A Thriving Network of Support, Education, Solutions, and Advocacy

**SFE’s MISSION** is to provide leadership, education and innovative, cost-effective products and services for the mutual benefit of our members and their customers.

**About SFE**

Southern Financial Exchange (SFE) is a not-for-profit payments association serving individuals, financial institutions and corporations primarily in Alabama, Arkansas, Louisiana, Mississippi, and Tennessee.

We provide exceptional member support, quality education, professional compliance and advisory services, payments services, and active participation on industry initiatives. Every member receives access to the latest industry updates so they can stay informed and in compliance. We are committed to educating and assisting our members in electronic payments, including ACH, card, check, wire, and faster payment solutions.

**Advocacy & National Representation**

Southern Financial Exchange is your voice at the national level.

SFE participates in a network of national clearing house organizations, regulators, committees and strategic partnerships. We are a direct member of Nacha – The Electronic Payments Association, and we are affiliated with ECCHO. These partnerships strengthen our influence with industry stakeholders, directly benefiting our members. We respond to Requests for Comment from the Bureau of Fiscal Services, ECCHO, Federal Reserve, FDIC, Nacha, and others on payment industry initiatives. We advocate for you and your interests.

Through participation in the national ACH rules-making process, we represent the interests of our members as the operating rules of the network are developed and submitted for approval. Our staff participates in Nacha’s Payments Innovation Alliance, APRP Oversight Panel, Payments Institute Board of Regents, the Center for Payments, Nacha’s Risk Management Advisory Group and other education work groups. The depth of knowledge our staff gains through participation in these cutting-edge groups adds further value to your membership.

We encourage you to become a member and take advantage of the value SFE can add to your electronic payments program. This guide describes our member services and how they can benefit your financial institution or organization. As the movement to electronic payment systems accelerates, as new payment alternatives are introduced, and as the complexity of related rules and regulations increases, Southern Financial Exchange’s expertise is an asset you cannot afford to be without.

If you are already a member, thank you for being a part of our network! Please review the services outlined in this guide as a reminder of the support, education, services and other resources you can access at any time.

“We believe our excellent regulatory and customer service rating in ACH and Electronic Banking Services is due, in part, to our valued relationship with Southern Financial Exchange. I urge you to take advantage of services provided. You and your organization will benefit through education and improved operations.”

Judy D. Long
President & COO
First Citizens National Bank
Dyersburg, TN

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“I have worked with SFE for over 38 years and have watched them grow over the years into one of the top Associations in the country. SFE offers a wide range of educational products and services and they do all of the work in keeping up with changes in the Nacha Rules, laws and regulations that impact financial institutions. Membership in SFE is guaranteed to keep your institution informed and up to date with what is going on in the financial services industry. SFE is a great partner to have to meet the everyday challenges facing your organization and provides you with a network of other members to interact with and to help in finding answers to your questions and concerns.”

Paul A. Carrubba
Attorney
Adams and Reese LLP

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Membership at a Glance

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<td>With an SFE membership, all financial institutions find information and resources vital to efficient and compliant operations. Membership investment is based on deposit size.</td>
<td>This membership supports organizations that are not financial institutions, such as businesses, vendors, charitable organizations, government agencies, software vendors, payment processors, and other industry stakeholders. Members are assessed a flat annual fee.</td>
<td>An SFE membership can provide helpful support to payment professionals not employed by a financial institution—CPA, accountant, consultant, attorney, computer programmer, sole proprietorship, and others. Members are assessed a flat annual fee.</td>
<td>With the Corporate Membership and Sponsorship Programs, companies have access to payment rules and product development such as authorizations, record retention, compliance support, and data security. Membership investment is based on need of support.</td>
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Being a member of SFE means our payments experts are on your team.

