



## Important Information for FJC Borrowers Related to Operations During COVID-19

Updated April 3, 2020

### Main takeaways

- We are operating remotely and very much open for business.
- FJC can't accept any paper checks or correspondence via US Mail.
- We are transitioning to 100% paperless operations.

### Is FJC Operating?

**Yes!** We are following the guidance provided by New York State to stay at home, and we are transitioning to 100% remote operations. At FJC we stand committed to working with our borrowers to provide much needed loan capital, particularly in times of crisis.

### How does FJC's remote operating environment affect our requests for drawing funds?

It doesn't. You should request draws as you normally would, submitting the requests electronically via email.

### What about interest and principal payments?

We can no longer accept paper checks for payments. We are offering two ways you can submit payment electronically:

- **Wire transfer.** If you wish to pay by wire transfer, please refer to the wire instructions attached in our invoice. Related fees for wire transfers depend upon your financial institution, and we recommend you review your fee schedule for additional costs.
- **ACH disbursement.** If you prefer to send payment via ACH, please reach out to Monique Bloomfield ([Bloomfield@fjc.org](mailto:Bloomfield@fjc.org)), and she will follow up with additional information about signing up for Bill.com, a third party service organization that will facilitate the electronic transactions on our behalf. Setting up the account might be a slight hassle (you have to create a username, password, and enter your banking information). However, once the setup is complete, we believe this new approach will prove to be more efficient and secure. There are no transactional costs to your organization to send payments by Bill.com.

### What exactly is ACH?

ACH stands for Automated Clearing House, which is a network that coordinates electronic payments and automated money transfers. ACH is a way to move money between banks without using paper checks, wire transfers, credit card networks, or cash. If you have ever paid a bill through your bank's online bill pay system (or e-filed your taxes), chances are you have probably used an ACH platform.

To enable our ACH payment system, FJC has set up a master account with a company called Bill.com, a provider of cloud-based software that automates back-office financial operations for small and midsize businesses. We researched a number of cloud-based payment systems, and have chosen Bill.com

because it best fits our current systems and provides the highest degree of safety and security for our account holders and borrowers.

### **Is ACH the same as wiring funds?**

They are similar electronic payment processes, but they rely on different clearinghouse intermediaries. Wires tend to be faster (same day). ACH transfers can sometimes take up to six business days to clear. Also in terms of fees, ACH payments tend to be cheap for the sender and free for the receiver. Wires can cost both parties.

### **Are there cybersecurity risks with ACH?**

As you can imagine, any changes to our operations means reducing some risks and introducing others. We are very mindful of the risks to security and data integrity in moving to a cloud-based platform. Bill.com is an established company that is compliant with all Federal and state regulations governing financial data. The company undergoes a rigorous Service Organization Controls Report (SOC Report) process that audits and tests their security systems. We are confident that Bill.com is taking aggressive measures to mitigate the risk that data breaches may compromise your data banking data.

### **I have special circumstances or particular hardships related to electronic transactions. What do I do now?**

Please contact our CFO Regina Rodriguez by email ([Rodriguez@fjc.org](mailto:Rodriguez@fjc.org)) or phone (212-714-0001 x7425) and we will assist you.

### **What's the best way to communicate with FJC?**

Although we are working remotely, we are using all our usual modes of communication (other than US Mail). We recommend email for routine questions and correspondence. You can find our email addresses [here](#) or contact us at [FJC@FJC.org](mailto:FJC@FJC.org). All phone calls and voicemails will be promptly returned.