

Finexio

# Supplier Migration Playbook



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# High-Level Overview

As you know, your Customers use Finexio as its AP Payments as a Service provider. Finexio works with multiple bank partners. In addition to CASS Information Systems, we are now adding **J.P. Morgan** and **Column National Bank** as partners.

Please note that the changes below, regarding payments, will now be processed through J.P. Morgan for electronic payment types and Column for checks to your business.

## Faster Payment Timing

J.P. Morgan offers faster processing times and extended payment cut-off times (later in the day), so as a result of these changes, Suppliers can expect to receive payments sooner.

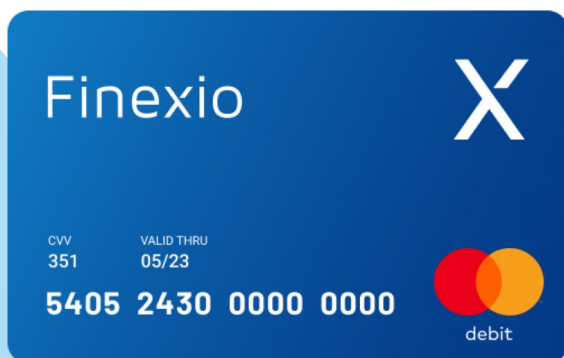
On average, your ACH payments will be received 2 days sooner.



# Modifications to Virtual Cards

- Virtual Cards will now be issued by J.P. Morgan and sent by Finexio. Mastercard network-issued cards will now have an updated Bank Identification Number (BIN) of 5405 24. Please see the sample below:

**BIN represents the first 6 digits of the 16-digit virtual card number delivered to Suppliers.**



- Virtual cards will be single authorization (one-time use), and Suppliers must process the total amount of the card that is presented to them. Suppliers can no longer authorize the card for a partial amount or an amount less than the total value of the card. This reduces the risk of outstanding card balance funds being misused, or other payment fraud scenarios.
- There are no changes to Discover cards at this time.

## Sample ACH Payments<sup>1</sup> (Bank Dependent)

### ACH Credit (Disbursement) Sample for Suppliers

For Sample Purposes Only:

<input type="checkbox"/>	Post Date ↓	Reference	Additional Reference	Image	Description	Debit	Credit	Calculated Balance
<input type="checkbox"/>	11/09/2022	81000602030001			PREAUTHORIZED ACH CREDIT Demo Buyer/CONC ACCTS DB6342K0 D1MF6X		\$2.00	\$948.06

Note: UI views/ display are entirely Bank dependent; J.P. Morgan will send ACH transactions to Suppliers CCD (Corporate Credit/ Debit Entry)

<sup>1</sup> Finexio's remittance advices for ACH currently distributed to suppliers will not be changing.

# Modifications to Checks

**Checks sent to suppliers will now be processed, printed, and mailed from Column National Bank and not CASS Information Systems.**

## Additional Invoice Information

Suppliers will now see more information passed on the check remittance page if shared on the payment file by the Customer. Additional data includes:

- Full memo field remit detail on the invoice file submitted to Finexio in invoice table details
- Buyer Name and Address information presented on remittance page
- Account Number

## Full Transparency

On Finexio's Portal, Users will have full visibility into check issuance, print and sent events, and deposits for cashed checks. Image presentment will also be available, as it is today, for checks sent by Finexio.

## Security Features


Our checks<sup>1</sup> will now include additional security features that help reduce fraudulent activity on a check such as duplication, alteration, or forgery of a check by a fraudster/bad actor. Our checks now exceed industry standards for check security features which include the padlock icon which is a certification mark for the [Check Payment Systems Association](#).

New security components are presented on the back of our issued checks, these include:

- Digital Security Pantograph
- Digital Verification Grid
- Anti-Copy Technology
- Microprint Text
- Digital Inkjet Dye-Based and/or Pigment Based Inks
- Original Back Pattern

<sup>1</sup>Check design subject to change through printing partner.

# New Check Design



FINEXIO  
524 N MAGNOLIA AVE STE 202 PMB 1310  
ORLANDO, FL 32803-3220

COLUMN N.A.  
CHICO, CA 95926

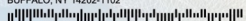
0000010000

DATE 02/22/2023


PAY One Thousand and Two Hundred Fifty and 0/100 Dollars \$ \*\*\*\*1,250.00

TO THE ORDER OF

SUPPLIER COMPANY LLC  
1000 MAIN ST  
BUFFALO, NY 14202-1102



Memo: PAYMENT FROM WALMART

AUTHORIZED SIGNATURE 

HEAT SENSITIVE

⑈0000010000⑈ 12133945307 CENSORED⑈



Unlock the power of secure, flexible and instant virtual cards with Finexio!

