Associated Connect®

Reference Guide: ACH and Check Positive Pay

Associated Bank

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Associated Connect Access

Associated Connect provides secure, single sign-on access to your business and commercial banking services through AssociatedBank.com/Business or AssociatedBank.com/Commercial.

Available Services

Once signed in, users can access a wide range of online banking functions:

Banking	Account Balances, ACH Origination Check Inquiry, Image Search, Positive Pay, Stop Payments, Transfers and Wire Transfers
Account Summary	View balances and transaction details
Cash Management	Bill Pay*, Cash Ordering, Checkview, FX Manager, Lockbox, Remote Deposit and Trade Services
Transmission and Reporting	Document Center, Export Tools and File Transfer

*Some services within the bill payment service have service charges. Please refer to the Business Fee Schedule or the applicable Checking Product Disclosure for details. (1276)

Sign-In and Security

Access to Associated Connect requires identity verification through one of two methods:

High-Risk Services	• Sign in with your username and password. • Verify identity using multi-factor authentication (MFA) with a unique access code from a mobile or physical token.
Low-Risk Services	• Sign in with your username and password. • Verify identity using a unique access code sent by text message (SMS) to your registered mobile number.

For help with tokens, see the Multi-Factor Authentication and Password Management Guide or contact Customer Care at 800-728-3501.

Associated Bank does not charge a fee to download our digital applications; however, transactional fees may apply. Carrier message and data rates may apply; check your carrier's plan for details. Visit AssociatedBank.com/disclosures for Terms and Conditions for your service. (1406)

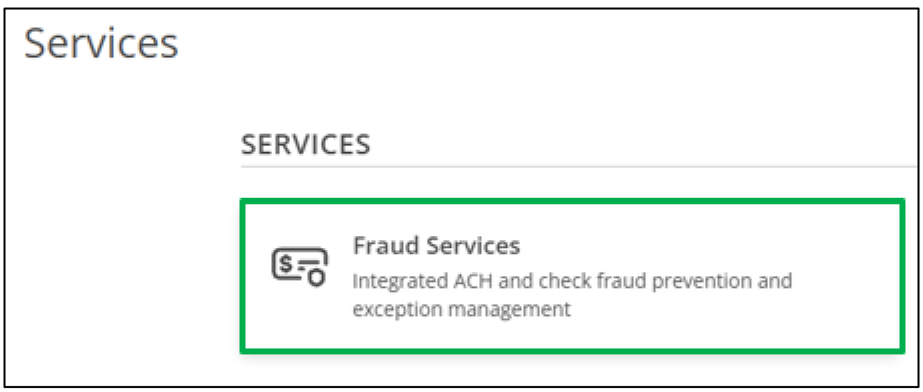
Fraud Services

The Fraud Services module includes the following products:

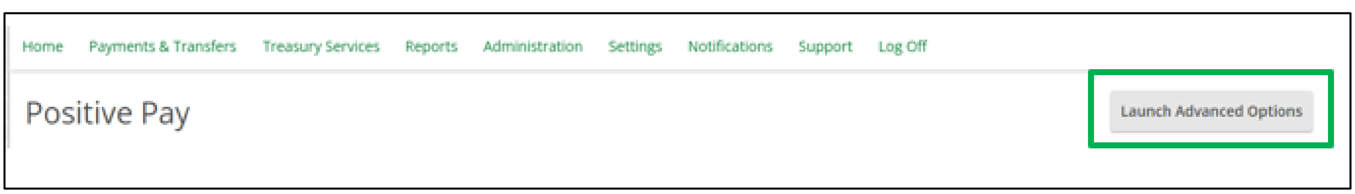
- ACH Positive Pay
- Check Positive Pay
- Reverse Positive Pay
- Account Reconciliation

Fraud Services Menu

After selecting **Account Details & Services** in the Associated Connect portal, select the **Treasury Services** tab, then select **Fraud Services**.



Once in the Fraud Services screen, select the **Launch Advanced Options** button in the top, right-hand corner of the screen.

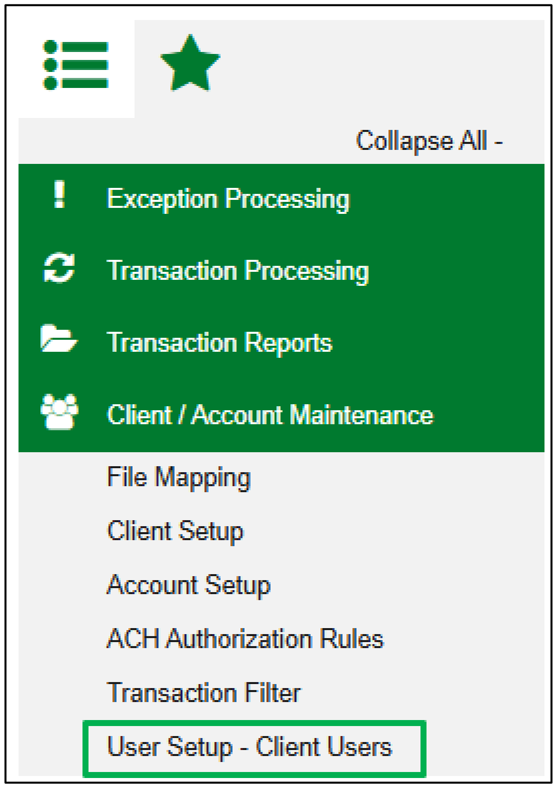


Administration and Alerts

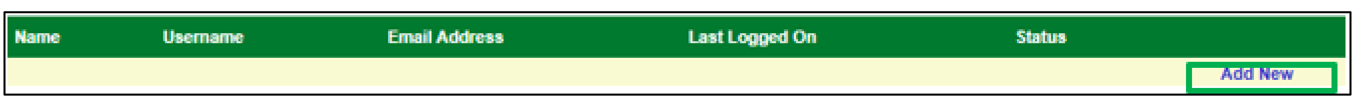
New User Entitlements

Each user of the Fraud Services module will need to be set up by a Company Administrator prior to use. To do so, select **Client/Account Maintenance > User Setup – Client Users** on the navigation menu.

Note: *New users must first be created on the Associated Connect portal and entitled to appropriate access. See the Administration Guide for detailed instructions.*

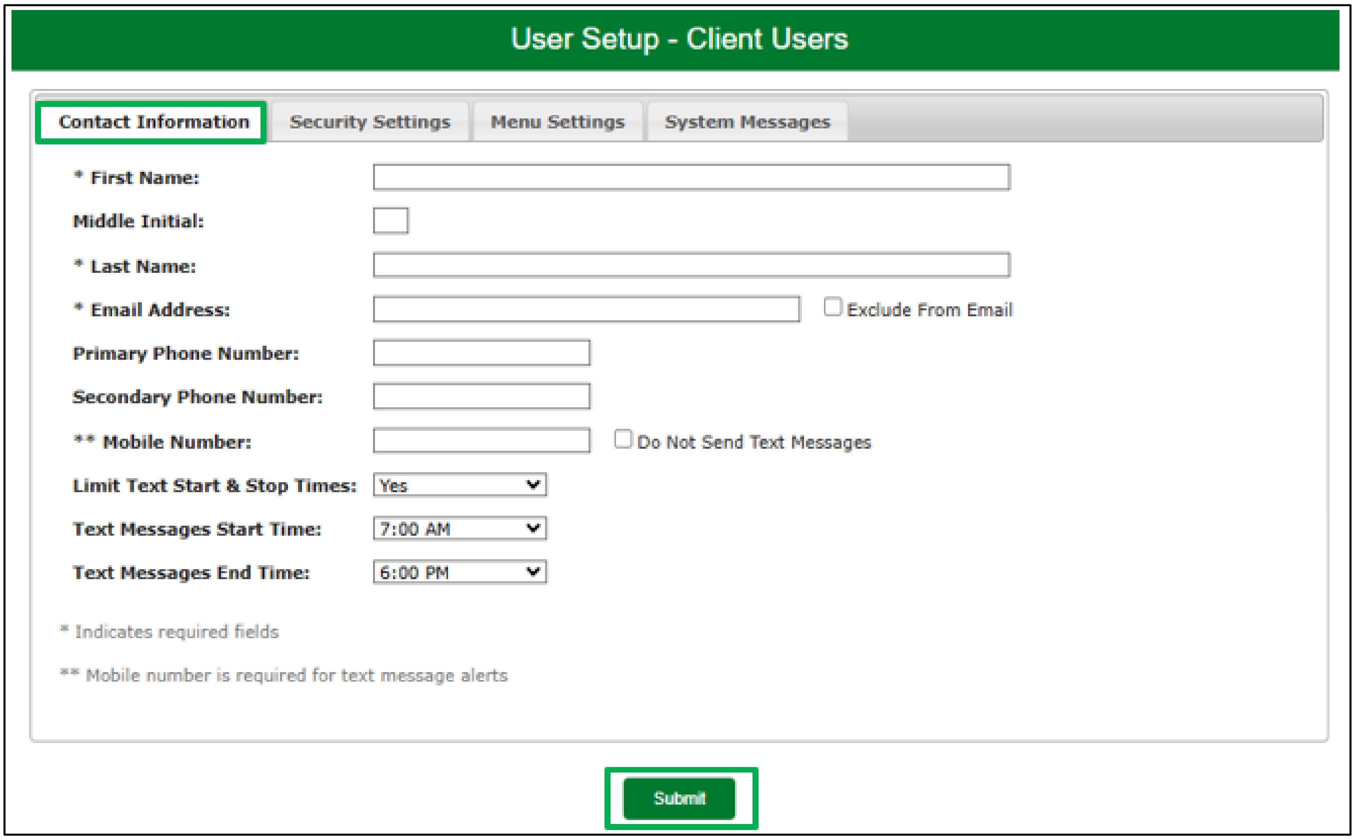


Select **Add New**.

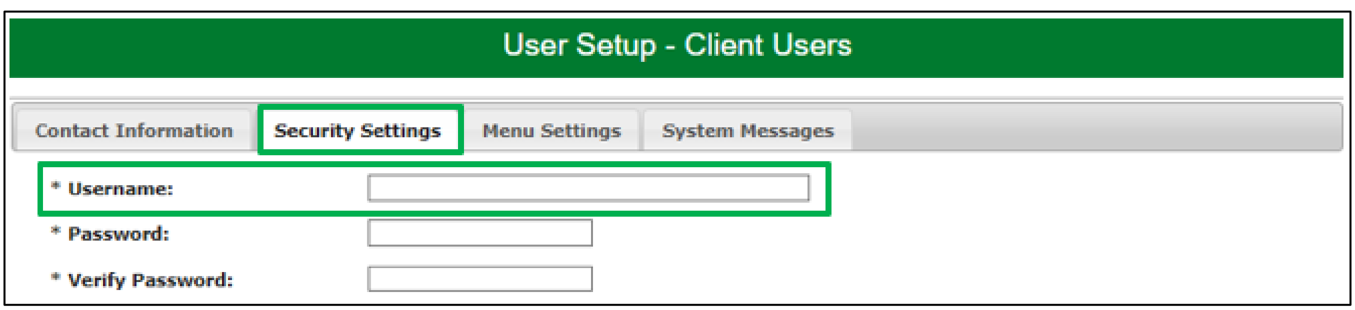


Next, on the **Contact Information** tab, complete the required fields indicated with an asterisk (*).

