Quick Reference Guide

ACH Filter Rules

JHA Treasury Management™

Last Updated: August 25, 2023

Treasury Management — ACH Filter Rules

Overview: ACH Filter Rules allow customers with the appropriate entitlements to manage (create, edit, and delete) ACH Filter Rules. This new feature allows your customers to enable additional fraud mitigation controls by filtering out unauthorized ACH transactions. This capability had previously required the bank to manage the rules. By giving control to your customers, you not only expand the fraud control function but eliminate a resource intensive operational task. The service will provide an essential added layer of security towards safeguarding the company's assets by automatically filtering out unauthorized ACH transactions.

ACH Filter Rules will filter transactions from specific companies by using their ACH company ID, ACH company name, types of pre-authorizations (SEC Codes) or designated transaction amounts. ACH Filter Rules can be utilized to allow or stop specific ACH Transactions.

ACH transactions that do not meet the filter rule criteria will generate an ACH Exceptions item that can be decisioned (Pay or Return) when working ACH Exception items with ACH Positive Pay.

Note: ACH Exception items are generated because they meet or violate an ACH Filter Rule.

Benefits for the Banks?

• This feature is a new self-service function that moves a task from the bank to the end user

• Saves time and reduces ongoing customer maintenance

• Adds additional ACH fraud controls due to the ease of use/self-service option for users

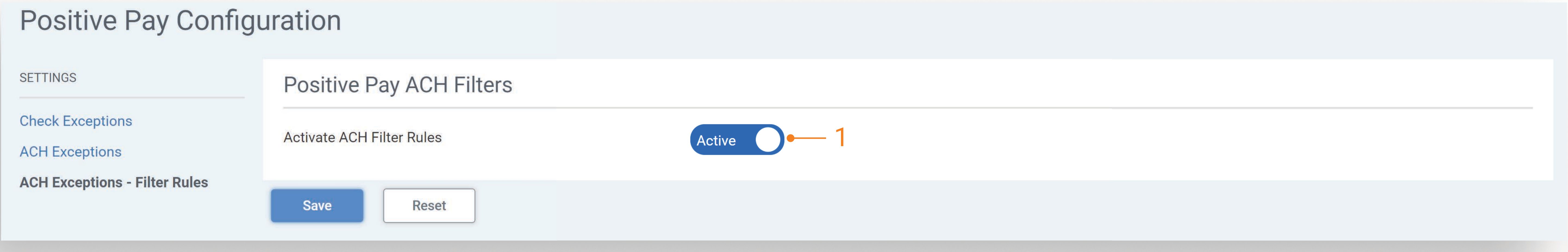
Benefits for Customers?

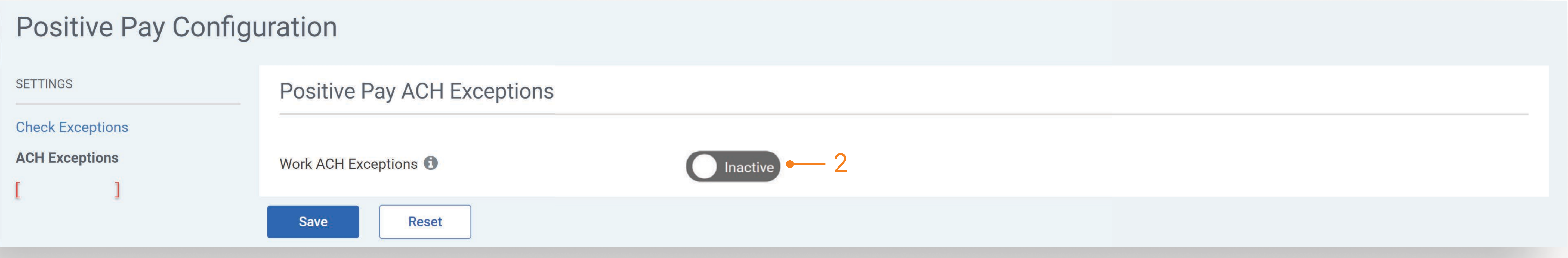
• Self-service feature that allows customers to create and maintain their own ACH Filter Rules

• In today's ever growing risk environment, giving the user access to add and maintain rules allows them to improve their risk management routines/capabilities

