

Using the Check Imaging System For Items Drawn In Canada



Efficient Check Processing

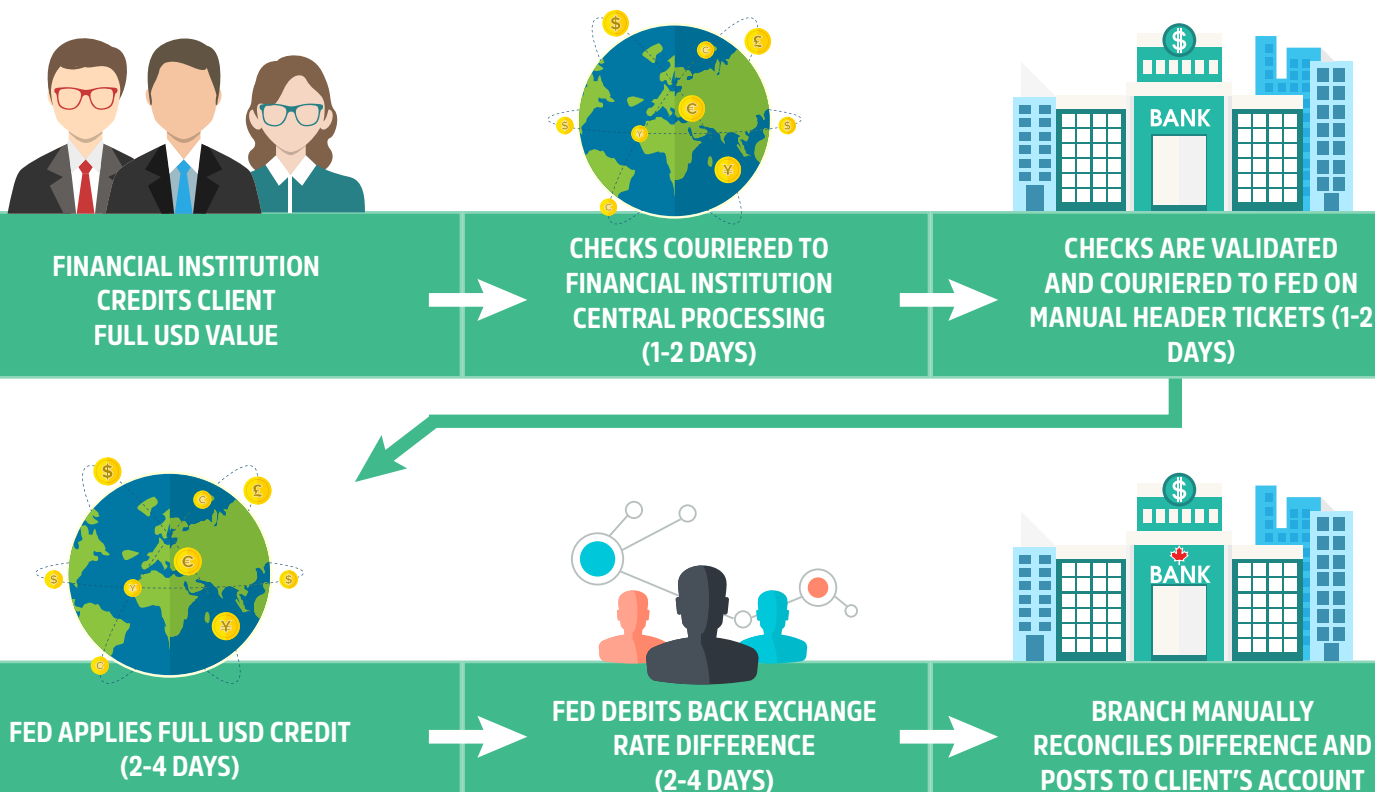
Checks are an essential part of banking and have been used for a long time. Although time consuming, there has traditionally been no other way to process checks drawn on Canadian banks since the current process has been unchanged for many decades. With the reliance on air and ground transportation to transfer checks, they become vulnerable to many interruptions, such as bad weather.

