

PLEASE FORWARD THIS PROCEDURAL LETTER TO THE APPROPRIATE DEPARTMENT THAT PROCESSES INSUFFICIENT FUNDS CHECKS.



BANKING PROCESS FOR AGENTS DEPOSITING PAYMENTS TAKEN (ON BEHALF OF CLIENT(S) OF CHECKFREEPAY CORPORATION) INTO THEIR BUSINESS ACCOUNT

Date: _____

Agent Name: _____

Agent Address: _____

Agent Account #: _____

In regards to our above named agent depositing utility payments, the following information is offered:

- The agent has a signed agreement with CheckFreePay Corporation (which is a contracted third-party processing center) to collect walk-in utility payments on the behalf of contracted utility(s).
- The agent will electronically send information to CheckFreePay Corporation, reflecting all payments taken (uploaded). The agent will make deposits into a business checking account (owned by agent) based on uploads sent (checks are payable to the utility). It is preferred and strongly recommended that the Agent open a separate business account specifically for the deposits of utility payments. Title of account should include FBO, For benefit of CheckFreePay Corporation. Agent will be responsible for all maintenance fees incurred by said account (if separate account is required for bank to comply with one set of return instructions, please advise agent accordingly). CheckFreePay Corporation will generate an ACH debit to the Agent's account, which is based on uploads received and corresponding deposits made. The offset to this ACH debit will be a credit to the utility(s) collected for. The ACH debit will be effectively dated for the second business day subsequent to the upload.
- **IMPORTANT - RETURNS:** Checks taken at the agent location will be franked with a central endorsement, which is an industry standard based on Federal Reserve specifications. In a best case scenario, when a paying bank returns such an item through the Federal Reserve or its correspondent, it will be routed to a CheckFreePay Corporation bank account.
- **IMPORTANT - DEPOSITS:** Checks that are deposited should not have an extended hold placed on them.
- **IMPORTANT - Agent must instruct their bank (bank of first deposit) to place instructions on the account so that utility returns are requalified through the Federal Reserve Bank based on the central endorsement information. The agent's account should not be charged. If the agent's account is charged in error by agent's bank, the agent should bring check(s) back to the bank for reimbursement and ask them to comply with the instructions placed on that account. If Central Endorsement is missing, the utility check(s) should be requalified through FED using ABA# 091911153 which is that of Lake Region Bank (Requalifying items is accomplished by encoding a '2' in position 44 of the MICR line along with the routing and transit number of Lake Region Bank, in the standard Routing and Transit field of the MICR line. IN THE EVENT YOU ARE REQUALIFYING A SUBSTITUTE CHECK, PLEASE PLACE A '5' IN POSITION 44 OF THE MICR LINE).**

Your cooperation in this matter will provide our agent and your customer to have a convenient and efficient way to collect utility payments and not be concerned with returns. In many cases, you will find that our agents already maintain a relationship with your institution. Our intent is to make this as transparent as possible for our mutual customer.

If you have any questions regarding this matter, please email CFPREcon@fiserv.com.

Agent Signature: _____