The amount of time copies of originated entries should be retained in the warehouse
- The number of re-presentations permitted
- The format in which entries should be returned to the originating company

Online Correction, Returns

PEP+ allows users to review entries online, so it is possible to correct, return, reverse, redeposit or delete them.

Remakes

Distribution entries are lost or damaged in transit, PEP+ allows users to reconstruct and redistribute them by using the distribution backup file.

PEP+ Base Modules

Available base modules are listed below, along with benefits.

Operational Efficiencies

PEP+: ASAP

Automatically match up an incoming ACH file to the proper elements within the PEP+ database, preparing the file for collection into the batch window process. This module delivers operational efficiency and improves risk management by automating the manual arrival process, copying incoming files to the appropriate dataset, ensuring files that arrive after a specified deadline are not collected on the current processing day without operator intervention, backing up incoming files and deleting incoming files from the collection dataset.

PEP+: Early Warning System

Enhance the ASAP process to perform pertinent edits processing and file validation. This module gives your staff the ability to recognize potential processing problems during the file arrival process, acknowledge receipt of the customer file and identify potential problems with the file prior to the running of the processing window. This enables an extended window of opportunity for responding to exception scenarios prior to collecting files into the system.

PEP+: Extended Retention

Enable efficient storage of distributed entries for a longer period of time to allow the system to automatically handle returns that are received after the original entries would normally have been purged. If you routinely receive returns for entries that have been purged from the warehouse, this process can substantially reduce manual effort.

Risk Mitigation

PEP+: SEC Monitor

Define Standard Entry Class (SEC) code sets within PEP+ for use during processing to filter ACH origination and/or ACH receiving activity.

PEP+: Memo Post Prefunding

Deliver an automated process for validating the real-time DDA balances of designated originators. This module places holds on funds in the DDA account at the time items are collected into the system.

PEP+: Risk Management

Monitor ACH origination exposure information across a customer's total ACH relationship. This module also provides the ability to set specific customer file, batch, transaction and warehouse limits based on a customer's specific setup.

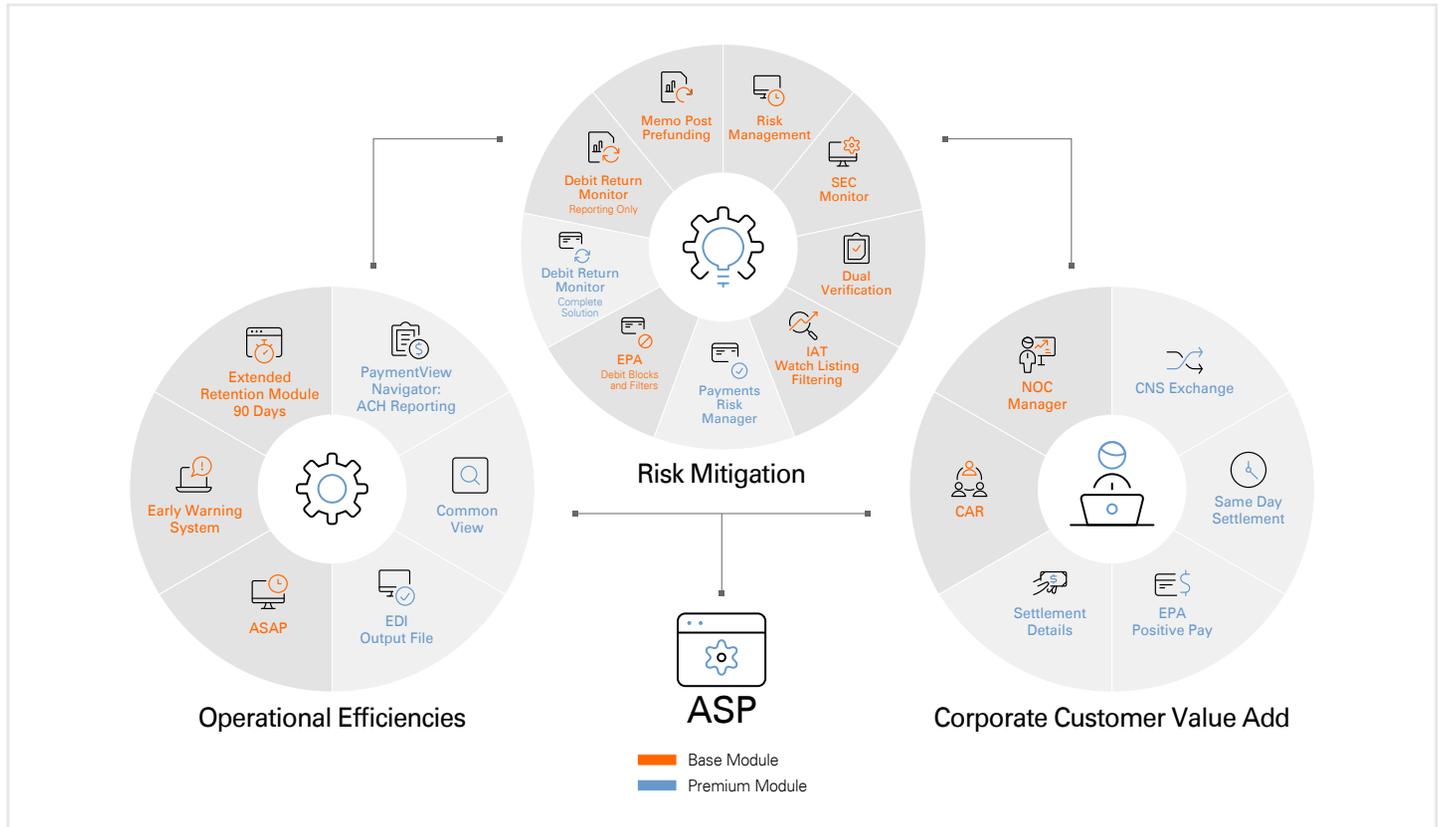
PEP+: Dual Verification

Perform dual verification for specific online warehouse request codes. This module allows or requires a second operator and/or third operator to approve online requests when those requests are initiated by designated operators requiring dual verification. Dual verification can be performed against file maintenance, batch maintenance, detail maintenance, online returns, warehouse exceptions and PEP+ operator definitions.