Note: *To receive text alerts, you must enter a mobile number on this screen. The email address needs to match the user's email in Company Admin on the Associated Connect Portal.*

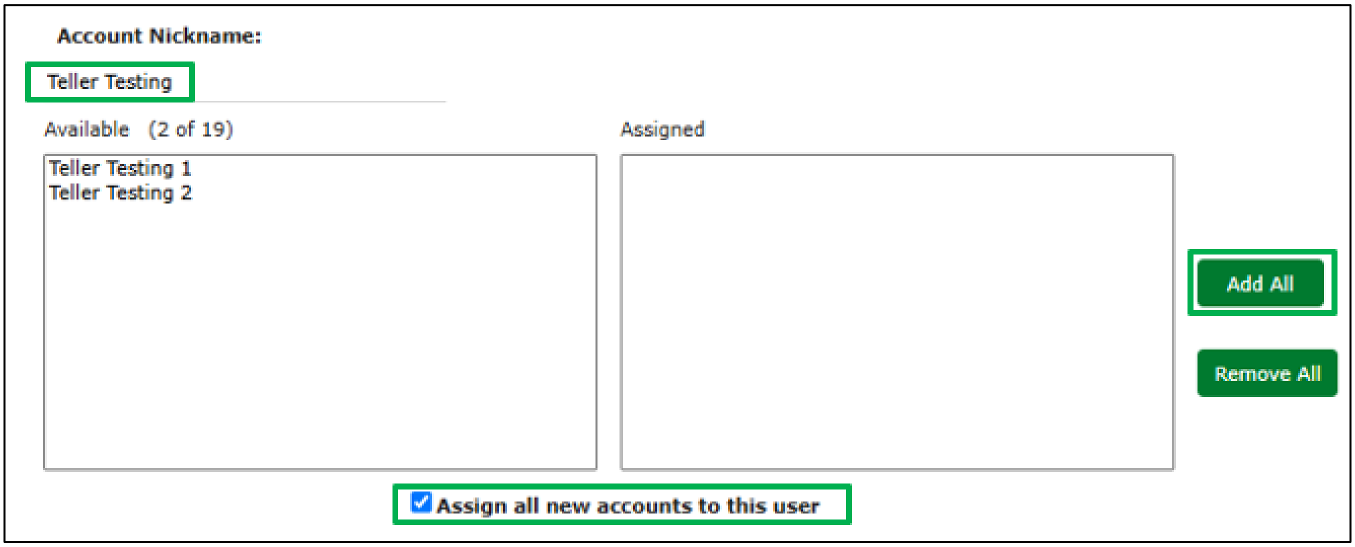


Next, select the **Security Settings** tab. Enter the user's existing Associated Connect Username. A password is required when creating the user, but it won't be used for sign-in or any other purposes. Access is managed through the normal Associated Connect sign-in process.



All available accounts will appear. Select the applicable accounts to assign them to the user. If the user should have access to all accounts, select **Add All** on the right-hand side. You can also automatically assign all future new accounts to be added to the user by selecting the check box at the bottom.

Note: *If you need to search for a specific account, you can search by all or part of the account nickname, including the last four digits of the account number.*

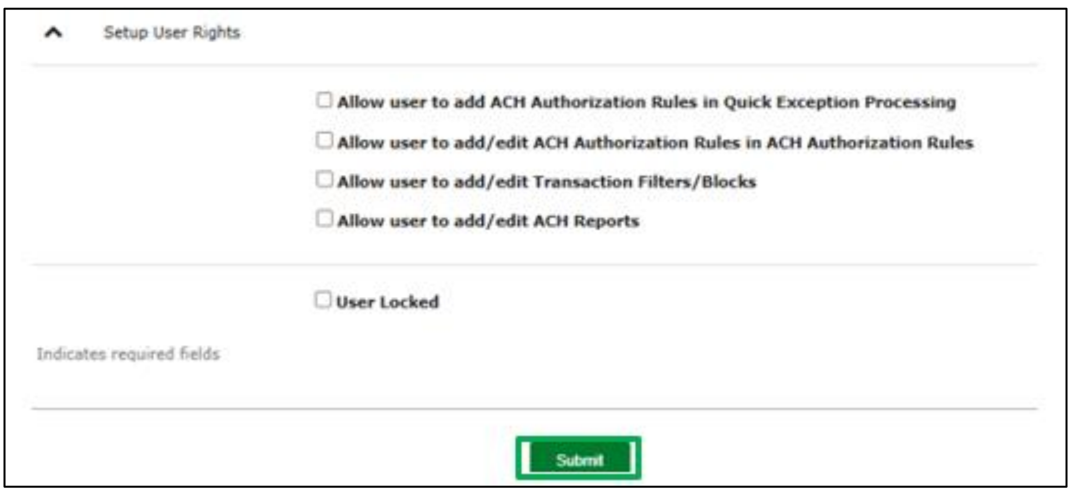


Select **Transaction Data User Rights**. Based on the user, you'll need to select the appropriate configuration for that individual user.

The chart below explains each entitlement in greater detail.

Transaction Data User Rights	Explanation of Entitlement
Allow user to add/edit transactions	Can submit issued checks/issued check files and voids.
Allow user to delete transactions	Can delete outstanding issued or voided checks.
Allow user to download issued check files	Can download and view an issued check file after it is uploaded.
Check Exception Type	• **No Access:** Cannot view or decision check exceptions. • **View Only Access:** Can only view but cannot decision check exceptions. • **Full Access:** Can view and decision check exceptions.
ACH Exception Type	• **No Access:** Cannot view or decision ACH exceptions. • **View Only Access:** Can only view but cannot decision ACH exceptions. • **Full Access:** Can view and decision ACH exceptions.

Select the **Setup User Rights** dropdown. Based on the user, you'll need to select the appropriate configuration for that individual user. Then, select **Submit**.

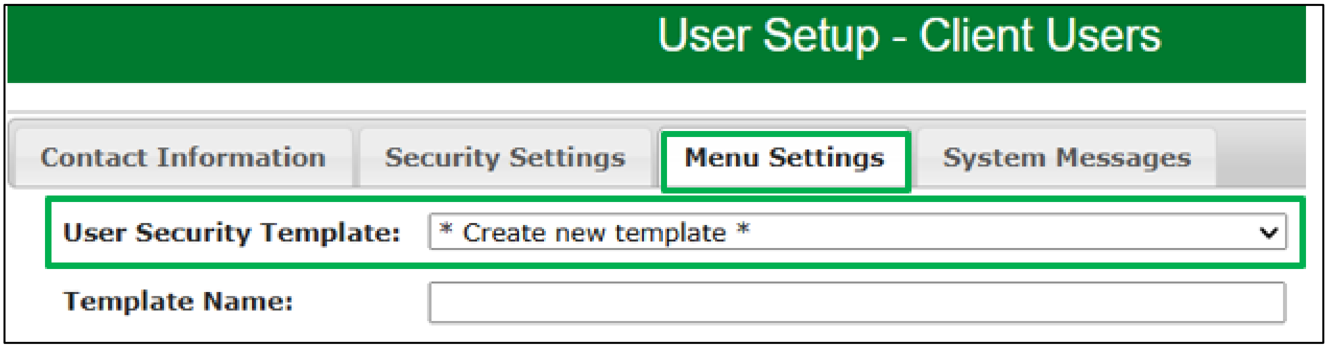


The chart below explains each entitlement in greater detail.

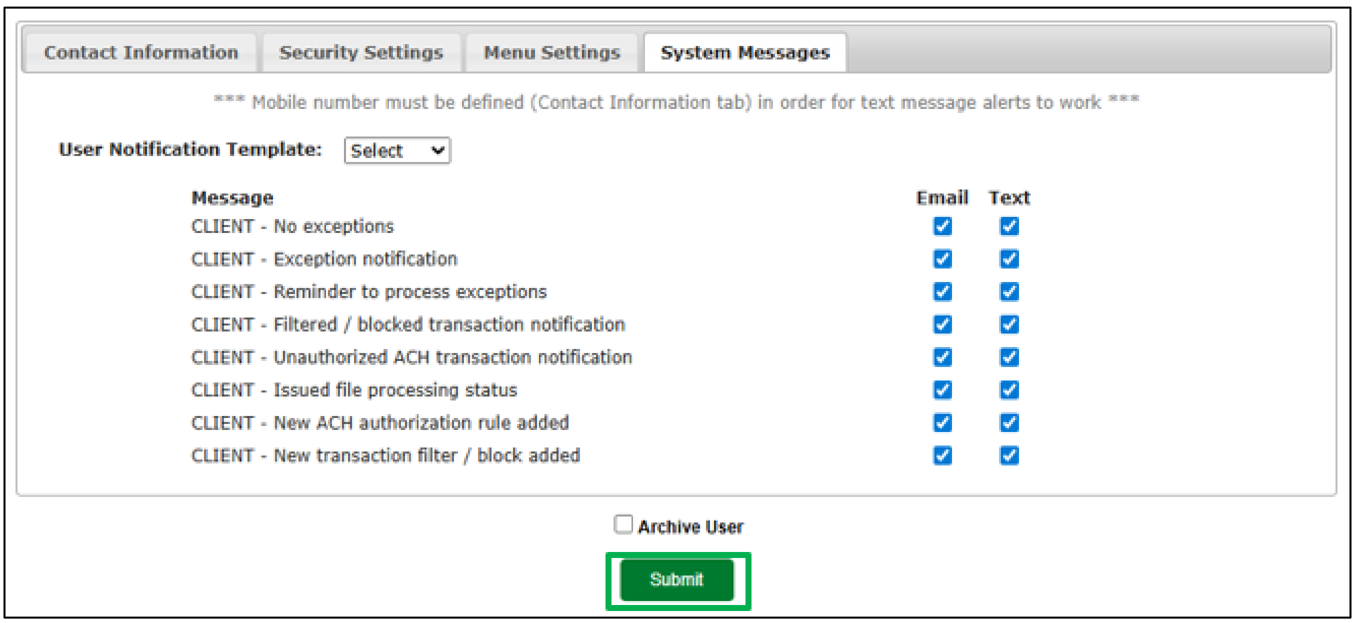
Setup User Rights	Explanation of Entitlement
Allow user to add ACH Authorization Rules in Quick Exception Processing	**From Exception:** Add to the ACH Authorization Rules (approved list) when an exception occurs to prevent future exceptions.
Allow user to add/edit ACH Authorization Rules in ACH Authorization Rules	**Manual Entry:** Proactively add to the ACH Authorization Rules (approved list) before an exception occurs.

On the **Menu Settings** tab, a default **User Security Template** will be available. This template will provide the user access to all available menu options. If a user needs customized menu access, there is an option to **Create new template**.

Note: *As a reminder, this step only gives menu options. Functional access is given on the Security Settings tab.*



Select the **System Messages** tab to entitle alerts for the user. Both email and text message alerts are available for check and ACH Positive Pay. When complete, select **Submit**.



The chart below explains each alert in greater detail.

Alert Name	Definition	Pros	Cons
No exceptions	No exceptions for Check and/or ACH Positive Pay that day	Provides daily reassurance; no need to log in to confirm	Causes system to generate an alert every day; may increase billing; may be difficult to manage if have many accounts
Exception Notification	Check and/or ACH Positive Pay exceptions need to be reviewed/decisioned	Timely reminder when action is required; helps prevent fraud	Increases billing; may not be needed if already logging in every day
Reminder to process exceptions	One hour before cutoff, outstanding exception items have not yet been decisioned	Supports timely decisioning and helps prevent missing action; no added billing	May provide limited value if: decisions consistently made within 1 hour of cutoff; strong backup process exists when users who normally decision items are unavailable; default decisioning is relied upon (especially for Reverse Positive Pay)
Filtered/ blocked transaction notification	Not a functioning alert, disregard.	Will not trigger alerts whether turned on or off.	Will not trigger alerts whether turned on or off.
Unauthorized ACH transaction notification	Not a functioning alert, disregard.	Will not trigger alerts whether turned on or off.	Will not trigger alerts whether turned on or off.
Issued file processing status	Submit Issued Check File is processed successfully or has errors	Real-time notification if a file or items within a file fail; useful if users who are not the actual submitter need visibility. You will be able to see if your file is received and processed.	May increase billing, especially with daily file submissions; same information available for free on System Reports>Issued Check Processing Log.
New ACH Authorization Rule added	Rule was added to ACH Authorization rule. ACH items matching this rule will not be an exception and will be paid.	Helps detect and prevent internal fraud; encourages others to review rule changes or additions	May increase billing; could be overwhelming if many rules are added frequently
New transaction filter/block added	Not a functioning alert, disregard.	Will not trigger alerts whether turned on or off.	Will not trigger alerts whether turned on or off.

