



A Look at Person to Person Payments

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PopMoney, Venmo, Zelle, Paypal...you've probably heard these names before, but do you know what they are and what they do? These are all methods of Person-to-Person Payments (P2P) - an online technology that allows consumers to transfer funds from their bank account to another individual's account via the internet or smartphone.

These types of services make transferring money quick and easy, and can be used in many ways. Need to pay back a friend for lunch? Or your daughter for picking up that extra Christmas gift while she was out? In some cases, you may even be able to pay for purchases at other retailers within the P2P app.

Here's how it works...

Say you're out to dinner with your cousin Bob and want to split the check. Instead of fumbling around for bills and coins, or asking the server to go back and create two separate bills, Bob pays using his card. You take out your phone and open your app of choice, pick Bob from your contact list, type the amount you want to send and your PIN (if you have one), and voilà — you've paid Bob back.

Once Bob receives the money, he can leave it in his P2P account for the next time it's his turn to pay, or he can transfer it to his bank account. Different services may have different steps or requirements, but most work something like this.

Are P2P payments safe?

Though all of the major P2P systems encrypt, or shield, your financial information, some have been subjected to hacks and scams. But many apps have fraud monitoring and support teams to help resolve unauthorized transactions. You can help P2P services keep your money safe by adding a PIN, opting for a notification for every transaction, making sure you know the person who you are paying and receiving money from, and by linking to an outside account. Also, double check that you are entering data carefully. If you mistype a recipient's email address, phone number or name, the money could go to the wrong person.

How fast are P2P payments?

Although transaction notifications are sent right away, the money itself may take one to three business days. Some providers are faster, and some also offer instant transfers for a fee. Generally speaking, you can make P2P payments from a linked bank account or straight from the P2P account for free. But some providers charge fees — 2% or 3% to process payments drawn from a credit or debit card, for example — for other payment methods.

Ready to try it? Zelle® is coming to ICB December 12!

To get started, log into online banking, or ICB Mobile. Navigate to Bill Pay, and select "Send Money with Zelle" Learn everything you need to know about Zelle at InvestorsCommunityBank.com/zelle

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