PEP+: EPA

Help your customers eliminate the risk of an unauthorized debit to one of their accounts. This module allows pre-authorized payment records to be established in the database and produces account-level reports of any monitored activity that has not been previously authorized. Payments can subsequently be accepted or allowed to automatically return to the originator.

ACH Processing Services Functionality



IAT Watch List Filtering

Automate the Office of Foreign Assets Control (OFAC) violation screening process. This service compares international ACH entries against the list of Specially Designated Nationals and Blocked Parties; allows for real-time analysis, alert management and case management features; and integrates with sophisticated list filtering tools including user-definable filtering, a false positive database and a case management tool to track how the list matching alerts are resolved.

Corporate Customer Value Add

PEP+: CAR

Report detailed transaction information to your corporate clients in a timely manner. The reports provide the information your corporate clients need to reconcile their ACH transactions.

PEP+: NOC Manager

Reduce the number of returns and NOCs received as a result of originating incorrect data. This service supports NOC management to PEP+ originators and provides visibility into originators and ODFIs that are disregarding NOCs initiated by you in response to previous erroneous activity.

PEP+ Premium Add-On Services

Your financial institution can subscribe to the additional PEP+ services below.

Operational Efficiencies

PEP+: EDI Output File

Trap and write certain SEC Codes (CTX, PPD+, CCD+, CCD, CIE and IAT) to an output file for further translation through an external electronic data interchange translation tool.

PEP+: CommonView

Access and view PEP+ data by interfacing directly to the table with this user-friendly, GUI interface to PEP+ warehouse information. PEP+: CommonView provides full-time access to PEP+ data even during traditional periods of downtime (window transition periods and online downtime, for example). It provides for easier navigation for use in other areas within your institution that may be less familiar with navigation through the traditional PEP+ screens.

PaymentView Navigator™: ACH Reporting

Get in-depth and flexible access to PEP+ data for management and compliance reporting. This service offers customizable report views and ad hoc access to long-term data marts, increasing operational efficiencies and reducing IT projects while providing easy access to valuable information.

Risk Mitigation

PEP+: Debit Return Monitor

Minimize exposure to originated debits being returned. This service enhances the ability to track and monitor origination and return statistics across your entire PEP+ database. It also allows you to calculate and release hold data with PEP+ settlement transactions. You mitigate debit exposure risk by withholding funds from your client accounts. Holds are released by the DDA system in a timely manner to provide funds availability to cover the return chargeback volume. (The Base offering only includes Debit Return reporting.)

Payments Risk Manager™

Integrate the results of the fraud detection and behavioral analysis capabilities of an enterprise risk-monitoring solution with straight-through PEP+ processing. This service enables you to proactively monitor potential fraudulent transactions in near real time, minimizing risk and eliminating potential losses. It integrates with a third-party fraud system to review batches and files of items prior to distribution.



Key Benefits

- Cost effectively process and deliver ACH transactions regardless of institution size or ACH transaction volumes
- Leverage leading-edge technology for maximum efficiency
- Reduce capital expenditures and technology costs
- Deliver new ACH services with a low cost of entry
- Improve productivity by eliminating manual processes
- Enhance service and satisfaction
- Expand business offerings to meet market needs
- Receive 24/7 support from the industry experts of ACH processing
- Ensure compliance with changing Nacha rules and regulatory requirements
- Gain advanced fraud detection and risk mitigation

Corporate Customer Value Add

CNS Exchange

Enables your corporate clients to interact with PEP+ and its associated data through a web-based system. Supports ACH Positive Pay, File Control Total Maintenance and Warehouse Inquiry.

PEP+: EPA Positive Pay

Send unmatched nonauthorized items to your online banking application or positive pay system for decision making. Upon return of the positive pay response file to the system, the items follow standard EPA processing. The items will be released for distribution (pay) or rejected and returned (no pay).

PEP+: Same-Day Settlement

Offer same-day ACH settlement to key clients as a value-added service. This service controls how you want to participate in the Nacha Same Day ACH program, enabling selected qualified ACH transactions to be originated and settled on the same day based on rules established at the customer level.

PEP+: Settlement Details

Delivers a comprehensive list of all transactions that contributed to a single lump-sum amount that PEP+ calculated for settlement. This reporting can be used to confirm what has been processed and reconcile back to an originator's submitted activity.

Your Competitive Advantage

When you partner with Fiserv to manage ACH processing, we put the full breadth of our industry expertise to work for you. Our services can enable you to provide cutting-edge ACH processing without the capital investments and extensive resources required to operate, maintain and support the technology. We host and perform all of the ACH processing functions for your institution according to your specific requirements and those of your customers or members.

You gain revenue-impacting product delivery advantages, including faster time to market with new ACH product and service capabilities. Our services also ensure that your financial institution always stays current with the changing Nacha Rules and complex regulatory guidelines.

Most importantly, outsourcing ACH services to Fiserv allows you to manage costs through predictable, per-item pricing as your ACH volumes grow. Extra functionality needed to remain competitive can be added at incremental costs whenever you choose.



Connect With Us

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Fiserv is driving innovation in Payments, Processing Services, Risk & Compliance, Customer & Channel Management and Insights & Optimization. Our solutions help clients deliver financial services at the speed of life to enhance the way people live and work today.

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