Treasury Management — ACH Filter Rules

Product Configuration in Back Office



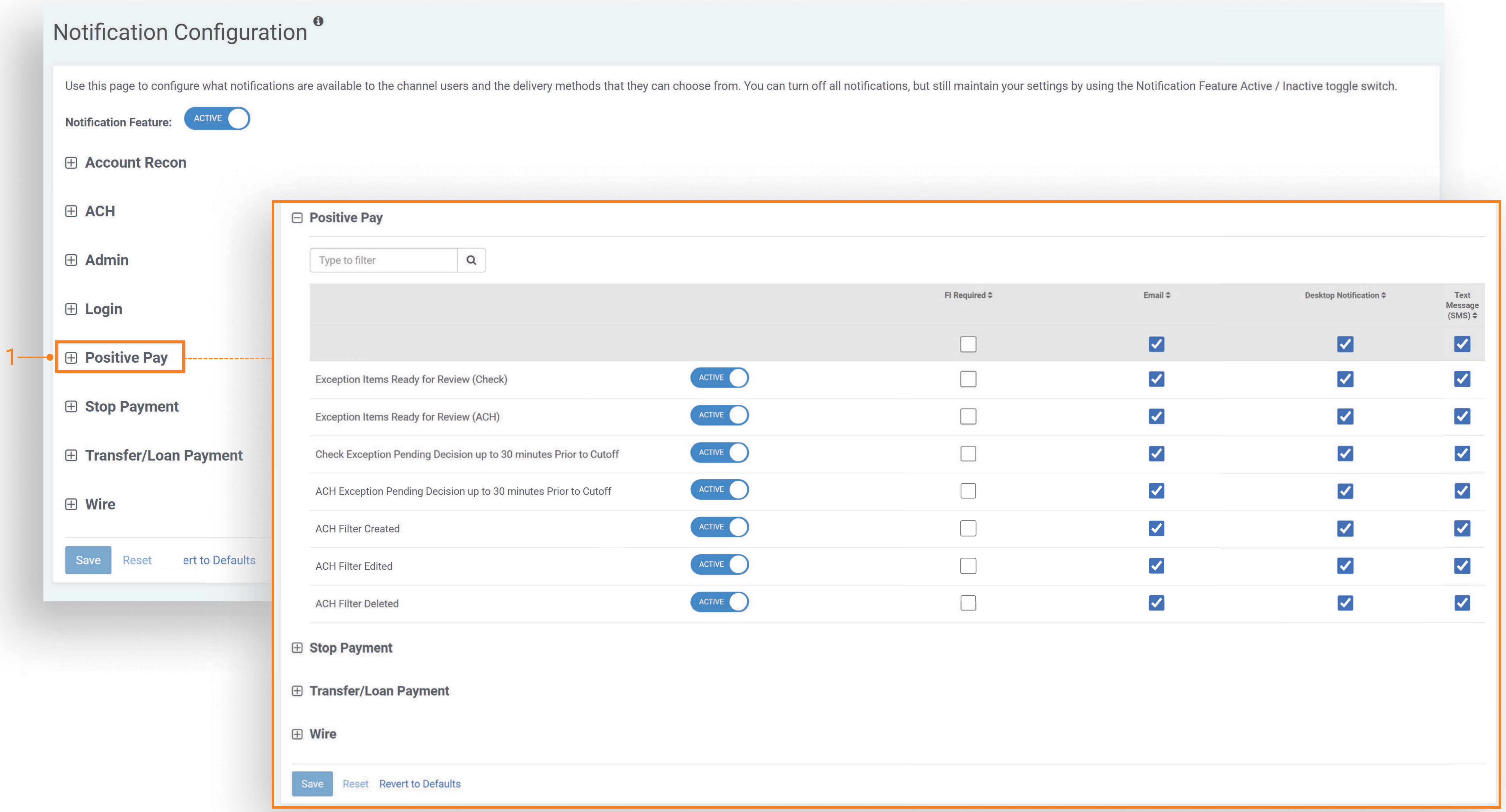


1. Product Configuration
ACH Filters are enabled within the Positive Pay Product Feature Configuration when Work ACH Exceptions is set to “Active”.

2. Work ACH Exception is set to Inactive
Setting Work ACH Exceptions to Inactive will remove ACH Exceptions – Filter Rules link and deactivate the product feature. Also, this will deactivate the feature at the company level.

Note: Show ACH Filter feature is removed from Work ACH Exceptions when ACH Exceptions - Filter Rules is active and will be managed by the company user entitlements.