Note: *Text alerts are optional and require a mobile number to be entered upon setup.*

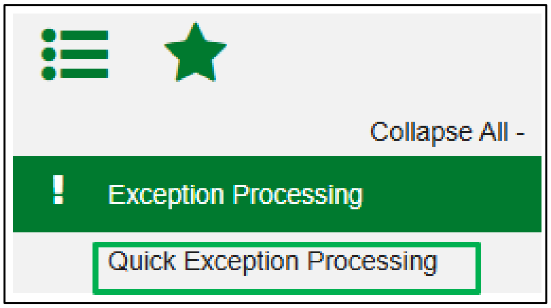
ACH Positive Pay

To manage ACH Positive Pay and make decisions on suspect items, select **Account Details & Services,** then the **Treasury Services** tab, and then select **Fraud Services.** Once you're on the **Fraud Services** screen, select the **Launch Advanced Options button** in the top, right-hand corner of the screen. A new window will open directing you to the **Fraud Services** module.

Exception Processing

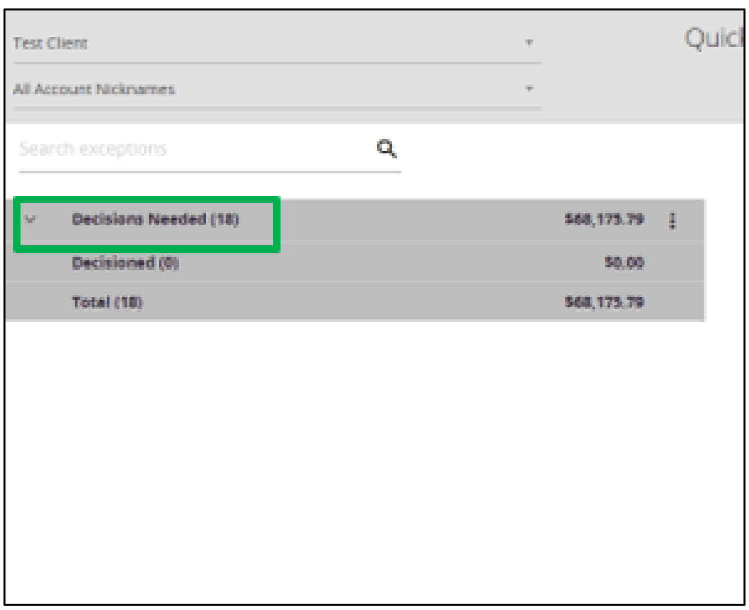
To decision your ACH Positive Pay items, select **Exception Processing** > **Quick Exception Processing** from the navigation menu on the left-hand corner.

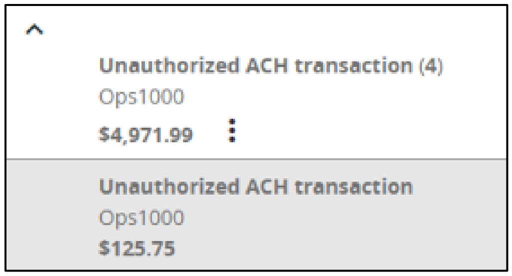
Note: *If you're entitled to Check Positive Pay, those exception items will also appear here. Refer to the Check Positive Pay section of this guide for more details.*



You'll see which items need to be decisioned for that day. ACH Positive Pay exception items must be decisioned by 5 p.m. CT. If not decisioned, your organization's default decision will apply. Reminder alerts can be set up to alert you if an item is not decisioned by 4 p.m. CT.

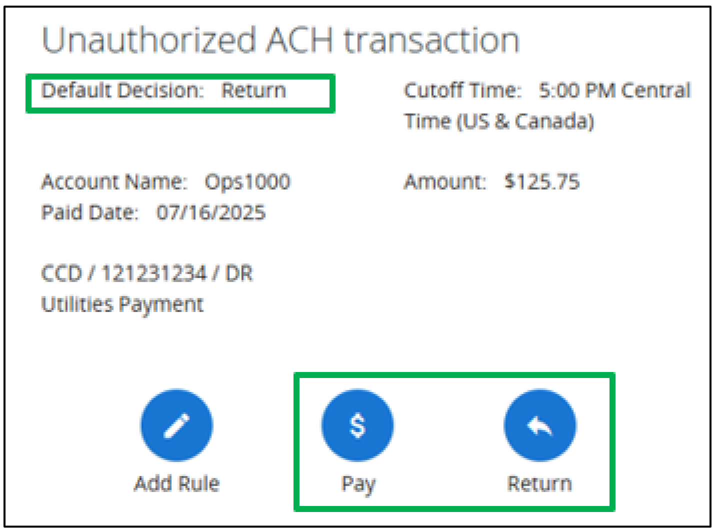
Select the **Decisions Needed** dropdown to view the exception items that need to be decisioned that day.





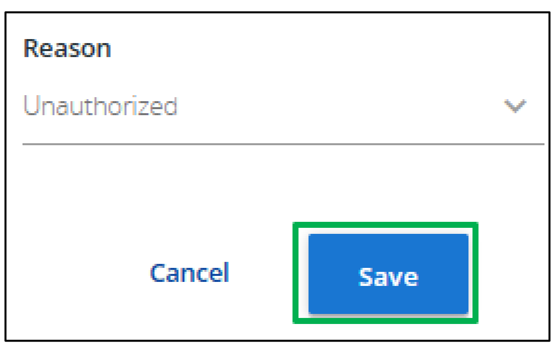
Select the transaction to see the payment details. Here, you can decision the item (pay/return) or add a rule. Select **Pay** to pay the transaction, or select **Return** to return the transaction, based on your review.

Note: *If you do not decision the item by 5 p.m. CT, the transaction will automatically be decided by your default decision, shown at the top of the transaction.*

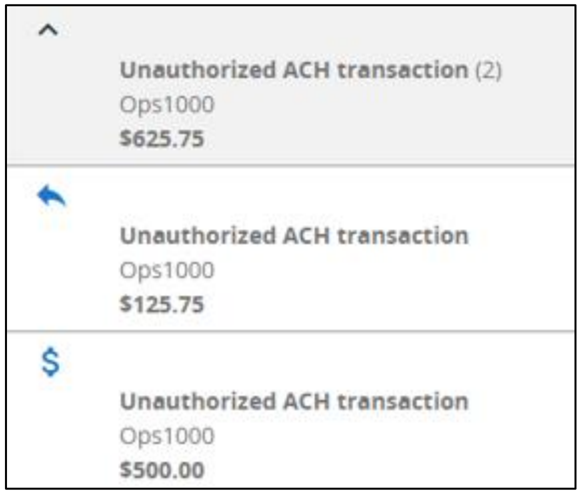


For the purposes of this guide, we'll choose to return this item. Select the reason that most accurately represents the return from the dropdown. Once complete, select **Save** and the item will be returned.

Note: *If you choose to pay an item, no reason is required. Once you select pay, the item will automatically be submitted for payment.*



Now the exception will appear next to the transaction shown in the **Decisioned** section. In this case, you can see the item is being returned due to the **arrow** indicating a return status. Items that are going to be paid are indicated with a **dollar sign** $.

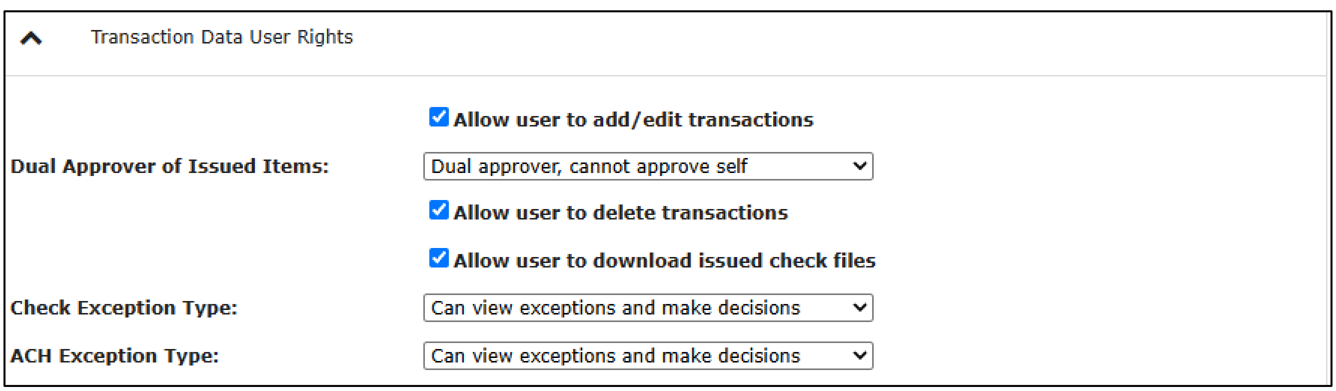


You can choose to change your **Pay** or **Return** decision until 5 p.m. CT daily by selecting the **Decisioned** group on the **Quick Exception Processing** screen, selecting the item and then revising the **Pay** or **Return** decision.

Dual Control

If your organization has dual control enabled for Positive Pay decisions, the transaction will need to be approved before 5 p.m. CT. Once the item is decisioned by the first user, any user who is an approver will receive a system generated email asking for approval. To enable or disable dual control for a user, select **Company Maintenance > User Setup – Client Users.** Select **Edit** for the user you'd like to edit.

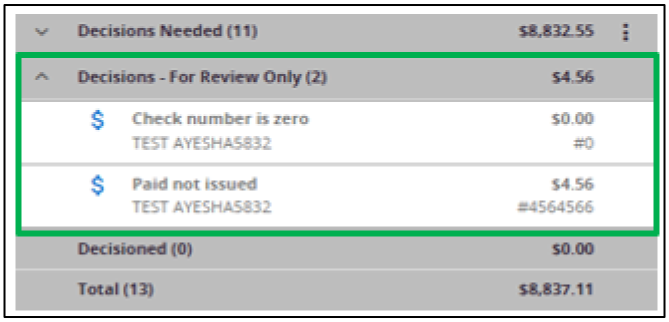
Under the **Transaction Data User Rights** dropdown, you can enable dual control for both Check and ACH Positive Pay based on your organization's needs. Select **Submit** when complete.



To approve your ACH Positive Pay items, select **Exception Processing > Quick Exception Processing** from the navigation menu on the left.

There are two types of approval / reviews:

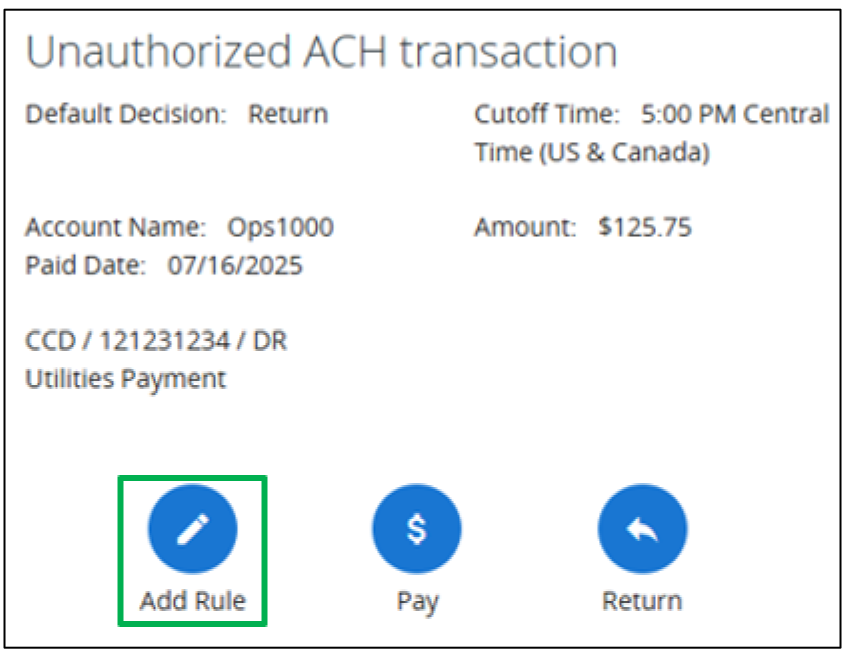
- **Decision – Pending Approval**: These require an approval before the cutoff time or the default decision will apply.
- **Decision – For Review Only**: These can be reviewed and changed by the approver, but don't require approval and will process at the cutoff time as is.



