
BUSINESS ONLINE

POSITIVE PAY USER GUIDE

February 2022

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I. Positive Pay Set up and Training

Thank you for choosing Needham Bank for your Positive Pay needs. Here is what to expect next for your Positive Pay set up:

A. Set Up for Service

- Upon enrollment for the service, Needham Bank will update your business online profile to include a Positive Pay module
- While your business online profile is being updated, a member of Needham Bank's Cash Management Team will contact you regarding Positive Pay to obtain a sample Issued Check file and review information to complete your Positive Pay set up
- Once your Positive Pay set up has been completed the Cash Management personnel will schedule a Positive Pay training, an approximately 30-minute long session to review the system navigation and features
- Please be aware Positive Pay is supported on the following internet browsers:
 - Microsoft Edge version 25 through 42
 - Mozilla Firefox version 41 through 58
 - Google Chrome version 45 through 79
 - Apple Safari version 11.0.2 and later

B. Training

During your Positive Pay training, Needham Bank will review the following:

- How to access the Positive Pay module within business online banking
- Best security practices and recommendations
- Needham Bank will assist you in uploading an up-to date Issued Check File, if applicable
- Customer's daily processing for positive pay exceptions and the bank's current cutoff times
- Discuss your Positive Pay live date

NOTE: Please be aware for a smooth transition to the Positive Pay system, it is best to upload a file complete with all current outstanding checks one day prior to your live date.

- Positive Pay system reporting and other available features
- Additional Positive Pay support contact information

II. Exception Processing (Time Sensitive)

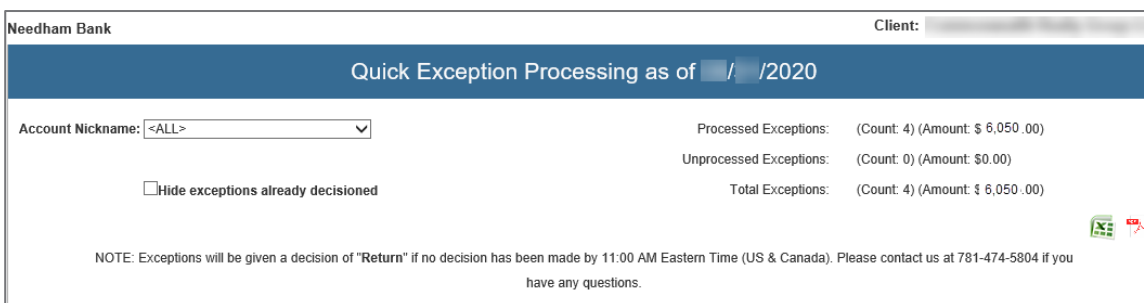
Each business day, the bank will send all positive pay exceptions to customers no later than 8:30 AM EST. Customers are notified by email when their exceptions are ready for review.

Customers are required to access their positive pay module and review their positive pay exception items each business day. Once reviewed, customers will mark each exception with the decision of their choice.

A. Cutoff Time and Default Decision for Exception Processing

Please be aware:

- All exception decisions must be submitted to the bank by the positive pay cutoff time in order for all exceptions to be processed properly.
- If no decision is marked for an item, the system will set the decision to the system default decision.
- **Positive Pay Exception cutoff time:** 11:00 AM ET
- **System Default Decision:** Return the transaction



Needham Bank Client: [REDACTED]

Quick Exception Processing as of [REDACTED] / [REDACTED] /2020

Account Nickname: <ALL>

Hide exceptions already decided

Processed Exceptions:	(Count: 4) (Amount: \$ 6,050.00)
Unprocessed Exceptions:	(Count: 0) (Amount: \$0.00)
Total Exceptions:	(Count: 4) (Amount: \$ 6,050.00)

NOTE: Exceptions will be given a decision of "Return" if no decision has been made by 11:00 AM Eastern Time (US & Canada). Please contact us at 781-474-5804 if you have any questions.

B. Positive Pay Exception Timing - Next Day System

Needham Bank's Positive Pay is a next day positive pay system. Exception items for Positive Pay will be available to view one business day after the transaction posting date.