Notification Configuration in Back Office

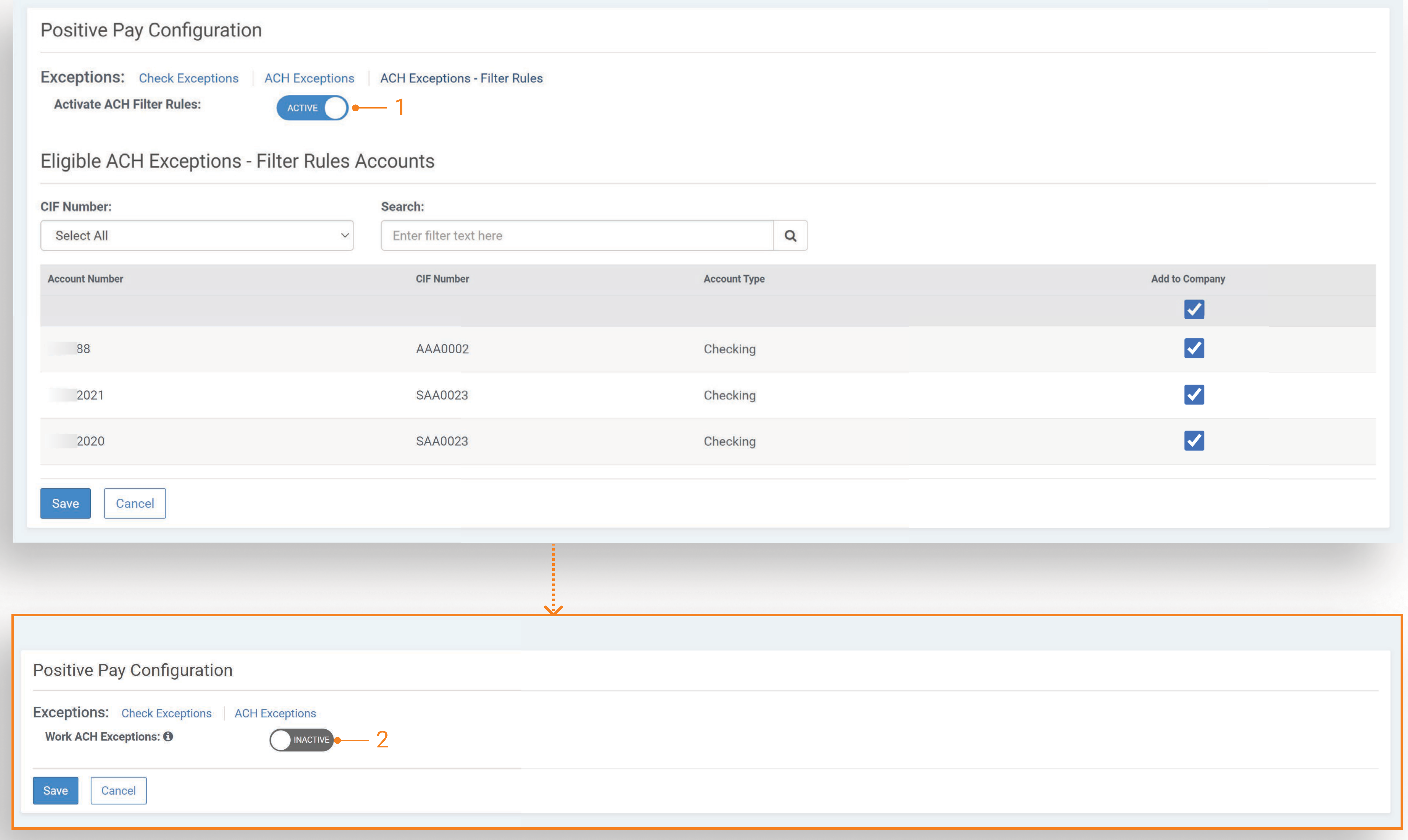


1. Notification Configuration

Positive Pay ACH Filters introduce several new notifications. To receive these notifications, a user needs to be entitled for the ACH Company as well as have the appropriate user entitlements enabled. The available notifications include:

- ACH Filter Created
- ACH Filter Edited
- ACH Filter Deleted

Company Product Configuration in Back Office



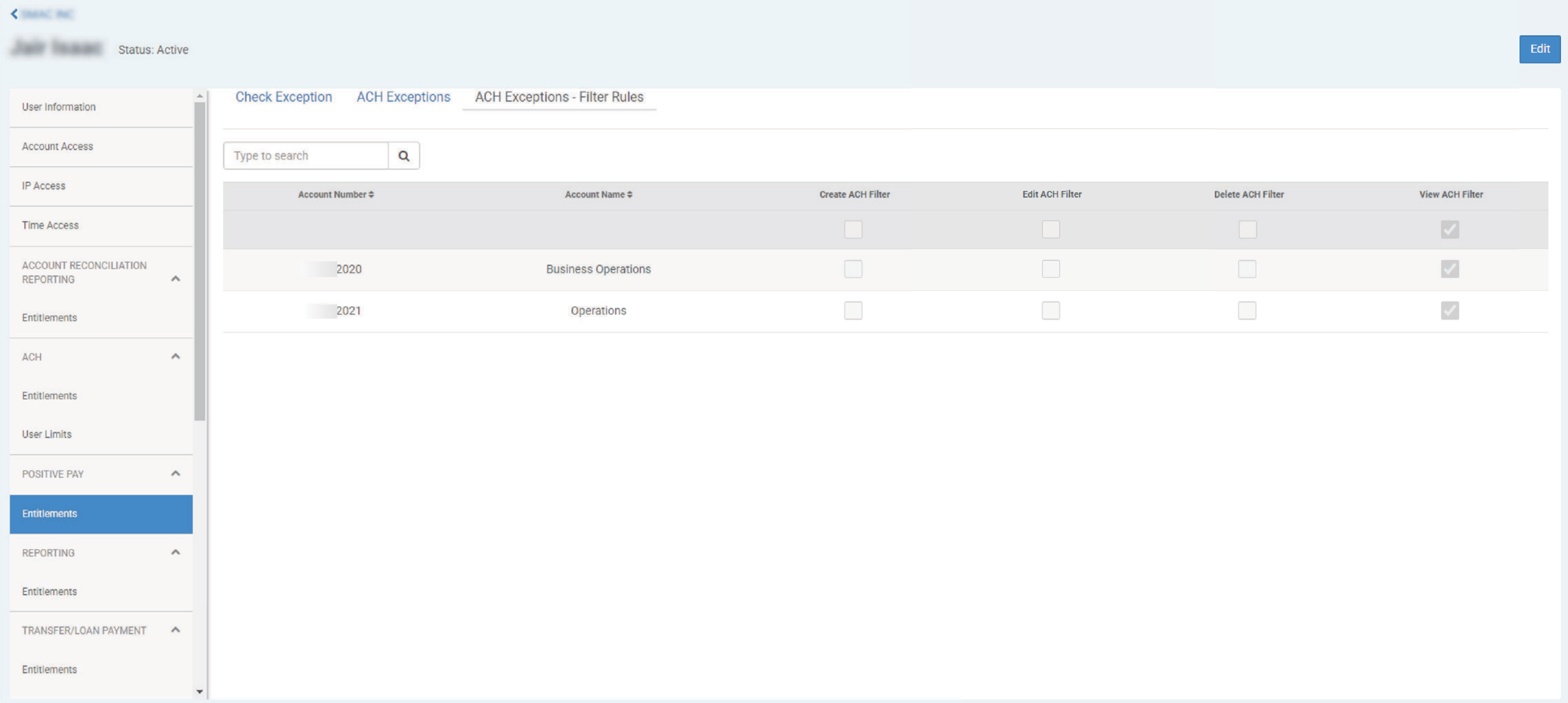
1. Company Product Configuration

To enable this feature for a specific company, navigate to their Company Details page, select Activate ACH Filter Rules and select the eligible accounts.

2. Work ACH Exception is set to Inactive

Setting Work ACH Exceptions to inactive will remove ACH Exceptions - Filter Rules link and deactivate the product feature.