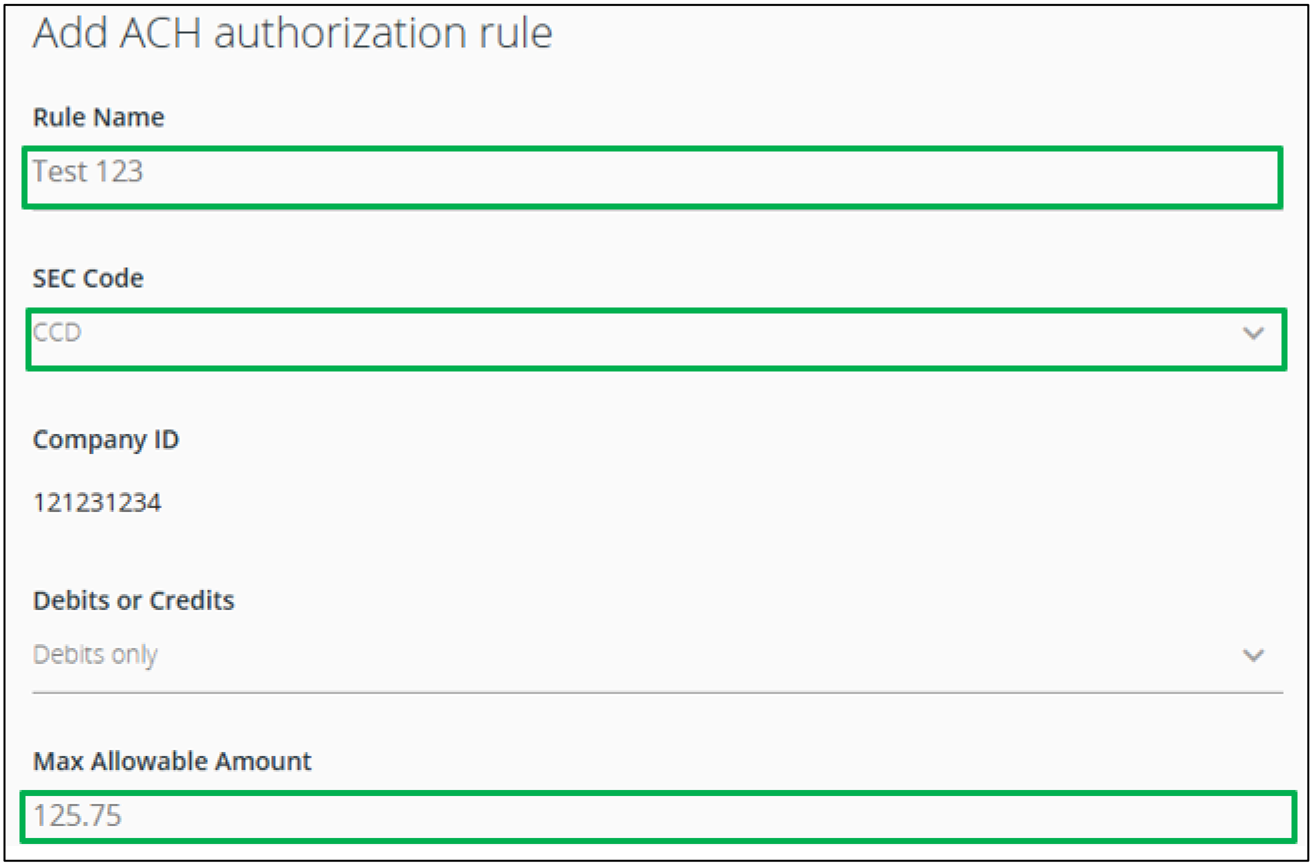
Once the item is approved, it'll process. If the item is denied by the approver, the exception item will return to the **Decisions Needed** section and will need to be decisioned and approved again before the cutoff.

Authorization Rules

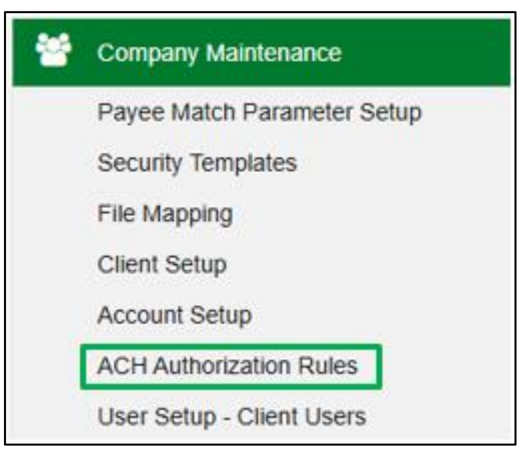
If you want to add a rule to allow for a transaction to automatically pay in the future, select the **Decisioned** group on the **Quick Exception Processing** screen, select the item, then **Add Rule**. You can also add the authorization rule before you decision the transaction.



Note: *The* ***Rule Name*** *and* ***Max Allowable Amount*** *will automatically populate with the information from this transaction. It's highly recommended you rename the rule, add any additional SEC Codes and adjust the* ***Max Allowable Amount*** *before saving the rule. Once you've reviewed the information and made any necessary edits, scroll down and select* ***Save Rule****.*



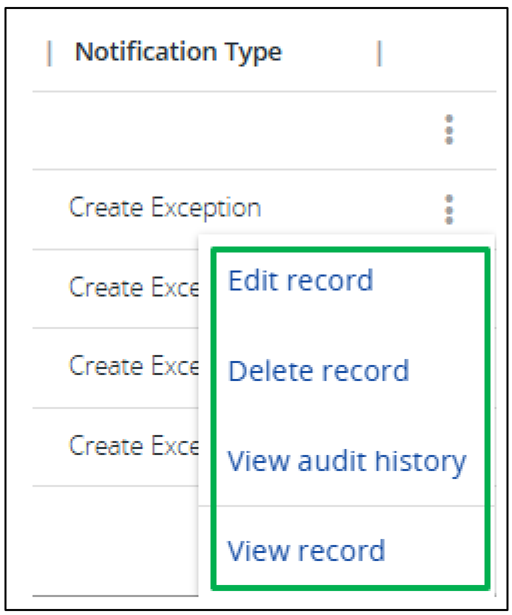
To add an ACH Authorization rule proactively or when there isn't an exception item to create a rule from, select **Company Maintenance > ACH Authorization Rules** from the navigation menu.



Your existing rules will be shown. To add a new rule, select the blue plus sign. Add the information for the rule you'd like to create and select **Save Changes**.

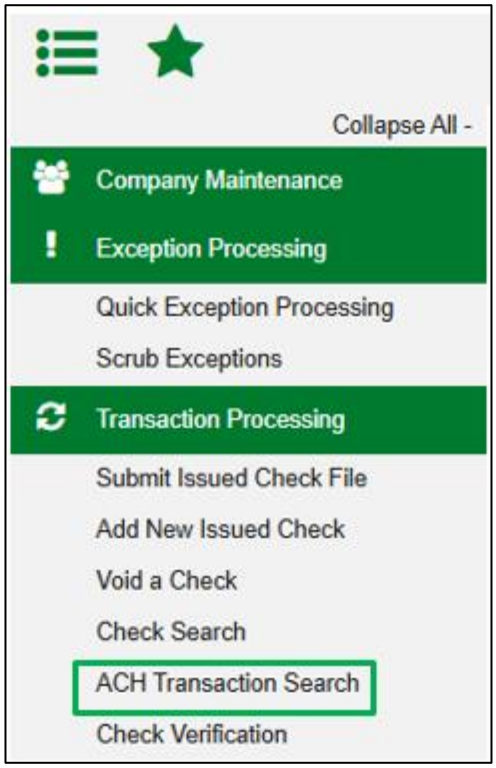
Note: *The* ***Transaction Description*** *field either needs to be blank or needs to be an exact match, or it could cause exception issues. We recommend that you leave the field blank.*

To edit, delete or view an existing rule, select the ellipses on the right-hand side.

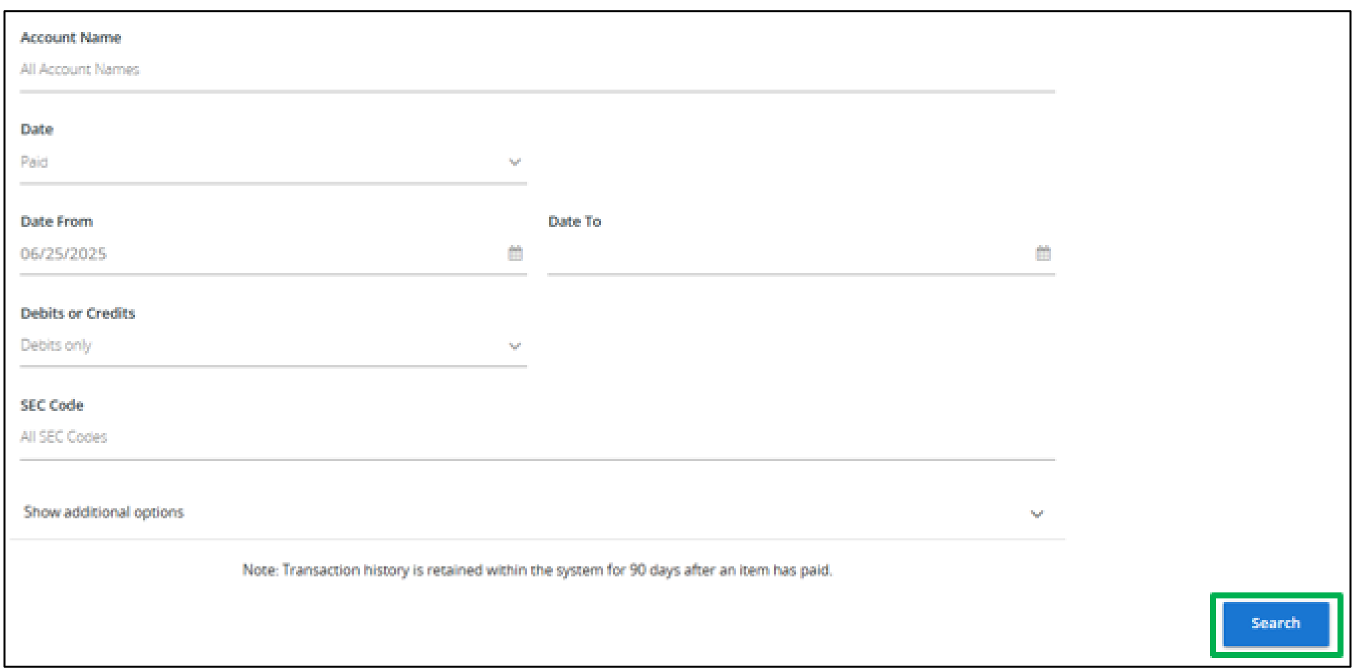


Reporting

To determine if a historical ACH transaction was paid or returned, select **Transaction Processing > ACH Transaction Search.**



Only one search criteria field of your choice is required (Account Name, Date or Date From, Date To, Debits or Credits or SEC Code). However, you'll receive more precise results by entering information in as many fields as possible. Select **Search** once you've entered your preferred search parameter(s).