- Ask SFE: Access to our toll-free line of support for assistance from our knowledgeable staff.
- Support for a wide variety of departments within an institution – ACH operations, check operations, deposit operations, compliance, fraud, marketing, cash management, treasury sales, and risk avoidance.
- Banking Law Information Service: Basic questions are answered as a complimentary member benefit and more complex situations are handled by counsel at a discounted-rate basis.
- A voice in the national rulemaking process.
- Support for candidates preparing to earn the Accredited ACH Professional (AAP), Accredited Payments Risk Professional (APRP) and National Check Professional (NCP) designations.

Being a member of SFE is cost effective.

- Significant discounts for payments education, events, industry publications & tools, and professional services.
- Additional discounts on professional development are available through the member-exclusive Education Club.
- Complimentary Nacha Operating Rules & Guidelines is delivered to your institution annually.
- Complimentary education via our Power Hour Webinars, an $800 value.
- An annual chance to win a full scholarship to Nacha’s Payments Institute, a $3,000 value.

Being a member of SFE provides you the latest in payments information.

- SFE’s website, www.sfe.org, has the latest on classes, critical industry updates, and hot links to relevant websites.
- Complimentary subscription to our SFE Member News Link, Payments Education Bulletins, and Alerts regarding fraud, rule and regulation changes, compliance, and Requests for Comment.
- Monthly ACH Volume Reports for ACH Risk Assessment clients to help facilitate reporting to their board of directors.
- Education and industry updates via in-person classes, live & on-demand webinars, SFE’s annual conference—Digital Directions, and other annual events.
- Marketing support for Direct Deposit, Direct Payment, and Check Conversion.

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Ask SFE: Payments Support

Our knowledgeable, professional staff is standing by to assist our members. All payment related questions are welcome.

- Rules Interpretation
- Regulations
- Operations
- Risk Management
- Mobile
- Cards
- Wire
- Checks
- Remote Deposit
- ACH
- Faster & Real Time Payments

Disputes? SFE will assist our members with dispute-handling by using our national network of contacts. Do not sustain a loss, call us for support!

Ask SFE, Toll Free Support: (800) 626-4733
SFE Office Phone: (504) 525-6779
Email: info@sfe.org

News, Education & Alert Bulletins

Knowledge is power, and SFE strives to keep its members informed of developments in the rapidly-changing arena of electronic payments through a variety of means.

- “News and Info” on www.sfe.org keeps visitors updated on the latest in payments rules and regulations, industry news, education, and marketing opportunities.
- Members receive SFE’s News Link, our weekly newsletter conveniently bringing the latest news and information straight to your email inbox.
- Critical News, such as compliance and fraud alerts, are sent to SFE members in events when risks or threats are high.
- Payments Education Bulletins announce a variety of opportunities to learn from well-respected industry leaders on an array of payments topics.

“SFE has provided excellent on-site training seminars for our employees on numerous occasions. We appreciate the convenience of having SFE staff on-site because it allows more of our employees to attend the training. We also know that we are receiving quality training from experts in their field at a significant cost savings to our bank. We look forward to many more years of working with Southern Financial Exchange as our partner in banking.”

Chris Harley
Chief Information Officer
The Commercial Bank
Meridian, MS

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Payments Education

The payments industry, particularly electronic payments, is all about growth. Electronic transaction volumes get higher every year, the variety of ACH payment applications continually increases, and the rules that govern these transactions are evolving to encourage additional growth and mitigate risk.

To keep up with this growth, minimize risk exposure, and ensure compliance, you and your colleagues need to stay educated.

SFE provides the payments education you need to stay current. Taught by SFE’s Accredited ACH Professional staff and other industry-recognized experts, we offer in-person, webinar and on-demand education. Topics covered include ACH, check, card, wire, faster payments, compliance, and rules and regulations. Go to www.sfe.org for additional details.

Our education events are approved for AAP and APRP continued education credits as allowed by Nacha. Credits may also apply for NCP continued education credits, CPE, and CCM/CTP credits granted by ECCHO, the National Registry of Certified Accountancy, and the Association for Financial Professionals, respectively.