Company User Entitlements in Back Office



Company User Entitlements:

- User access can be controlled by the bank users.
- Company users can be given access to View, Create, Edit, and Delete ACH Filter Rules for specific entitled accounts.
- Bank users can navigate to the company users, then select View User from the Actions menu, navigate to Positive Pay and select Entitlements to add or update these entitlements.
- User can select View User from the Actions menu, then select Edit, and navigate to Positive Pay and select Entitlements to add or update these entitlements. Or the user could select Edit User from the Actions menu.
- Once the entitlements have been enabled, this menu option is visible in the channel.

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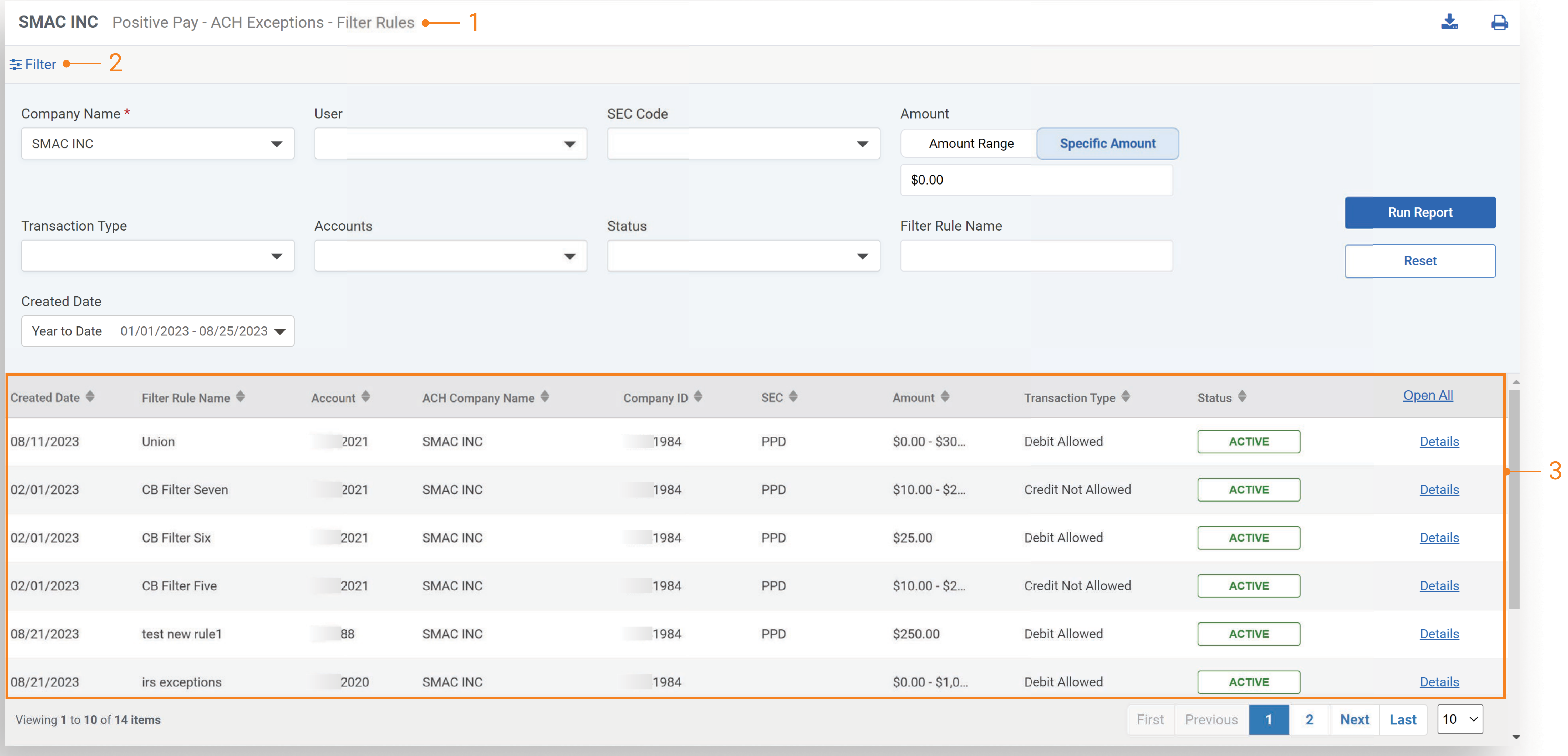
Back Office ACH Exceptions Filter Rules Report



Created Date	Filter Rule Name	Account	ACH Company Name	Company ID	SEC	Amount	Transaction Type	Status	
08/11/2023	Union	2021	SMAC INC	1984	PPD	$0.00 - $30...	Debit Allowed	ACTIVE	Details
02/01/2023	CB Filter Seven	2021	SMAC INC	1984	PPD	$10.00 - $2...	Credit Not Allowed	ACTIVE	Details
02/01/2023	CB Filter Six	2021	SMAC INC	1984	PPD	$25.00	Debit Allowed	ACTIVE	Details
02/01/2023	CB Filter Five	2021	SMAC INC	1984	PPD	$10.00 - $2...	Credit Not Allowed	ACTIVE	Details
08/21/2023	test new rule1	88	SMAC INC	1984	PPD	$250.00	Debit Allowed	ACTIVE	Details
08/21/2023	irs exceptions	2020	SMAC INC	1984		$0.00 - $1,0...	Debit Allowed	ACTIVE	Details

1. ACH Exceptions - Filter Rules Report

This Back Office report will display ACH Exceptions – Filter Rules providing a summary view. In addition, the details hyperlink will allow the user to view additional details about the filter exceptions.