If the transaction is located, it'll be displayed on the next screen, along with the paid or returned status. You can also apply a search, add or remove search fields or export your check search in the right-hand corner.

Note: *If choosing the ellipses, there's an option to* ***Edit Record*** *and then decision. <u>Do not decision exception items in this location.</u> Instead, use* ***Quick Exception Processing*** *or your decision won't be processed.*

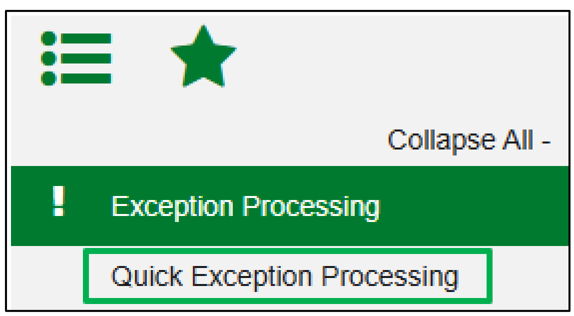
Check Positive Pay and Reverse Positive Pay

To manage Check Positive Pay and make decisions on suspect items, select **Account Details & Services,** then the **Treasury Services** tab, and then select **Fraud Services.** Once you're on the **Fraud Services** screen, select the **Launch Advanced Options** button in the top, right-hand corner of the screen. A new window will open directing you to the **Fraud Services** module.

Exception Processing

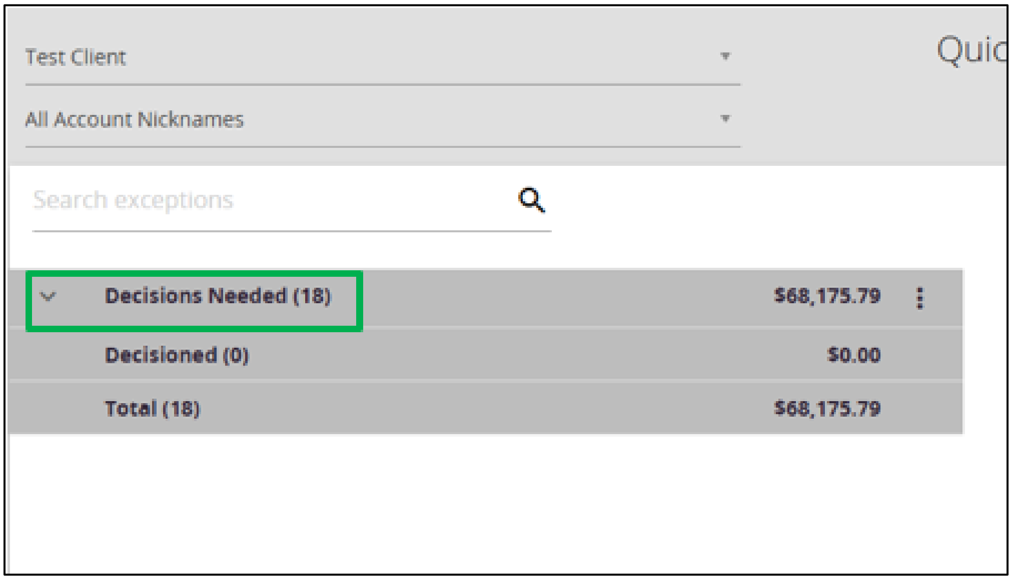
To decision your Check Positive Pay items, select **Exception Processing** > **Quick Exception Processing** from the navigation menu on the left-hand side of your screen.

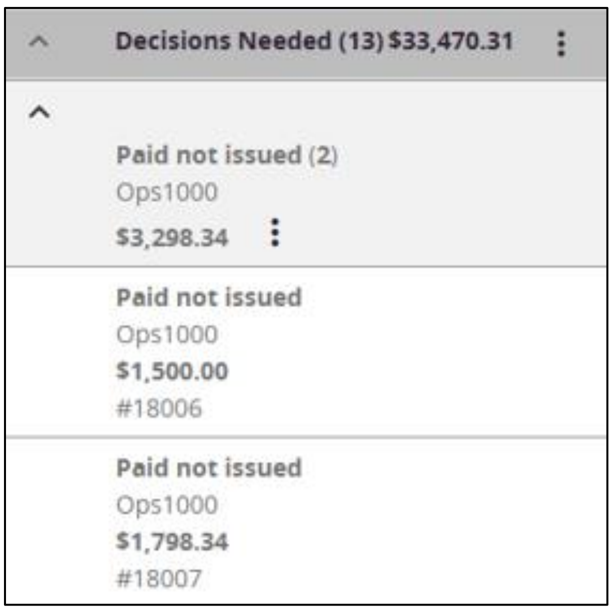
Note: *If you have ACH Positive Pay, those exceptions will also appear here. Refer to the ACH Positive Pay section of this guide for more details.*



You'll see which items need to be decisioned for that day. Check Positive Pay exception items must be decisioned by 3 p.m. CT. If not decisioned, your organization's default decision will apply. Reminder alerts can be set up to alert you if an item is not decisioned by 2 p.m. CT.

Select the **Decisions Needed** dropdown to view the exception items that need to be decisioned that day.





Select the transaction to see the payment details. When reviewing your exceptions you can choose to **Pay**, **Return** or **Correct** the item based on your review.

Note: *If you do not decision by 3 p.m. CT, the default decision, shown in the top left-hand corner will apply.*

Note: *If you choose to pay an item, no reason is required, once you select pay, the item will automatically be submitted for payment.*

Select to **Pay** or **Return** the transaction, based on your review.

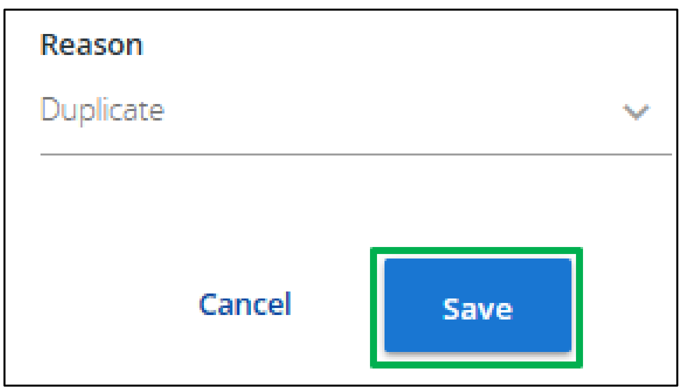
For the purposes of this guide, we will choose to return this item. Select the **Reason** from the dropdown that most accurately represents the return.

Exception reasons include:

Exception Reason	Description
Duplicate Paid Amount	Two or more checks paid with the same serial number.
Amount Mismatch	The paid check amount and the issued amount are not the same.
Stale Dated Item	The check was paid on a date later than when it was issued.
Void Item	A paid check matched a voided check.
Paid Not Issued	A paid check has no matching issue.
Payee Name Mismatch	The payee name on the paid check and the issued payee name are not the same.
Check Number Is Zero	A paid check has a zero serial number.
Payee match over amount limit	The payee name on the paid check and the issued payee name are the same, but the amount on the issued check exceeds the approved check amount.
Duplicate paid item/amt mismatch	Two or more checks paid with the same serial number and additionally the paid check amount and the issued amount are not the same.

Once complete, select **Save** and the item will be returned.

Note: *If you choose to pay an item, no reason is required. Once you select pay, the item will automatically be submitted for payment.*



Dual Control

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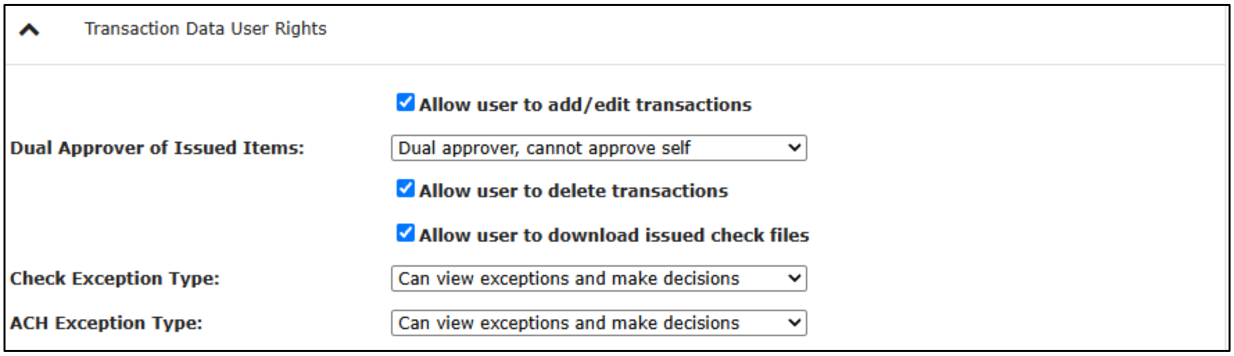
Under **Transaction Data User Rights**, you can enable dual control for both Check and ACH Positive Pay based on your organization's needs. Select **Submit** when complete.



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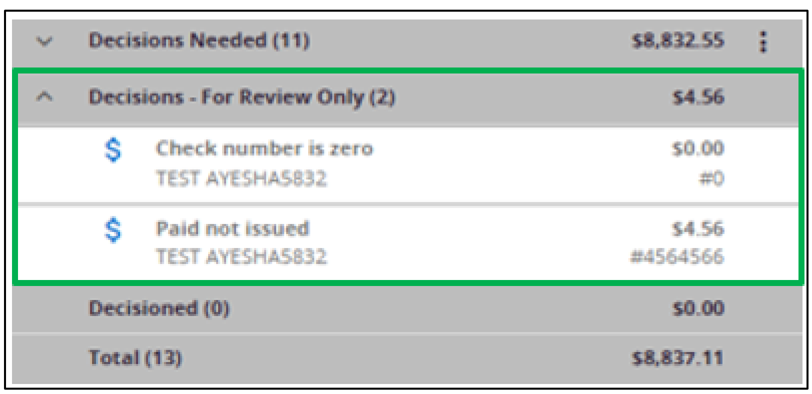
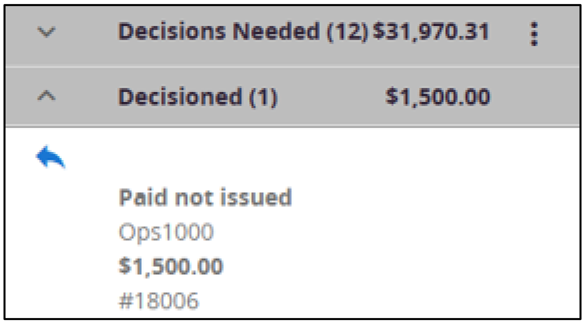


Once the item is approved, it will process. If the item is denied by the approver, the exception item is returned to **Decision** section and will need to be decisioned and approved again before the cutoff.

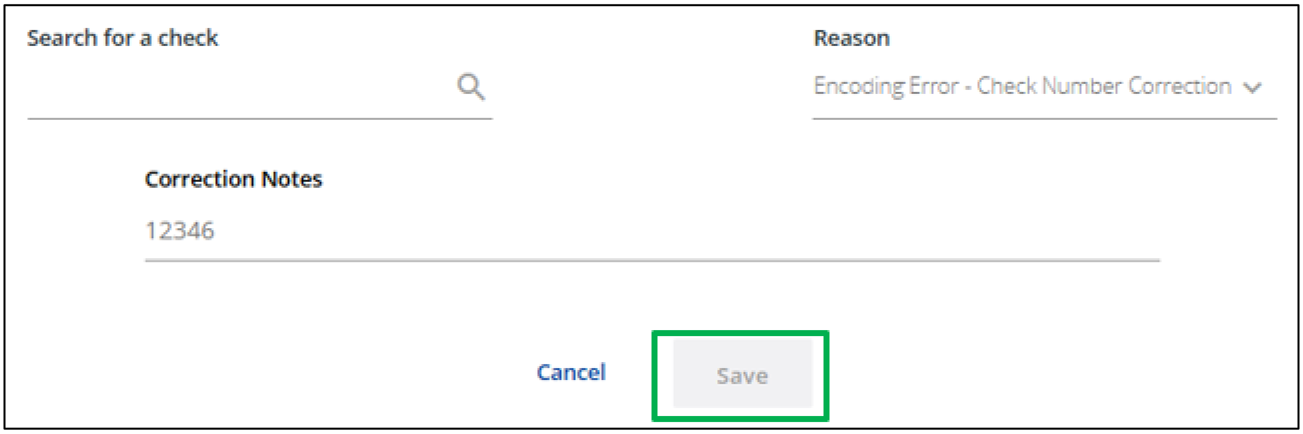
Now the exception will appear in the **Decisioned** section. In this case, you can see the item is being returned due to the arrow indicating a **Return** status. Items that are going to be **Paid** are indicated with a dollar sign $.