C. To submit positive pay exception decisions to bank:

Please complete the following steps **no later than 11:00 AM ET** each business day. Otherwise all exceptions that have not been reviewed will be set to the system default decision.

Quick Exception Processing as of 08/31/2020

Account Nickname: <ALL> Processed Exceptions: (Count: 0) (Amount: \$0.00)

Unprocessed Exceptions: (Count: 4) (Amount: \$ 1,155.00)

Total Exceptions: (Count: 4) (Amount: \$ 1,155.00)

Hide exceptions already decided

[Save Decisions](#)

NOTE: Exceptions will be given a decision of "Return" if no decision has been made by 11:00 AM Eastern Time (US & Canada). Please contact us at 781-474-5804 if you have any questions.

	Account Nickname	Paid Date	Check #	Amount	Issued Payee	Exception Type	Pay	Return	Reason
1	Operating	08/28/2020	View Image 1245	5.00		PAID NOT ISSUED	<input type="checkbox"/>	<input type="checkbox"/>	<Not Selected>
2	Operating	08/28/2020	View Image 1239	100.00		PAID NOT ISSUED	<input type="checkbox"/>	<input type="checkbox"/>	<Not Selected>
3	Operating	08/28/2020	View Image 1339	1,000.00		PAID NOT ISSUED	<input type="checkbox"/>	<input type="checkbox"/>	<Not Selected>
4	Operating	08/28/2020	View Image 1249	50.00		PAID NOT ISSUED	<input type="checkbox"/>	<input type="checkbox"/>	<Not Selected>

You will receive an email when your positive pay exceptions are ready for review every business day.

1. Log in to your Business Online Banking and access the **Positive Pay** module.
2. While in the Positive Pay module, from the left-hand menu, under Exception Processing, click **Quick Exception Processing**.

A list of all exception items will populate the screen.

NOTE: If you have multiple accounts, please change the Account Nickname dropdown to review each account

3. Review each row and the exception reason.

Exception Reason Definitions:

Paid Not Issued	The check number was not loaded into the Positive Pay system as an issued check.
Duplicate Paid Item	The check number was previously paid on the same processing date.
Previously Paid Item Posted	The check was previously paid on a previous processing date.
Stale Dated Item Paid	The item is a stale dated check. A check is considered stale dated if the item was issued and not negotiated prior to the stale date cutoff of 90 days.
Suspect Stop Payment	Check number has a stop payment placed on it.
Void Item	Check number was previously voided.
Unauthorized ACH Transaction	An ACH transaction that did not match the ACH Authorization rules currently defined for the account(s)

4. Next to each item, select the desired decision (if you would like to pay the item or have the item returned).
5. If you select **Return**, select the best fit option from the **Reason** dropdown.
6. Review all exceptions items for accuracy and confirm you have completed all decisions.
7. Click **Save Decisions**.

You will receive a success message and you have now submitted your positive pay exception decisions to the bank.

NOTE: Please select all decisions and click Save Decisions **before 11:00 AM ET** each business day.

Otherwise all decisions that have not been saved will be set to the default decision.

If you notice an error or did not click Save Decisions before 11:00 AM ET, please contact your Account Officer or contact Needham Bank's Cash Management support number immediately at 781-474-5803 and request Positive Pay assistance.

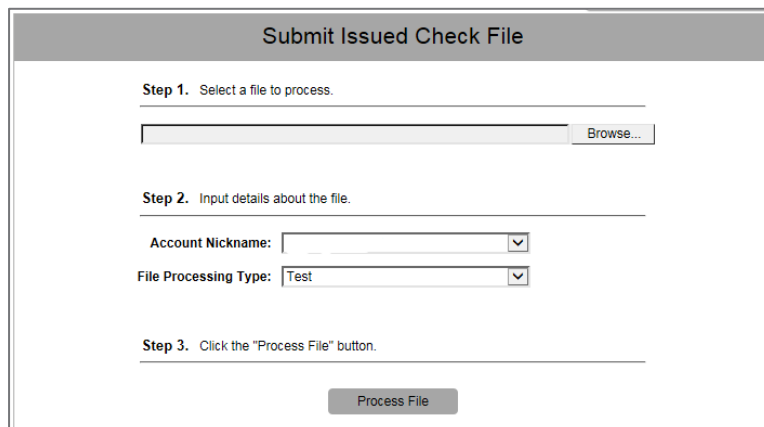
III. Submit Issued Check File

Customers can submit issued check information in a pre-defined file format.