2. Filter

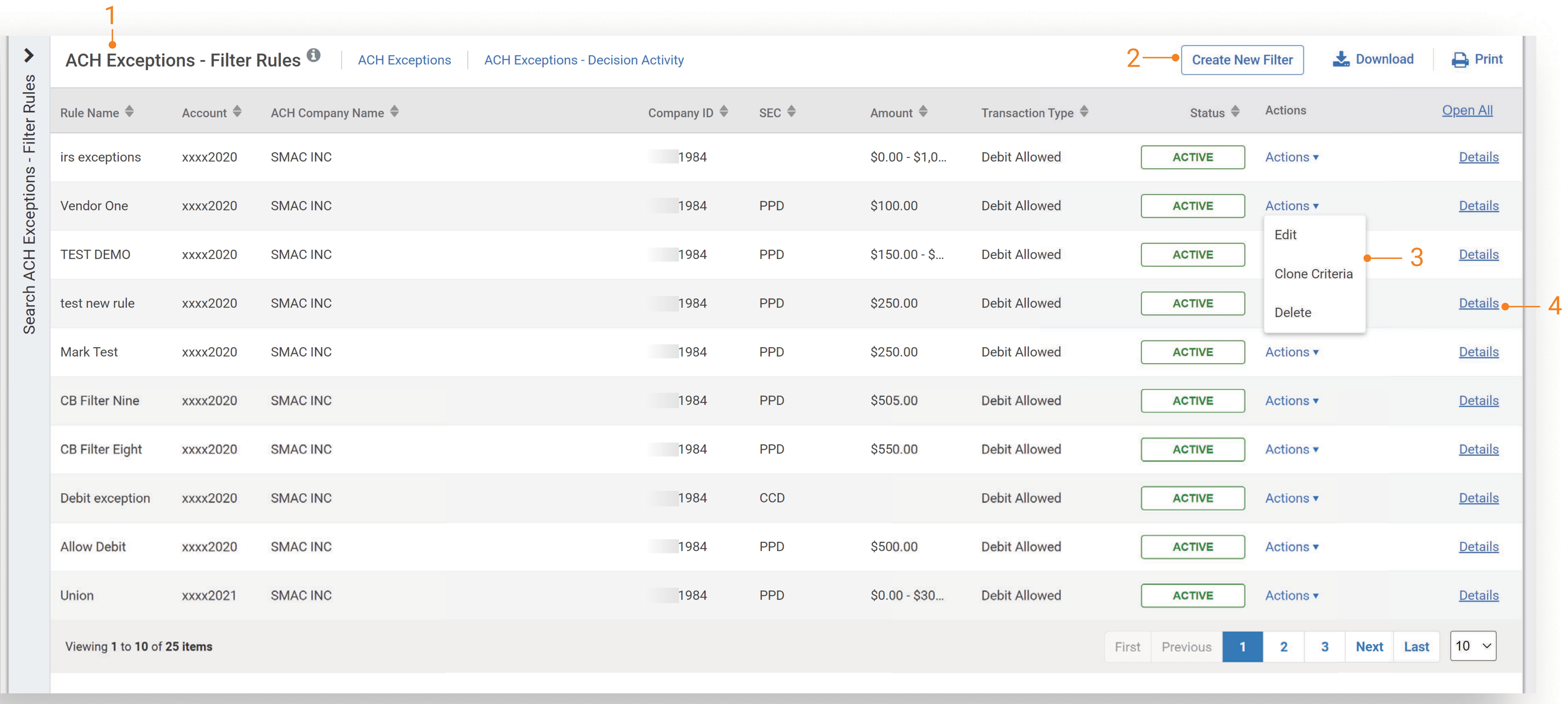
Allows the Back Office user to select from a comprehensive list of search options (Company Name, User, SEC Code, Amount, Transaction Type, Accounts, Status, and Filter Rule Name) to generate a report about filter rules for a specific company.

3. Report Results

Displays the results based on the filter criteria submitted. The report will display summary information and will allow the user to view additional detailed information. This report can be downloaded as well as printed.

Treasury Management — ACH Filter Rules

Channel - ACH Exceptions - Filter Rules (summary)



1 ACH Exceptions – Filter Rules

The following column headings can be sorted in ascending and descending order:

- Rule Name
- Account
- ACH Company Name
- Company ID
- SEC
- Amount
- Transaction Type
- Status
  - Active
  - Inactive
  - Failed
- Actions
  - Edit
  - Clone Criteria
  - Delete
- Details link

2 Create New Filter Rule

Use the Create New Filter Rule button to easily create a new ACH Filter Rule.