Visit [www.finexio.com/supplier-enroll](https://www.finexio.com/supplier-enroll) to start using this game-changing solution for your financial needs.

- Faster Payments
- Improved Cash Flow
- Safer Payments



**Payment from**

Walmart  
123 Street Address  
Miami, FL 33101

**Care of**

Finexio  
924 N Magnolia Ave STE 202  
Orlando, FL 32803

Check void after 90 days  
Printed Date: 02/22/2023  
Payment ID: RCO009212165465432131  
Check Number: 10000

Invoices Paid Page 1 of 1

Invoice No.	Invoice Date	Account No.	Memo	Amount
1213394	11/30/2022	0193586020	This is a test memo for check remit	250.00
1213394	11/30/2022	0193586020	This is a test memo for check remit	250.00
1213394	11/30/2022	0193586020	This is a test memo for check remit	250.00
1213394	11/30/2022	0193586020	This is a test memo for check remit	250.00
1213394	11/30/2022	0193586020	This is a test memo for check remit	250.00
Total Payable				1,250.00

Questions regarding your payment?

Visit <https://finexio.zendesk.com>

Email [support@finexio.com](mailto:support@finexio.com)

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## Other Changes

- Checks from Column National Bank will now expire ("void") after 90 days as opposed to 180 days (current timeline).
- The Routing Number & Account Number are now issued from Column National Bank (included at the top of the check) and presented in the check MICR line.
- The check remittance page will include a QR code and URL to allow Suppliers to enroll in virtual cards.
- The memo line will contain the Customer's name that the check will be paid on behalf of and Customer logo may be presented in the top left corner of the check.
- All Checks will be returned to Finexio (i.e. Returned mail) for processing.

# APPENDIX



# Compliance Guidelines

We, Finexio, need to ensure you and we are not doing business with bad actors. We do this to protect you and ensure we stay in compliance with our financial partners. To ensure we are not doing business with bad actors, we will perform a process called "Know Your Customer."

## Why we may contact you about your supplier payment:

Finexio is required to act in accordance with the laws of various jurisdictions relating to the prevention of money laundering and the implementation of sanctions. These include economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State. Finexio is not obligated to execute payment orders or effect any other transaction where a party to the transaction is a person or entity with whom Finexio is prohibited from doing business by any law applicable to Finexio, or in any case where compliance would, in Finexio's opinion, conflict with applicable law or market practice or its own policies and procedures.

## What is "Know-Your-Business" ("KYB"), and why does it apply to my company?

KYB policies entail establishing risk-based procedures for verifying the identity of each customer to the extent reasonable and practicable, forming a reasonable belief that the Sponsor Bank can trust the true identity of each customer and the validity of the agreement with the customer. See below for more details on minimum expectations.



# Compliance Guidelines Continued

## What's the difference between KYB, KYC, and CIP?

KYB appears as a lot of different acronyms – “Know Your Customer” (“KYC”) or Customer Information Process (“CIP”), which encompass authenticating *consumers* as well as *businesses*. KYB is an offshoot of KYC that more specifically refers to validating a business's existence, validating that it is in good standing, and verifying that the true business is sanctioning the commercial engagement with you.

## What your vendors may ask from you:

### 1. Gather essential information

What information we will collect on suppliers/vendors:

- Full legal name(s), date(s) of birth, social security number(s), phone number(s), residential address(es), and government-issued ID(s) for any Business Owners
- Full legal name(s), date(s) of birth, social security number(s), phone number(s), residential address(es), and government-issued ID(s) for any authorized signers
- Legal business name, legal business address (no P.O. boxes), URL to functioning website, Customer Service Number, Tax Identification Number (“TIN”), Business Type, Business Vertical
- A written description of the purpose or nature of the relationship between you and your customer

### 2. Verify essential information

What we will do with the information provided:

- Confirm the address given on the application is verified by the secretary of state website, Google search, or a third-party verification tool
- Confirm the customer is in good standing at the secretary of state website
- Confirm IRS registration to ensure accurate merchant Tax ID number
- Confirm there are no regulatory or administrative enforcement actions, or class action lawsuits against the business or any Business Owners through FDIC, NCUA, OCC, CFPB, FTC, SEC, FinCEN, or Treasury websites