Please be aware:

- Issued Check Files can be submitted at any time.
- All Issued Check Files are sent from the Online Banking Positive Pay system to the bank on an hourly basis.
- **For check cashing at Needham Bank branches:** Please allow a minimum of 2 business hours between uploading check data to your Positive pay and your check payees presenting the check for cashing at a Needham Bank branch.
- Please keep all uploaded files in the same format.

If you need to change the format of your issued check files, please contact Needham Bank's Cash Management Team before uploading a file in the new format as we will need to add the new format to your Positive Pay module.



A. To Submit an Issued Check File:

1. Once in the Positive Pay module, from the left-hand menu, under Transaction Processing, click **Submit Issued Check File**.
2. On the Submit Issued Check File screen, in the Step 1 section, click **Choose File**.
3. In the Step 2 section, select the following:
 - **For Account Nickname:** Select the correct account from the dropdown.
 - **For File Processing Type:** Select the correct Issued File format type from the Dropdown.
4. Review all selected items for accuracy then click **Process File**.

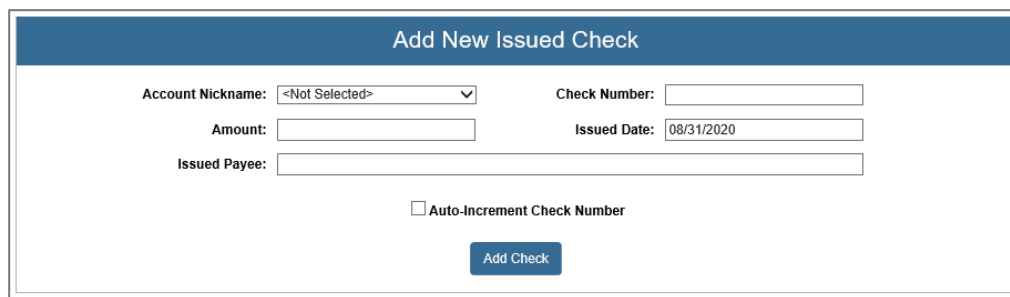
5. The system will review the items in the file.
 - If the file information is accepted by the system with no errors:
 - o You will receive a success message.
 - If there are any errors with the file:
 - o The system will provide information regarding the error(s).

IV. Add New (Single) Issued Check

The Add New Issued Check screen will give you the ability to input a single issued check into the Positive Pay system.

Please be aware:

- Issued Check information can be submitted at any time
- All Issued Check Files are sent from the Business Online Positive Pay system to the bank on an hourly basis
- Please keep all uploaded files in the same format. If you need to change the format of your issued check files, please contact Needham Bank's Cash Management Team before uploading a file in the new format