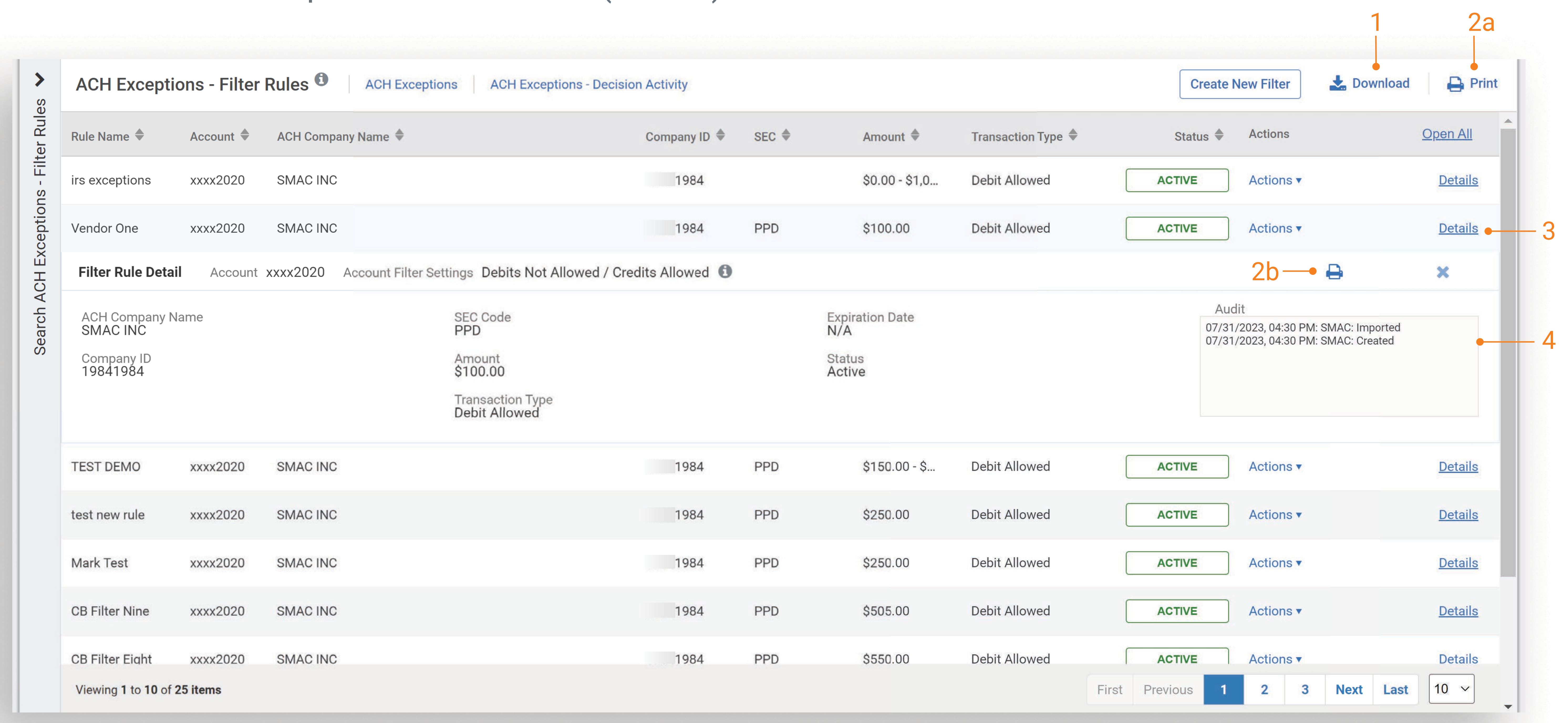
3 Actions (Described in further detail in upcoming slides)

- Edit
- Clone Criteria
- Delete

4 Details

Use the Details hyperlink to see additional information for a Filter Rule along with an audit trail. A print feature is available to print the individual transaction.

Channel - ACH Exceptions - Filter Rules (details)



Note: Filter rules created in Silverlake will display the username “Financial Institution”.

1 Download Feature

ACH Filter Rules report can be downloaded in a PDF or CSV format.

2 Print Feature

a. Print button at the top of the page, prints the browser page.

b. Print button in the details view, prints the individual filter rule.

3 Details Link

Details link expands the ACH Filter Rule to view additional information.