Traditional Check Processing Method:

1. Branch receives Canadian check drawn on Canadian Bank.
2. Checks are couriered/mailed to financial institution central processing (1-2 Days)
3. Header ticket created and checks couriered to Fed (1-2 Days)
4. Full USD Value is credited to Financial Institution (1-2 Days)
5. Fed Processes checks and calculates exchange rate difference. Difference is debited back (2-4 days)
6. Branch must reconcile difference with original amount of funds credited to client's account
7. Returned items (2-4 weeks)

Current Processing Times

Best Case	6 Days
Worst Case	12 Days



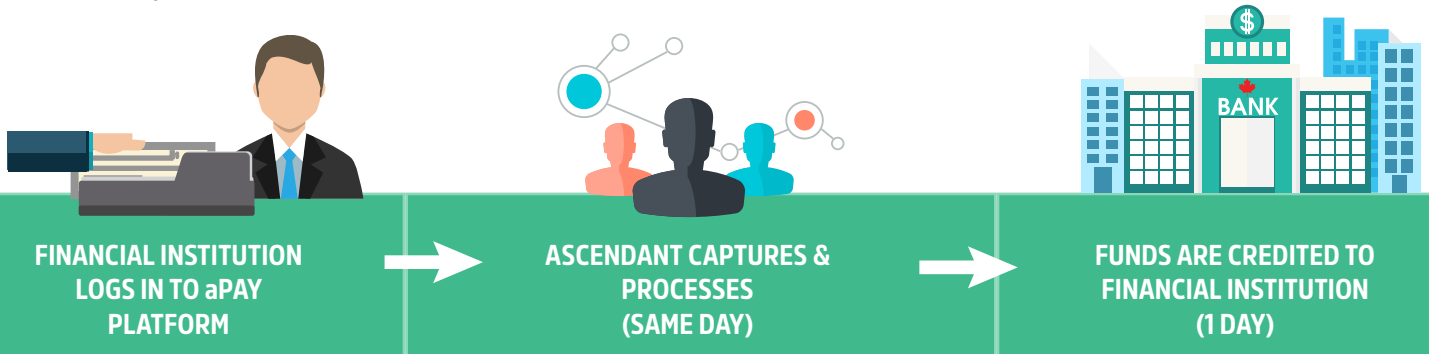
Faster Processing & Clearing

Finally, check imaging is available for items drawn in Canada. Financial Institutions will see reduced processing times and cost reductions. Image checks can be processed on the same day with credit provided the next day.

Check Imaging Process

1. Branch logs into aPay platform, scans image, and verifies details.
2. Ascendant verifies scanned info, provides exchange rates and exact totals. Checks are then deposited.
3. Payments are released to financial institution.

Ascendant Processing Times	
Best Case	1 Day
Worst Case	2 Days



Customer Service

- Faster Clearing Cycle: Checks can be scanned and credited in 1-2 days
- Reduced Risk: Once the deposit is processed, it is then committed to our database. The deposit and its data will be available for research, retrieval, reporting and more
- Instant exchange rates and exact totals
- Depositor information is stored — no re-keying necessary
- Smart Scanning: the system will help identify USD items being deposited as CAD
- Reduced risk as NSF items are returned in 2-3 days
- If your domestic check clearing software can identify Canadian checks then you can upload an X9 image and skip collecting original checks from your branches

Cost Reduction

- Check scanning eliminates expensive courier costs and lost items in the mail
- The check scanner eliminates the need to mail checks through each processing channel
- Customers can expect to pay a fraction of the cost compared to the Fed

Many of our Financial Institution customers are taking advantage of the ability to reduce their processing times while also providing better customer service to their customers with check clearing to Canadian banks.

For additional information on how we can efficiently integrate with your operations, please contact:

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