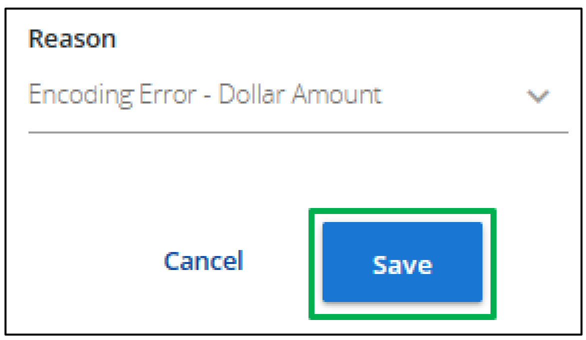
Check Corrections (Encoding Errors)

If you need to correct the check number, select the item from the **Decisions Needed** or **Decisioned** groups from the dropdown, as applicable, select **Correct** and make the necessary adjustment.

Enter the correct check number in the search. Then, select your correction **Reason** from the dropdown and enter the inaccurate check number followed by the correct check number in the **Correction Notes** field. Select **Save** when complete.

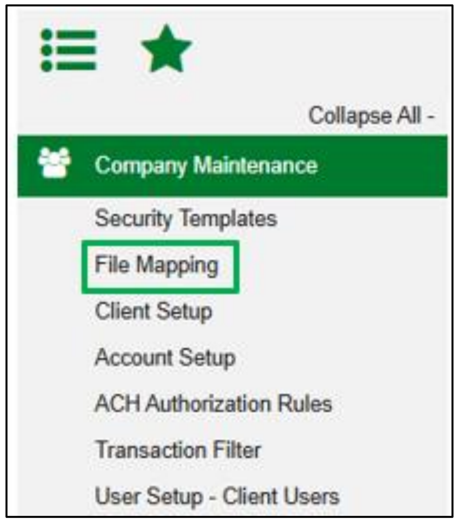


If you need to correct the dollar amount, select to **Pay** the item. Select **Encoding Error – Dollar Amount** as the **Reason**, then select **Save**. Associated Bank will review the check image and make the necessary amount correction. Users do not need to provide an accurate amount on this screen.

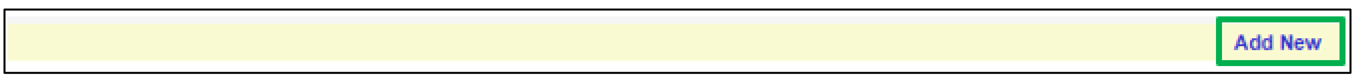


Creating an Issued Check File Mapping Format

To create your Check Positive Pay issue file map, select **Company Maintenance > File Mapping** from the navigation menu.



To add a new file mapping format select **Add New**.

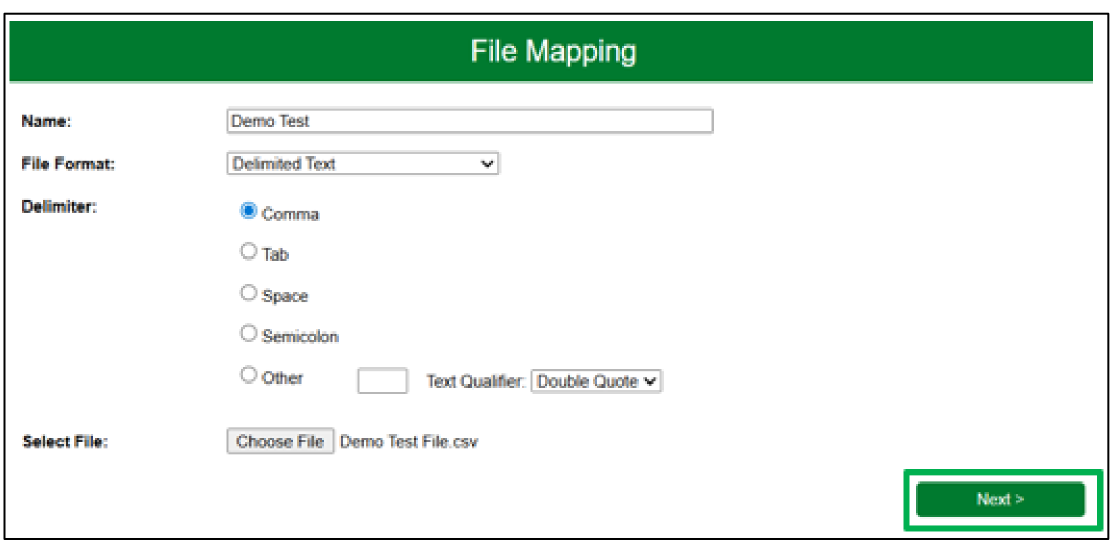


Create a name for your mapping profile. Avoid using % or ^ characters. Select the appropriate file format. If creating a Delimited Text file, select the appropriate delimiter to indicate how text is separated in a cell.

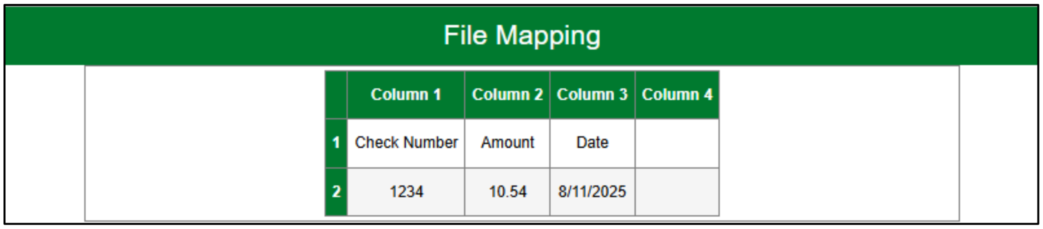
Note: *If your file contains commas in any record fields, such as payee names or amounts, it is recommended to use XLSX and the Excel File Mapping. Do not use comma delimited file types or mapping.*

Select a sample file to upload. The file must contain check number, amount issued and if using Payee Positive Pay, the payee name. Optional fields include date, account number, record type (Issued, Void, Stop) and if using Payee Positive Pay, the payee name and address. Additional fields beyond the required and optional don't need to be deleted; they'll be automatically ignored by the system.

For the purposes of this guide, we'll map a Comma Delimited File. Select **Next** when complete.

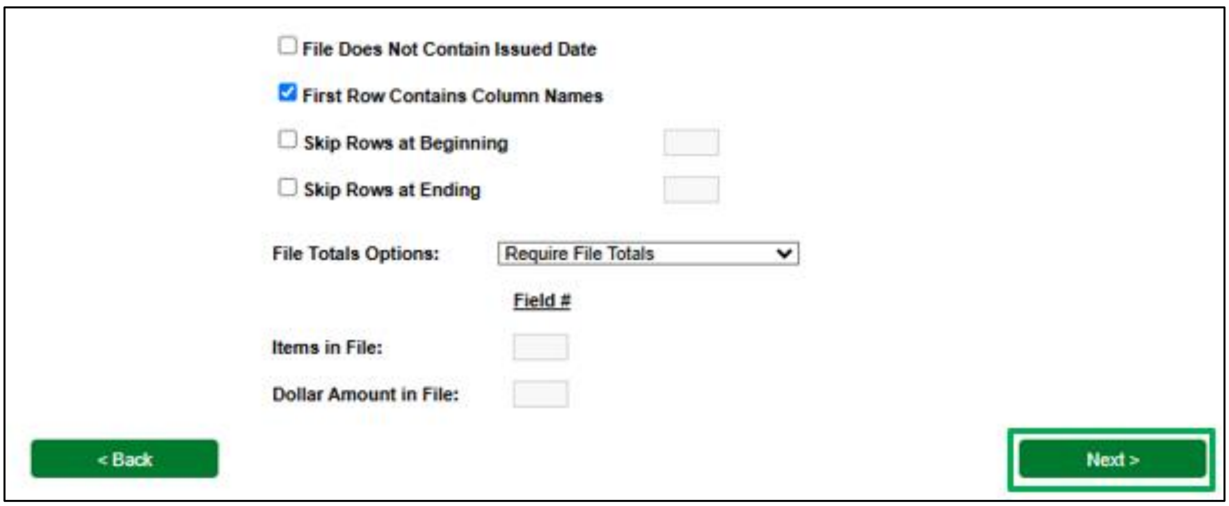


Your initial file map will appear on the top part of the screen and be separated into columns. The top 100 rows of the file will be shown in the preview.



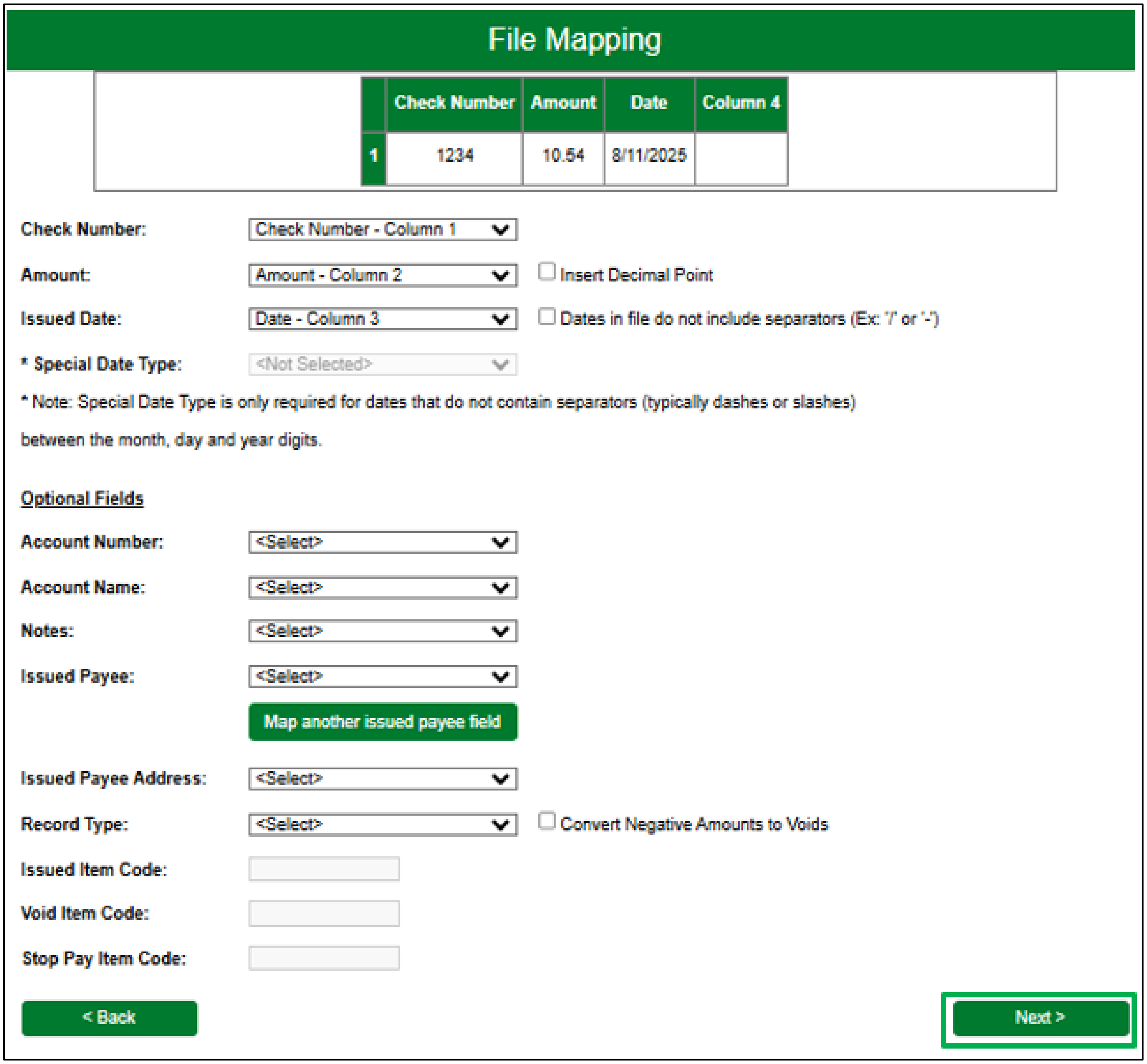
From here, make additional selections based on your specific file and its contents. The maximum number of rows that can be skipped at the beginning and end of the file is 3. Select **Next**.