“...There is no high-tech procedure that involves employee behavior and no low-tech security procedure that involves employee behavior. This low-tech security procedure saved us major money and major headaches. We were able to thwart a Corporate Account Takeover using this procedure and no losses were incurred. Also, thanks so much for presenting the SFE Power Hours – we receive valuable info delivered right in our own house – we love it!"

Patricia Perry
Senior Vice President
St. Landry Bank & Trust Company
Opelousas, LA

Members Save Up to 20% More with Education Club Points

Let us help you develop a payments education program that fits your professional needs. With SFE’s Education Club, you have the freedom to customize an affordable program that saves you 10, 15 or 20 percent off normal member pricing. We also offer a Points Security Option – purchase additional points at any time to ensure you leave no opportunity behind!

Most SFE educational events have a corresponding point value which are outlined in the course descriptions at www.sfe.org. You can purchase points anytime throughout the year and use them toward the SFE Annual Conference—Digital Directions, SFE Payments Summit, Treasury Day, What’s New in Payments, Webinars, On-Demand Education and In-Person Education.

Note: SFE Education Club points may not be used in conjunction with other pricing discounts (i.e., every third attendee to the SFE Annual Conference from the same organization is complimentary). SFE’s AAP, APRP and NCP Preparation Programs and a few select courses are not included in the SFE Education Club. Please refer to our website for more details.
In-Person Education
Engage with industry experts and fellow payments professionals while learning about relevant topics. Sessions are located in various cities in Alabama, Arkansas, Louisiana, Mississippi, and Tennessee.

Live & On-Demand Webinars
Enjoy the convenience of live or on-demand webinars—relevant education dealing with payments issues in a variety of topics, presented right in your office. Live webinars allow for conversation, questions, polling and other valuable interactions with industry leaders. With on-demand courses, you have the flexibility to learn at your own pace.

Don’t miss our Complimentary Member Power Hour webinars that keep you up-to-date on the hottest payments industry topics.

Certifications

Accredited ACH Professional (AAP)
Recognized as industry leaders, AAPs are viewed as the electronic payments subject matter experts, giving them a strong competitive edge in their field.
SFE offers several courses, materials, and an interactive AAP Summer Study Program that aid in the preparation for the exam. Summer Study participants receive an SFE Workbook, reading assignments, conference calls, and an AAP from the SFE staff will be available for additional email and telephone support.

Accredited Payments Risk Professional (APRP)
APRPs are competent in risk management and regulatory compliance across payment channels at an enterprise level.
SFE offers a comprehensive APRP Preparation Program that includes webinars covering the details for the APRP Certification Exam and learn about payments risk.

National Check Professional (NCP)
NCPs demonstrate a working knowledge of every significant aspect of the evolving check payment system, including products and operations, relevant rules and laws that govern checks, industry standards, and fraud and risk mitigation.
SFE offers NCP candidates a comprehensive package with training webinars, study materials, and review sessions. Prior to the NCP exam period, candidates have the option to attend the Check Image Exchange workshop for a detailed review of exam material and to ask any last minute questions.

“I took the AAP test and passed!
I wanted to thank the entire team at SFE that worked on the Summer Study program. It was extremely helpful!”
Erica Hare, AAP
Resource Bank
Slidell, LA

“First, I would like to say that earning my certification as an NCP has been most helpful to my career here at BankPlus. The learning experience deepened my understanding and built my confidence in bank operations. Attending the Check Image Exchange workshop was what I needed to assist me in understanding the full spectrum of the NCP course. The three days spent were well worth it, and the workshop was a compliment to the NCP webinars.”
LuxAnna Buckley, NCP
Assistant Vice President & Deposit Services Manager
BankPlus
Ridgeland, MS
SFE’s Annual Conference & Expo—
Digital Directions

Digital Directions is held each spring. With a focus on electronic payments, this multi-day event is designed to provide attendees with the strategies to maximize business efficiencies, improve payment processes, reduce risk, and increase client satisfaction. It is also a great chance to network with industry peers and payment technology providers.