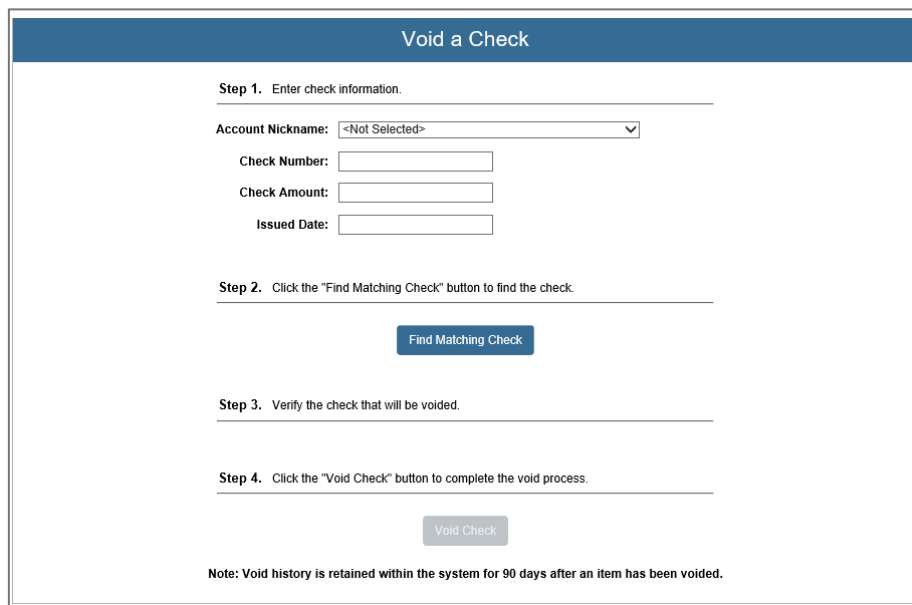
A. To Add a New Single Issued Check:

1. While in the Positive Pay module, from the left-hand menu under Transaction Processing, click **Add New Issued Check**.
2. On the Add New Issued Check screen, enter the following:
 - **For Account Nickname:** From the dropdown, select the desired account number
 - **Check Number:** Enter the check number of the issued check
 - **Amount:** Enter the dollar amount of the check.
 - **Issued Date:** The current date will pre-fill to the current date
 - **Payee:** Enter the payee name from the check.

3. Review the information for accuracy. Once confirmed, click Add Check.
 - I. The information will be reviewed by the system.
 - If the information is accepted:
 - o You will receive a success message in a green informational bar at the top of the screen.
 - If for any reason the check cannot be accepted:
 - o A message will appear in a red informational bar at the top of the screen.

V. Void a Check

Customers can mark any issued checks within their positive pay module as void using the Void a Check screen.



A. To Void an Issued Check

1. In the Positive Pay module, from the left-hand menu, under Transaction Processing, click **Void a Check**.
2. From the Void a Check screen in the Step 1 section, enter the following required fields:
 - **For Account Nickname:** Select the desired account from the dropdown.
 - **For Check Number:** Enter the desired check number.
 - **For Check Amount:** Enter the check amount.
 - **For Issued Date:** Enter the issued date of the check.

3. In the Step 2 section, click **Find Matching Check**.

The screen will refresh and check information will populate in the Step 3 section.

4. Confirm the correct check populated on the screen.

If it is not correct, please update the information in the Step 1 section and click **Find Matching Check** again.

5. Once the correct check is populated, in the Step 4 section click **Void Check**.

You will receive a success message and the check is now successfully voided.

VI. ACH Authorization Rules Setup

Customers utilizing Positive Pay for ACH transactions may set up their own ACH Authorization Rules or may request the bank to set up new or additional ACH Authorization rules.

Customers may define which entities are allowed to electronically deposit or withdraw from their account using ACH by adding them to the ACH Authorization Rules screen. All other entities that have not been added to the Authorization rules and attempt to electronically deposit or withdraw from the customer's account will be subject to review in the morning Positive Pay Exception Processing.

NOTE: If no rules are defined on the ACH Authorization Rules Setup screen or the Transaction Filter / Block Setup screen, all ACH transactions will be allowed through the account without causing any Positive Pay exceptions.

A. To add a new entity to the ACH Authorization Rules Setup screen

1. While in the Positive Pay module, in the menu under Security / Account Administration click **ACH Authorization Rules Setup**.
2. On the ACH Authorization Rules Setup screen, define the following criteria in the Add row:
 - **Account Nickname:** Select the desired account from the dropdown to which the new rule will apply.
 - **Description:** Enter a description or name of the entity. This field does not need to match any specific criteria regarding the entity.
 - **Company ID:** Enter the nine or ten digit Company Identification Number the entity uses to create ACH transactions.