Note: *For* ***File Totals Options****, it's recommended to avoid choosing Obtain Totals from File.*

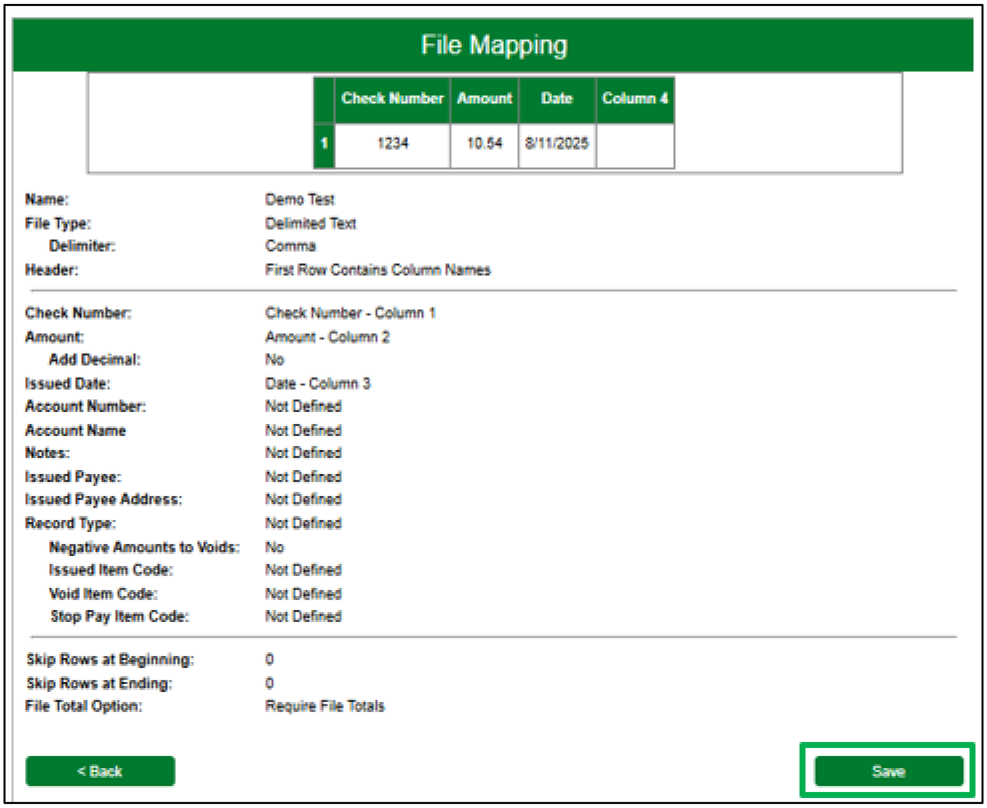


The file fields will then need to be assigned to the corresponding column. Select **Next.**

Note: *If a column isn't mapped, the data within the file will be ignored.*

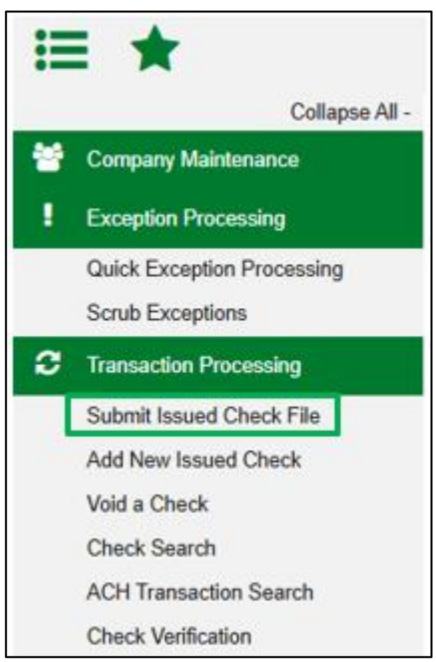


An overview will be provided for final submission. Select **Save** to submit.



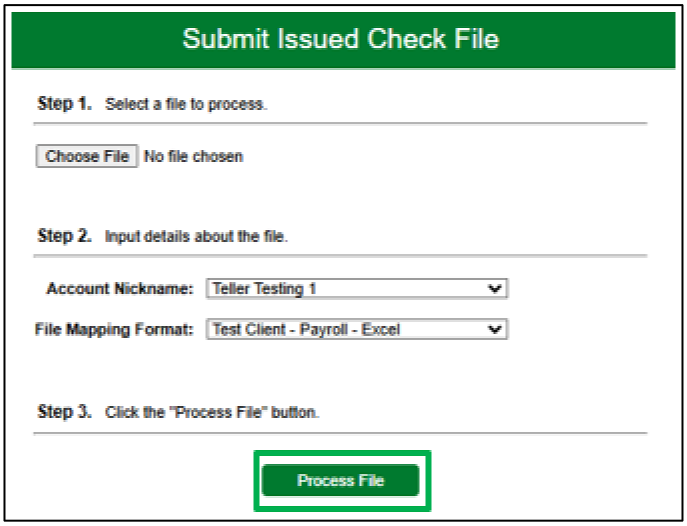
Submitting an Issued Check File

To submit your Check Positive Pay issue file, select **Transaction Processing > Submit Issued Check File** from the navigation menu.



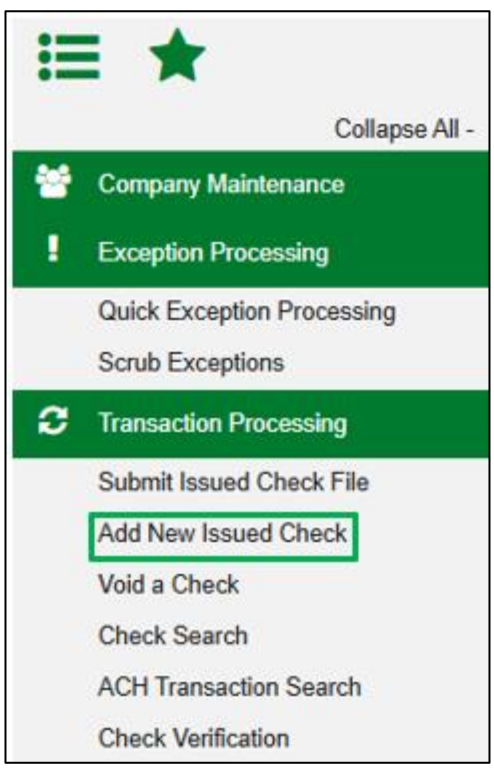
Select the file location from your computer, the **Account Nickname** and the appropriate **File Mapping Format**, then select **Process File**.

Note: *If you don't have an account number in your File Mapping, the **Account Nickname** selected will be the assigned account for the issued checks. If you do have an account number in your File Mapping, regardless of what is chosen for **Account Nickname**, that will be the assigned account for the issued checks.*



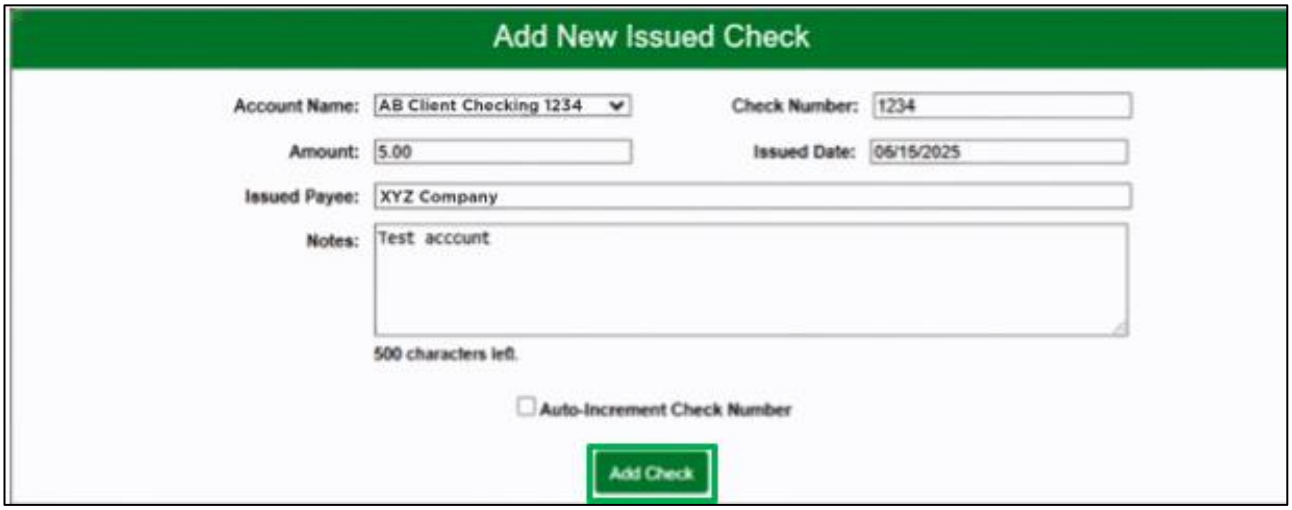
Add Single Issued Check

To add a single issued check, select **Transaction Processing > Add New Issued Check** from the navigation menu.



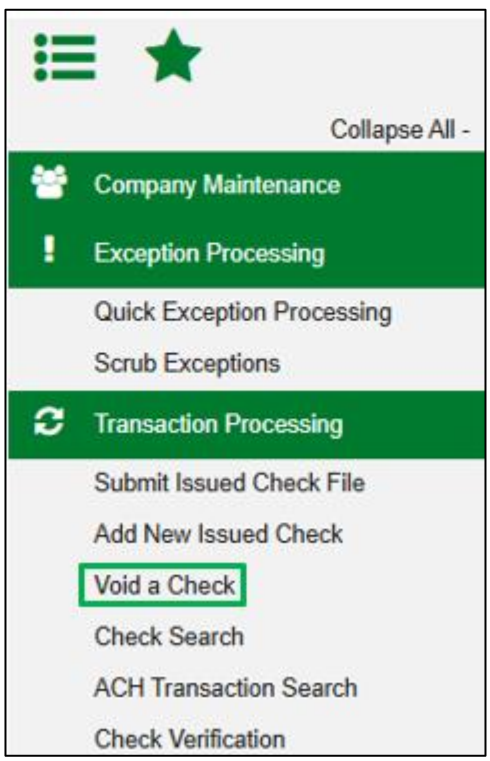
Select the account the check is drawn on in the **Account Name** dropdown, then enter the **Check Number, Amount, Issued Date** (if applicable) and the **Issued Payee** into the appropriate fields. You can add notes about the transaction if you'd like, these will appear on reporting elements. Once complete, select **Add Check** and the check will be added to the system for matching.