Scholarship to Nacha’s Payments Institute

The William A. McLarty Payments Institute Scholarship

Named in memory of William A. McLarty, a longtime supporter of SFE and dedicated board member, this scholarship offers a unique opportunity for a deserving individual to attend Nacha’s Payments Institute, an in-depth educational program for the financial services industry.

The non-transferable, annual scholarship award will pay up to $3,000 toward the registration fee and travel-related expenses.

Payments Institute

Hosted by Nacha, Payments Institute is a university-style program focused on continuing education for industry professionals.

From developments in payments fundamentals to emerging opportunities, Payments Institute provides education to prepare payments professionals for what is to come.

Attendees leave with knowledge and tools to help them more effectively mitigate risk, remain in compliance, deploy innovative solutions, and add to their company’s bottom line.

Scholarship Eligibility

- The nominee must be employed by an SFE member company.
- The nominee must have worked a minimum of three years in the financial industry.
- Primary consideration will be given to nominees who work in the payments industry.
- Two letters of recommendation in support of the nominee’s nomination must be submitted, one of which is from senior management of the nominee’s organization.
- Nominee’s current professional resume’ must also be submitted.

SFE accepts nominations online at www.sfe.org and more information is available there.

“The SFE annual conference is a valuable event that dives deeper into numerous concepts and trends affecting the payments industry. Notable speakers allow attendees to engage in discussion on many industry impacts and how these changes may also affect end customers.”

Ron York
Executive Head of Treasury Management
First Horizon Bank
Memphis, TN
Professional Services

Compliance Services

Keep your institution efficient and compliant while giving your team peace of mind. Who better to provide compliance services such as audits, risk assessments and reviews to your organization than your resource for electronic payments information and training? SFE’s knowledgeable staff is available to complete the following services for your institution.

ACH Annual Audit for Financial Institutions, Third-Party Senders, and Third-Party Service Providers

Nacha requires that all participating Depository Financial Institutions, Third-Party Senders, and Third-Party Service Providers that provide ACH services conduct an Annual ACH Audit. Our team of experts can conduct your annual ACH audit and examine each facet of your ACH operation.

ACH Risk Assessment for Financial Institutions, Third-Party Senders, and Third-Party Service Providers

Each Financial Institution, Third-Party Sender, and Third-Party Service Provider is required to 1) perform a risk assessment of their ACH activities, and 2) implement risk management programs in accordance with the requirements of their regulators. The FFIEC recommends performing a risk assessment when you have changes in technology, your operating environment, number or types of originators, products that you offer, returns or charge-offs, or personnel. Many institutions benefit from an assessment every 12 to 18 months. A Financial Institution must understand and identify the complexity and nature of their ACH services to effectively perform the risk assessment. An SFE AAP can evaluate your services and perform a thorough compliance review with the required risk management practices and assess your ACH risk.

"BankTennessee has used Southern Financial Exchange’s audit services since 2007. This service has helped the bank to recognize areas within ACH to help implement policy and procedures as well to help with the continued changes as mandated by Nacha. The bank has engaged the Risk Assessment services for years and this alone served as time and money well spent. The audit staff is courteous, dependable, and professional when they are conducting audits for the bank. The bank recommends Southern Financial Exchange for any audit services and will continue to utilize their services."

JoAnne Hamlin
Senior Vice President
BankTennessee
Collierville, TN

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Compliance Services

Originator Compliance Review

Nacha requires all Originators to be bound by Nacha Rules as a standard component of every ACH agreement. But do Originators really understand their responsibilities as a key participant in the ACH Network? Staff turnover is a constant obstacle to providing a consistent rules compliant environment. SFE can help identify areas of misunderstanding and put the Originator on the path that can protect both the Originator and their ODFI from inherent risks that exist in the ACH Network. The Originator Compliance Review provides an assessment for each facet of ACH operations to help you manage risk and minimize losses, ensure compliance with Nacha Operating Rules and Guidelines, and enhance ACH quality and customer satisfaction.