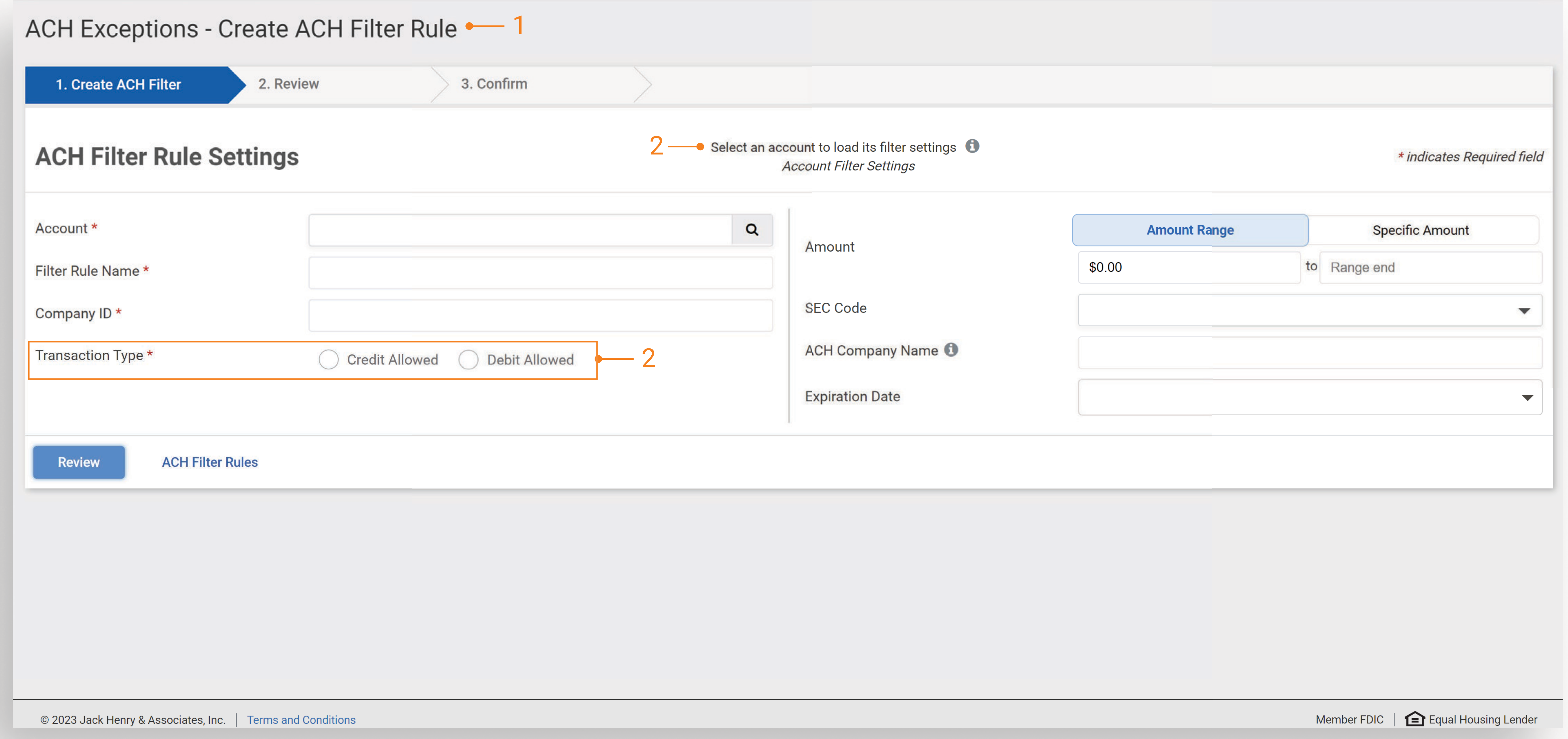
4 Audit Box

An audit box is available to view an audit trail of who created, updated, or deleted the filter rule and includes:

- Username
- Action taken
- Date and time stamp

Note: Filter rules created in Silverlake will display the username “Financial Institution”.

Create an ACH Filter Rule in Channel



Navigate to ACH Exceptions - Filter Rules.

1 Create ACH Filter Rule

The following screen displays when Create New Filter button is selected.

- Account, Filter Rule Name, Company ID and Transaction Type (Debit/Credit) are required filter rule inputs.
- Optional filter rule criteria can also be selected (Amount, SEC Code, ACH Company Name, and Expiration Date).

2. Transaction Type (Debit or Credit)

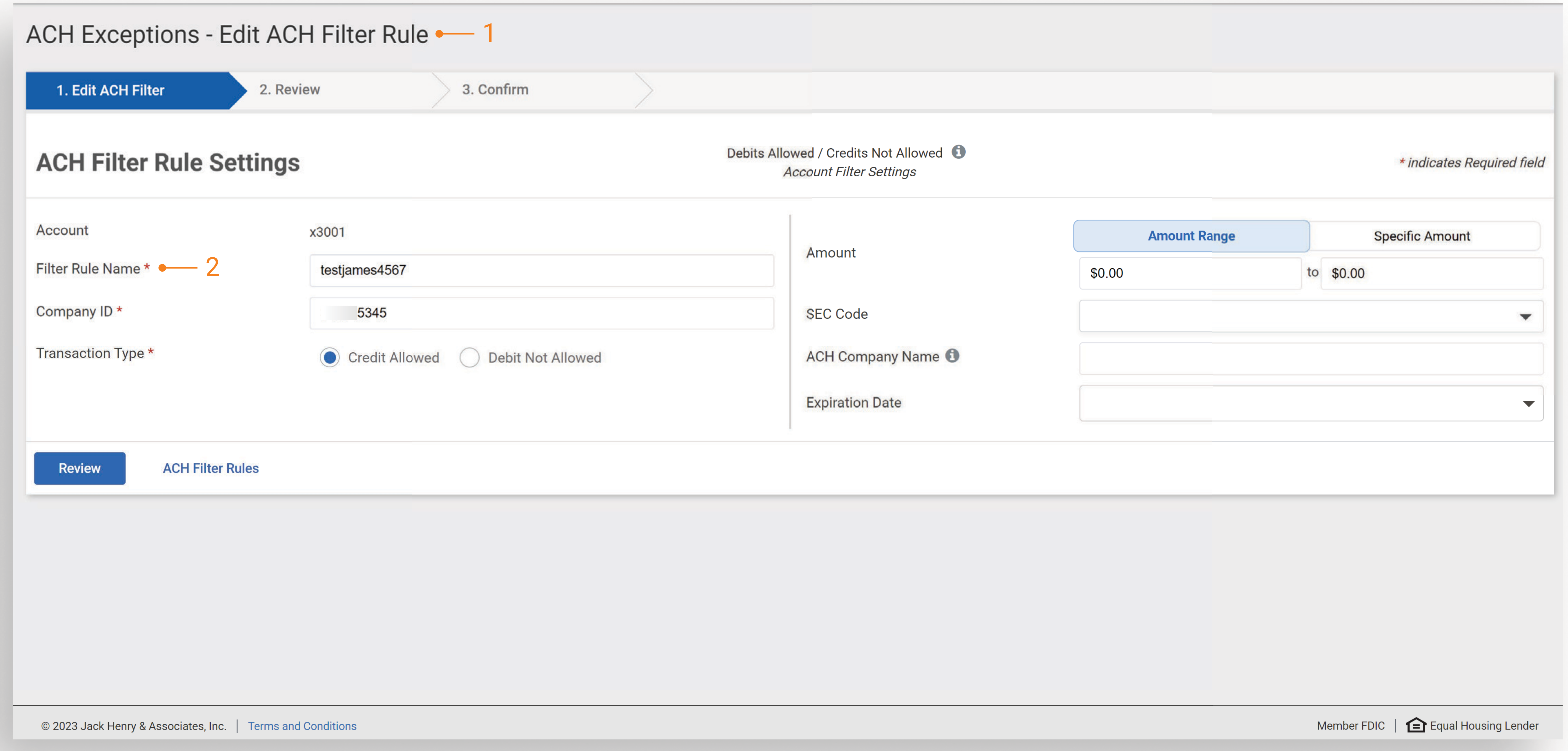
- If the account status set by the bank is Credit Allowed and the Transaction Type selected is Credit, any inputs entered would be automatically "Not Allowed" and vice versa.
- If the account status set by the bank is Debits Not Allowed and the Transaction Type selected is Debit, any inputs entered would be automatically "Allowed" and vice versa.