Note: *If you have multiple checks in a row select the **Auto-Increment Check Number** check box and the check number will advance by one automatically.*

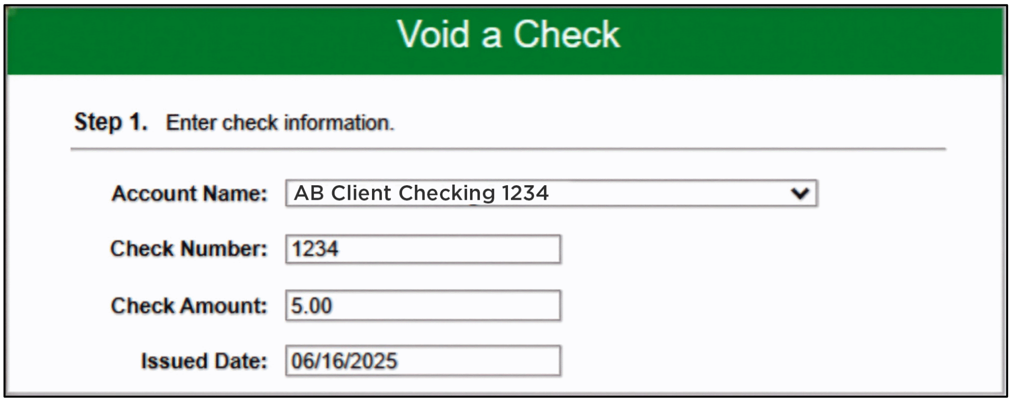


Void a Check

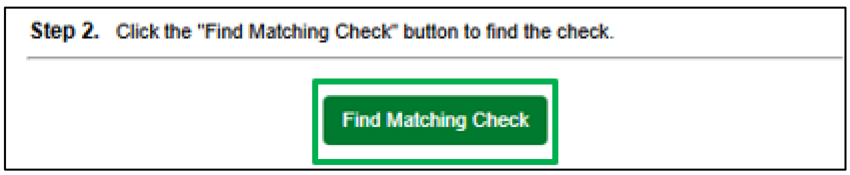
To void a check, select **Transaction Processing > Void a Check** from the navigation menu.



Select the account that the check is drawn on in the **Account Name** dropdown, and then enter the **Check Number, Amount or Issued Date**. Only one search criteria is required; however, you'll receive more precise results by entering information in multiple fields.



Select **Find Matching Check** to locate the check.

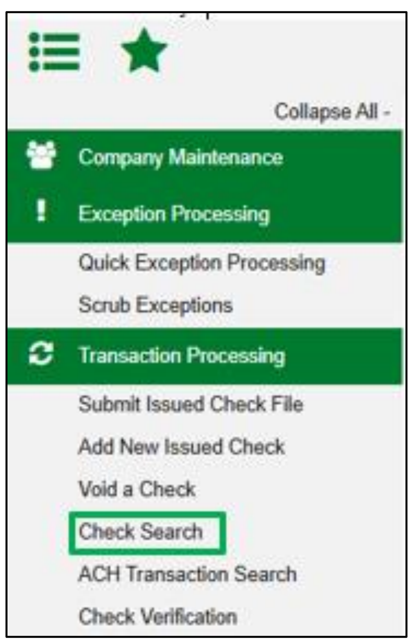


Once the check is located, select **Void Check**. You'll receive a notification that the item has been successfully voided.

Note: *Void history is retained within the system for 90 days.*

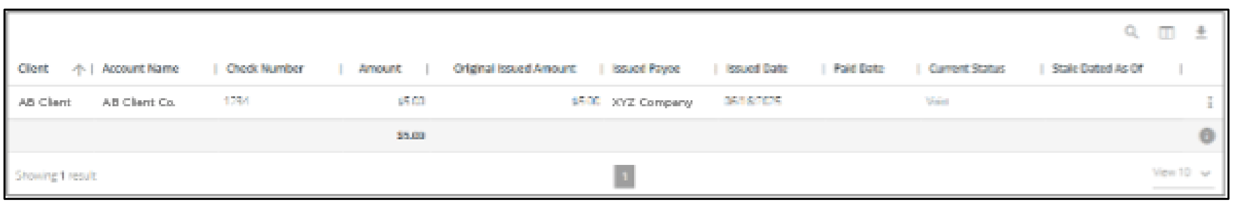
Check Search

To search for a check, select **Transaction Processing > Check Search** from the navigation menu.



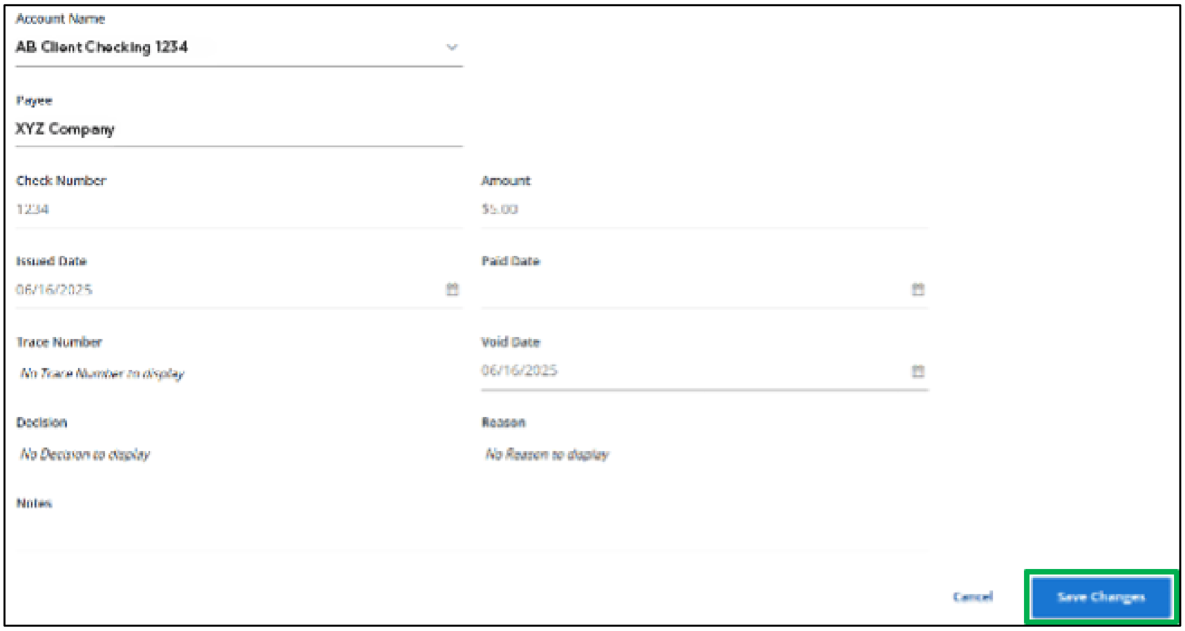
Only one search criteria is required (**Account Name**, **Check Status**, **Check Number, Date or Date Range**). However, you'll receive more precise results by entering information in as many fields as possible. Select **Search** once you've entered your preferred search parameter(s).

If the check can be located, it'll be displayed on the screen, along with the paid or returned status and other details.

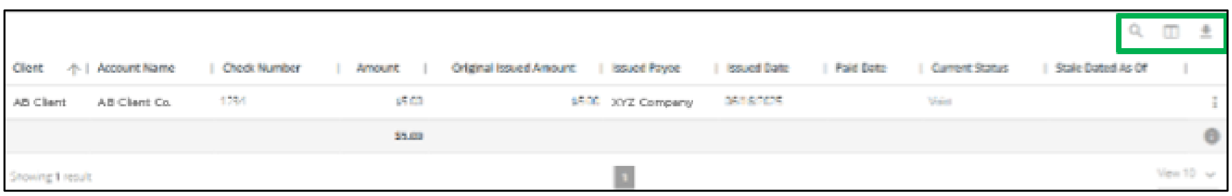


To edit or delete the check from the system, select the search results. Here you can view additional information.

Note: *If you make edits to the **Check Number, Amount**, **Issued Date**, **Paid Date** or **Void Date** on this screen, select **Save Changes.***



You can also apply a search, add or remove search fields or export your check search using the icons in the right-hand corner.

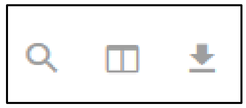


System Reporting

To run reporting, select **System Reports**, then select the report you'd like to run. The following reports are available:

Report Name	Description
File Mapping Formats	Shows your file mapping formats, format type and other applicable information.
Issued Check Processing Log	Shows all issued checks by date.
User Listing	Shows all users, their security templates, actions and messages.
Email / Text Log	Shows all emails and or text messages sent out to users.
Management Dashboard	Shows a dashboard of a wide range of statistics for the products and services you're entitled to.
Data Import Processing Log	A log for any data that you have imported.
Login Report	Shows each user, last login, Browser, Platform etc.

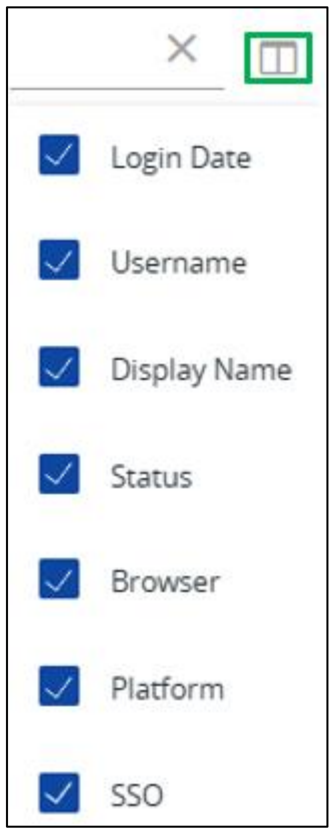
All reports have the same options for search, customization downloading and exporting.



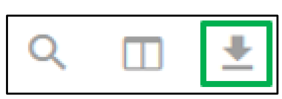
To search, or apply a filter, select the magnifying glass in the right-hand corner and then the appropriate item to filter on from the dropdown menu.

To add or remove columns, select the split screen icon. All available options will be displayed to add or remove items from your report.

Note: *Options will vary by report.*



To download or export your report select the download button . Reports can be exported to excel, PDF or CSV format.



Appendix

Payee Issue File Layout Specifications

Record Format:	Fixed Field Length
Record Size:	216-character records
File Name:	6098 Hxxxxxxxxx.txt (x=account number minus the last digit)

Detail Record

Field	Length	Position	Format	Description / Values
Record Type	1	1	Numeric	Must be " 6 "
Status Code	1	2	Numeric	2 – Add Issue 4 – Void Issue
Account Number Length	2	3-4	Numeric	17
Filler Spaces	4	5-8	Alpha	Spaces
Bank Number	4	9-12	Numeric	6098
Filler Spaces	10	13-22	Alpha	Spaces
Account Number	17	23-39	Numeric	Right justified, zero filled, no dashes
Serial Number (Check Number)	10	40-49	Numeric	Right justified, zero filled
Issue Amount	10	50-59	Numeric	No decimals, last two positions are cents.
Issue Date	6	60-65	Numeric	YYMMDD

Payee Name	150	66-216	Alphanumeric	Payee Name
				• The names should be identical (space for space) to the names written on the check and in the same order.
				• The name should include "and" and "or" if written on the check.
				  ◦ Ex: Sam Johnson and Bill Andrews and Joe Smith
				  ◦ Ex: Robert Jones or Sally Jones
				• If you're enrolling in Payee Matching Service, the Payee name is required for issues and voids.

Sample File

6217 6098 000000011111111110000067614000004250009121 6JOHN DOE
6217 6098 000000011111111110000067615000005750009121 6JANE DOE JUNE DOE

AssociatedBank