NOTE: This field must be an exact match to the entity's ACH Company ID otherwise the rule may not properly allow ACH transactions to hit the account.
 - **Standard Entry Class Code:** Select the type of Standard Entry Class (SEC) code the entity will be allowed to use when they submit ACH transactions to your account.

NOTE: Set this field to All, if you would like to allow the entity to be able to use any SEC Code type.
 - **Debits of Credits:** Select if the entity will be allowed to send ACH debit transactions, ACH credit transactions or both transaction types.
 - **Maximum Allowable Amount:** Enter a maximum dollar amount that the entity will be allowed to use in an ACH transaction to your account.
3. Review the criteria for accuracy then click **Add**. The new rule has been saved and is effective immediately.

B. Add new ACH Rule from Quick Exception Processing Screen

1. From the Quick Exception Processing screen, click **Add ACH Rule**. A pop-up will appear requesting you to fill out more information.
2. Complete the following fields
 - a. **For Description:** Enter the name or a nickname for the entity
 - b. **SEC Code:** Select the SEC Code used for the transaction or select All Standard Entry Class Codes
 - c. **DR/CR:** Select one of the following

Debits Only	Entity is allowed to withdraw from your business account up to the specified dollar amount only
Credits Online	Entity is allowed to deposit to your business account up to the specified dollar amount only
Both DR and CR	Entity can deposit or withdraw from your business account up to the specified dollar amount

- d. **Max Amount:** Enter the maximum allowed dollar amount for the specified transaction type
3. Click **Add Rule** to save. Your new rule is now added to your ACH Authorization Rule screen.

C. To Edit an Established ACH Authorization Rule

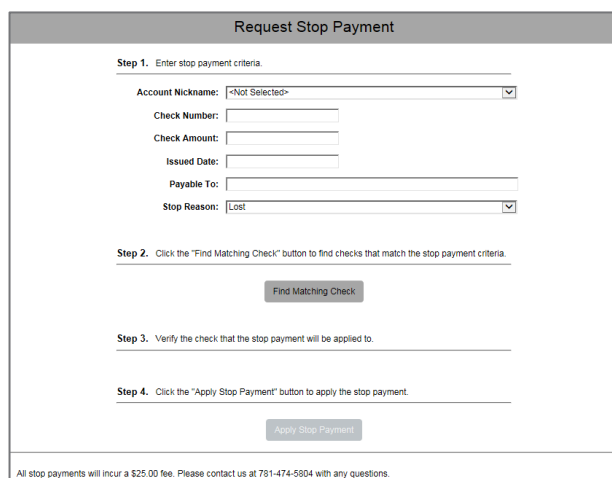
1. On the ACH Authorization Rules Setup screen locate the desired rule and click **Edit**. The screen will refresh and the rule details will be editable.
2. Update the desired column(s) for the entity.
3. Review the changes for accuracy then click **Update** to save all changes.

D. To Remove an Established ACH Authorization Rule

1. On the ACH Authorization Rules Setup screen locate the desired rule and click **Edit**. The screen will refresh and the options for the rule will update.
2. Select **Delete**. The rule is now removed and is effective immediately.

VII. Request Stop Payment

Customers can create stop payments for any issued checks.



B. To Create a Stop Payment on an Issued Check

1. In the Positive Pay module, from the left-hand menu under Stop Payments, click **Request Stop Payment**.
2. On the Stop Payment screen, in the Step 1 section, enter the following required fields:
 - **For Account Nickname:** Select the desired account from the dropdown
 - **For Check Number:** Enter the desired check number
 - **For Check Amount:** Enter the amount of the issued check
 - **For Issued Date:**
 - **For Payable to:**
 - **For Stop Reason:** Select the desired reason from the dropdown
3. In the Step 2 section, click **Find Matching Check**.

The screen will refresh and the check with matching information will populate in the Step 3 section.

4. Confirm the correct check populated on the screen.

If the check information is incorrect, update the check information in the Step 1 section then click **Find Matching Check** again.