RDC Risk Assessment and Audit of Internal Controls

SFE’s RDC Risk Assessment and Audit of Internal Controls reviews the financial institution’s compliance with FFIEC Guidance, analyzing your internal controls, and risk management process. The various methods for using RDC within the financial institution include mobile RDC, branch/teller capture, and merchant capture.

Wire Transfer Risk Assessment and Audit of Internal Controls

Wire Transfers are becoming more of a focus for regulatory agencies during yearly exams. Wire transfers are attractive to business customers and consumers because they allow funds to settle same day and they are irrevocable. Both attributes make wire transfers a significant risk. Let one of our payments experts complete an assessment of your institution’s wire transfer program to ensure your program is following regulatory guidelines. All methods in which the Financial Institution receives wire requests are considered during the review.

Real Time Payments (RTP) Audit

The Clearing House requires all RTP Participants to complete an annual audit to verify compliance with the RTP Participation and Operating Rules, as required by RTP Operating Rule IX.A.2. Our team can conduct your RTP audit and examine each facet of your RTP operations. The audit includes a review of compliance with the RTP Participation and Operating Rules, online banking products using RTP, and procedures related to processing RTP payments.

"Our institution has used SFE for ACH Audit Services for a number of years. We have also engaged them for our required ACH Risk Assessment. Meeting regulatory requirements was a major factor in our decision to engage SFE for these services; however we have found that the knowledge and information we received during these reviews has been equally important. Our staff has gained more insight into the risks associated with this service as well as tips to efficiently maintain and monitor our controls. An added benefit is the training that our Internal Auditor has received while working with the ACH experts from SFE."

Anne G. Tirey, CCBIA, CCBCO, CIA, CMA
Certified Internal Auditor/Certified Compliance Officer
VP – Audit; Internal Auditor/Risk Management Officer
Guaranty Bank & Trust Company
Belzoni, MS

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Advisory Services

Do not let projects simmer on the back-burner. SFE Consultants can develop a customized consulting program to meet your electronic payment project needs. Programs may include: ACH Origination Start-Up, Risk Management and Policy and Procedure Development, to name a few.

Consulting

SFE offers customized consulting on emerging payments topics. Our experts will design a program that fits your specific needs. Contact us to find out about creating a highly customized and effective program. Topics might include: New Product and Service Launches, Conversions, Policy and Procedure Development, or Payments Strategy, to name a few.

Customized Education

SFE offers customized training on any electronic payments topic. We can also modify our current curriculum to meet your organization’s needs. Customized training can be presented in half-day, full-day, multiple-day or in an hourly format. You may choose an on-site visit or a webinar format.

Legal Consulting

Banking Law Information

SFE’s Banking Law Information Service is a valuable member resource for all areas of payments laws and regulations, including: ACH operating rules, wire transfers, check products, card products, federal regulations, Uniform Commercial Code, OFAC regulations, Bank Secrecy Act, USA PATRIOT Act, ECCHO rules, and more.

Paul Carrubba and Scott Jones, Partners in the law firm of Adams and Reese LLP and counsel to SFE, provide this service to SFE and our members. As a complimentary benefit, SFE members can call Adams and Reese LLP for answers to most basic questions without establishing an attorney-client relationship. Adams and Reese LLP is also able to provide answers to complex questions and reliable legal advice in specific situations at a discounted rate for SFE members. These services are subject to your organization and Adams and Reese LLP first agreeing to an engagement letter setting forth the terms of the representation.

Publications

In conjunction with Nacha and the other Payments Associations, we are proud to offer our members significant discounts on a wide variety of payments-related publications developed by nationally-recognized experts. Electronic and printed publications are available online at discounted pricing to members at www.sfe.org. All of our members receive a complimentary copy of the updated ACH Rules book each year. Additional copies of the ACH Rules book in print, online or app format can be purchased at www.sfe.org.