5. Once the correct check information is populated in the Step 3 section, click **Apply Stop Payment**.

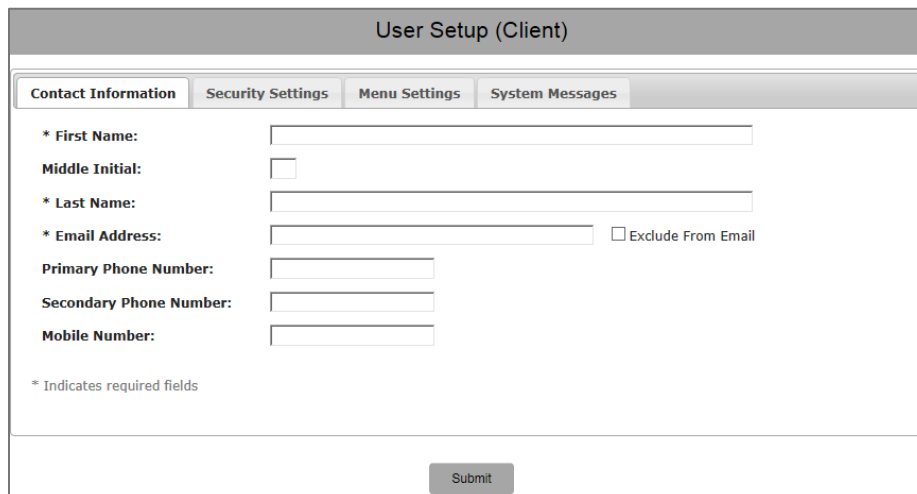
You will receive a success message and the stop payment is successfully placed on the check within Positive Pay.

VIII. Add new user (Admin User only)

When signing up for the service, you will designate a Positive Pay admin user. The Positive Pay Admin and the Business Online Admin will be able to create additional users for the Positive Pay module for your business online profile.

Please be aware:

- All required fields are noted with an asterisk (*) on the Positive Pay screens



A. To create new additional users for Positive Pay access:

To be completed by a Business Online Administrative User:

1. In your Business Online profile on the Banking Service Center tab select **Users** at the top.

Locate the desired user then click the **Entitlements** (small keys icon next to the user).



2. Locate the Accounts section and check **Positive Pay**
3. Scroll to the bottom of the screen and click **Save**

The user now has the Positive Pay button available to them within their business online profile and needs to be built in the Positive Pay module.

4. Send a secure email to the bank stating to add the following user to Positive Pay.

Provide the user's first and last name, business online login name, and best daytime phone number and email for user.

IX. Reports

Customers have the following reports available to them in the Transaction Reports and Transaction Processing sections in the Positive Pay module.

Please be aware:

- All reports can be exported as a PDF or in Excel format or can be printed
- All check information stays within the Positive pay system for 90 days after the item is paid or voided

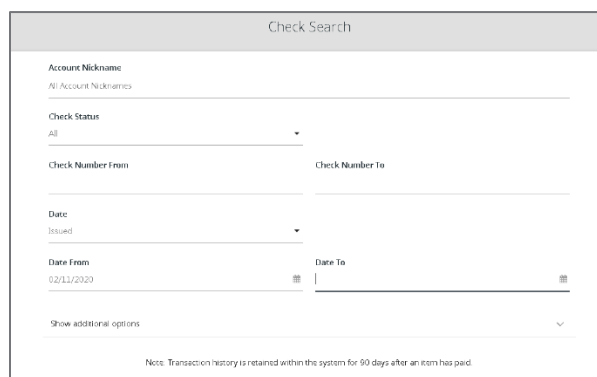
Check Status Types:

Stop Payment	Stop payment placed on check
Exception	Check flagged as a Positive Pay exception
Paid	Check has been paid
Void	Check has been voided by customer
Void (A)	Positive pay system voided item
Issued	Check has been issued and is currently outstanding

Check Search

Located under Transaction Processing, select a check number range and/or a date range to view the following information regarding the displayed checks:

Account Nickname	Account number check was drawn from
Check Number	Check number entered into Positive Pay system
Amount	Amount of check
Issued Payee	Payee name entered into Positive Pay
Issued Date	Issued date entered into Positive Pay system
Paid Date	Date check was posted to the account
Status	Issued: Check has been entered into Positive Pay system, but has not been posted to account Paid: Check has been posted to account



ACH Transaction Search

Located under Transaction Processing, select the desired account(s) and date range. Then click Search to produce the report. This report will display all ACH transactions that have been reviewed by the Positive Pay system with information regarding the following:

Account Nickname	Account number electronic transaction was posted to
Company ID	9-Digit ACH Company Identification Number used by company completing the transaction
SEC Code	ACH SEC code indicating the account type intended for the payment
DR/CR	DR: Debit/Withdrawal to the account CR: Credit/Deposit to the account
Amount	Dollar amount of the transaction
Transaction Description	Any additional information sent along and included in the transaction
Paid Date	Date transaction posted to the account
Status	Paid: Transaction posted to account

Daily Checks Issued Summary

Located under Transaction Reports, select a date or date range and click Produce Report to view the count and the total dollar amount of issued checks on the specified date or date range.

Or use the account nickname field to view the information for a specific account.

Stops and Voids

Located under Transaction Reports, leave all fields blank and leave all pre-populated fields as they are and click Produce Report to view a list of all processed Stop Payment and Void check requests.

Or use the provided fields to narrow your search.

Exception Items

Located under Transaction Reports, enter a date or date range in the Exception Date fields and click Produce Report to view all exception items from the specified date(s).

Or use the provided fields to narrow your search.

Stale Dated Checks

Located under Transaction Reports, leave all fields blank and click Produce Report to view a list of all checks in the issued status past 180 days.

Or use the provided fields to narrow your search.

Account Reconciliation Summary

Located under Transaction Reports, select the desired account, the Reconcile Through Date and click Search to view a breakdown of all account activity including non-Positive Pay transactions in all status types through the selected date.

Click the provided Show hyperlinks to view a list of transactions in the specified row.

If desired, click Finish Reconciliation to save this breakdown for future use. If saved, the next time you use this feature the reconciliation will start from the last used Reconcile Through Date up to the new Reconcile Through Date.

Check Reconciliation Summary

Located under Transaction Reports, select the desired account, the Reconcile Through Date and click Search to view a breakdown of all checks in all status types by amount through the selected date.

Click the provided Show hyperlinks to view a list of checks in that status type.

If desired, click Finish Reconciliation to save this breakdown for future use. If saved, the next time you use this feature the reconciliation will start from the last used Reconcile Through Date up to the new Reconcile Through Date.

Deposit Reconciliation Summary

Located under Transaction Reports, select the desired account, the Reconcile Through Date and click Search to view a breakdown of all deposits for the specified account through the selected date.

Click the provided Show hyperlink to view a list of checks in that status type.

If desired, click Finish Reconciliation to save this breakdown for future use. If saved, the next time you use this feature the reconciliation will start from the last used Reconcile Through Date up to the new Reconcile Through Date.

X. Issued Check File Format Requirements

The following are the requirements for your Issued Check File Format. If you have any questions, please do not hesitate to contact us:

File Extensions Allowed for Use	<ul style="list-style-type: none">- Excel (.xlsx)- Comma Delimited (.csv)- Text File (.txt)
Required Fields	<ul style="list-style-type: none">- Check Number- Issued Date- Dollar Amount
Optional Fields	<ul style="list-style-type: none">- Account Number- Account Name (account name that matched Positive Pay set up)- Notes- Issued Payee Name

XI. Contact Us

If you have any questions or concerns regarding your Positive Pay system, please do not hesitate to contact:

NB Cash Management Team:

Phone: 781-474-5803

Email: businessonline@needhambank.com

Secure Email: Log in to Business Online and access the Messages button (small white envelope at the top of the screen)

Availability: Monday - Friday,
8:00 AM to 5:30 PM ET

Appendix A: Recommended Security

While Needham Bank works very hard to protect and secure your accounts, you also have an important role in preventing and reporting unauthorized activity. Internet thieves devise new, sophisticated ways to trick people into revealing information that can be used to commit fraud. Listed below are suggestions to help alleviate the risk.

- **Frequently check your deposit accounts** and report errors or fraudulent transaction to Needham Bank ASAP.
- **Never give your Social Security number, credit or debit card number; personal identification numbers (PINS)** or any other confidential information in response to an unsolicited email, text message or phone call, no matter who the source supposedly is. Needham Bank will never contact our customers asking for this kind of information. We already have your account number and only YOU should know your login credentials.
 - Watch for phishing scams that involve bogus text messages sent to cell phones claiming that a bank account has been “blocked” and you must call a certain number to fix the problem.
- **Designate a single computer for all online banking transactions.** Do not use this computer for surfing the web or going on social media websites. When not in use, turn the computer off.
- **Password Complexity** - Choose “strong” user IDs and passwords that will be easy for you to remember but hard for the hackers to guess. The strongest passwords will have a combination of the following:
 - Uppercase alpha
 - Lowercase alpha
 - Numbers
 - Special character such as: !,@,#,\$,%,&,*,(,)_,+,,=, and ?
 - Choose passwords and IDs that are not the same as those you use for e-mails or social networking sites, just in case they get into the wrong hands.
- **Passwords** - Passwords do not expire. We suggest changing it every 30 - 45 days to ensure increased protection.
- **Email Safety** -Do not open attachments or click on links in unsolicited emails from anyone you do not know or you otherwise are not sure about.
 - Sometimes these attachments or links can infect your computer with “spyware” that can change your security settings and record your keystrokes. Spyware can secretly steal your passwords, bankcard numbers, and your answers to security questions like your mother’s maiden name or your high school.

- **Watch out for sudden pop-up windows** asking for personal information or warning of a virus.
 - This is called “scareware” because it frightens people into providing information, downloading malicious software or paying for removal.
- **Antivirus Software** –it is important to make sure your spyware and antivirus software is up to date on all computers that have access to your accounts online.
 - While we do not endorse any one product, users should install an ICSA Certified antivirus product: [http://www.icsalabs.com/products?tid\[\]=4216](http://www.icsalabs.com/products?tid[]=4216)
 - Independent Antivirus Reviews can be found here:
<http://www.av-comparatives.org/>

These products often require the user to enable auto updates, which are typically recommended by the software manufacturer.
- **Software Updates** –it is important to make sure that your computer performs automatic updates and software patches relative to the Operating system, and installed applications should be updated in a timely fashion.

Appendix B: Recommended Mobile Security

- **Mobile App Downloads** – be sure you are downloading apps from a trusted source. More information on mobile safety can be found here: <http://www.onguardonline.gov/articles/0018-understanding-mobile-apps>.
- **Lock your device with a personal identification number or password.** It may seem basic, but locking your device is the first step to stopping unauthorized use.
- **Keep your operating system updated.** Download the latest release updates when you are notified of them to ensure any security patches included are installed and active.
- **Log out of banking and shopping sites.** This makes it harder for unauthorized users to make fraudulent transactions.
- **Consider adding a reputable mobile security app** to your phone for additional protection.
- **Back up your data.** Most smart devices will allow you to back your data up to a Cloud or hard drive so if the device is lost or damaged, you will still be able to retrieve your data.
- **Avoid clicking/opening emails, links or attachments that you don't recognize or look suspicious.** These are often associated with Phishing attacks that enable others to break into your system.

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- **Don't 'jail break' your own device.** The Operating Systems on Mobile devices are carefully designed to maximize productivity and security. Jailbreaking the device may weaken security controls and introduce stability issues.
 - **Consider disabling WiFi, Bluetooth and Location Services** when not using them. Leaving them on all the time makes it easier for bad actors to access your information and attempt fraudulent transactions.
 - **Be mindful when using Mobile Banking applications.** Look for common features such as strong authentication using SMS codes or tokens. Look for dual approval functionality and alerting capabilities. Avoid using transactional applications that do not offer robust security features and functionality.

- *End of Guide* -