Note:

• The transaction type selected is always the opposite of the account master settings (status) set by your financial institution.

• ACH Company Name and the company name in the originating transaction must match exactly for the filter to capture the transaction for the specific company. If the name is not an exact match, items will not be captured as exceptions.

Edit an ACH Filter Rule in Channel



Navigate to ACH Exceptions - Filter Rules

> Edit ACH Filter Rules

1 Edit ACH Filter Rule The following screen displays when Edit button is selected from the Actions menu.

- Account, Filter Rule Name, Company ID and Transaction Type are required filter rule inputs.
- Optional filter rule criteria can also be selected (Amount, SEC Code, ACH Company Name, and Expiration Date).

2 Filter Rule Name The rule name is alphanumeric, can contain special characters, and must be unique to the TM company.

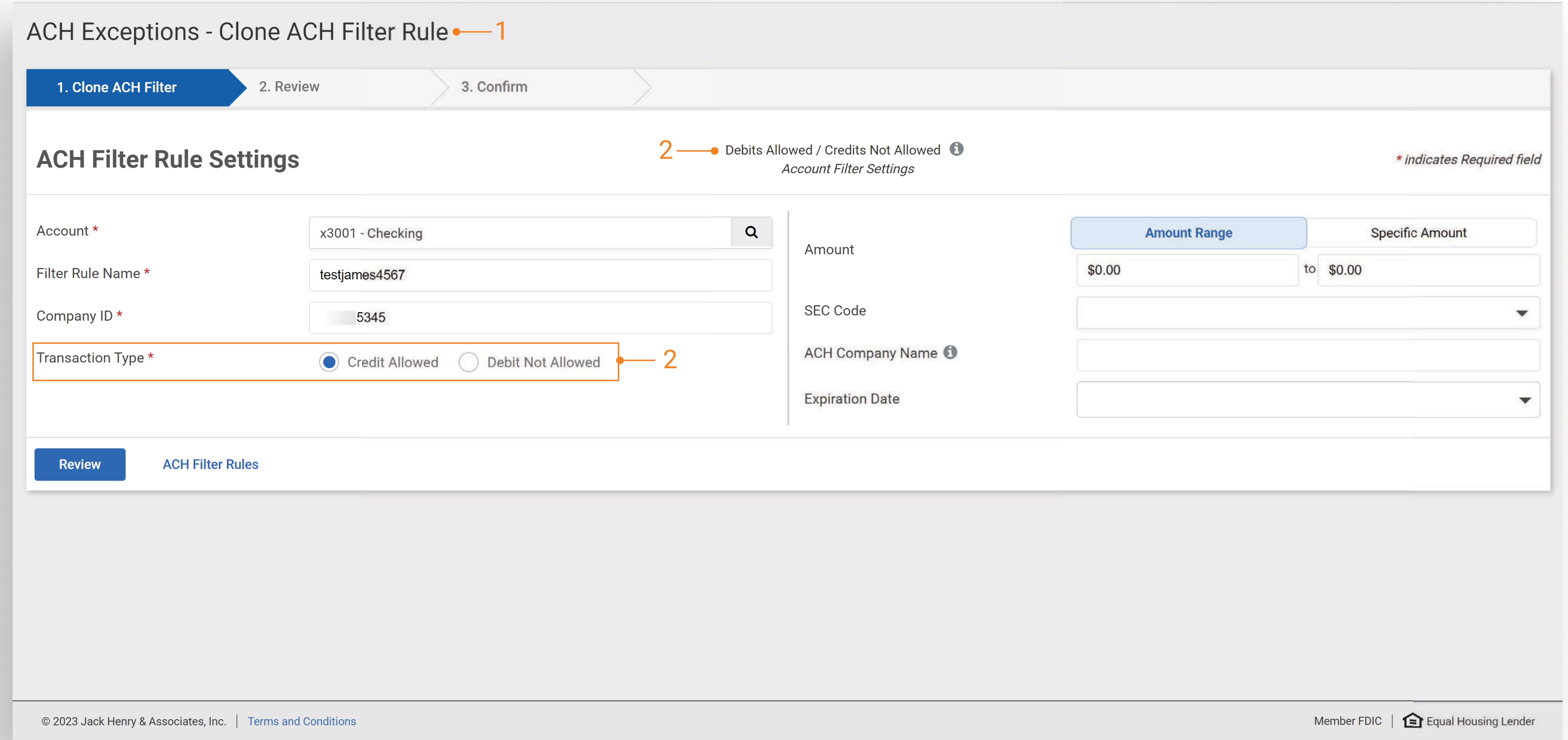
Note:

• See Create New Filter slide to create a filter rule.

• ACH Company Name and the company name in the originating transaction must match exactly for the filter to capture the transaction for the specific company. If the name is not an exact match, items will not be captured as exceptions.

jack henry

Clone an ACH Filter Rule in Channel



Note:

• The transaction type selected is always the opposite of the account master settings (status) set by your financial institution.

• ACH Company Name and the company name in the originating transaction must match exactly for the filter to capture the transaction for the specific company. If the name is not an exact match, items will not be captured as exceptions.

Navigate to ACH Exceptions - Filter Rules > Clone ACH Filter Rule

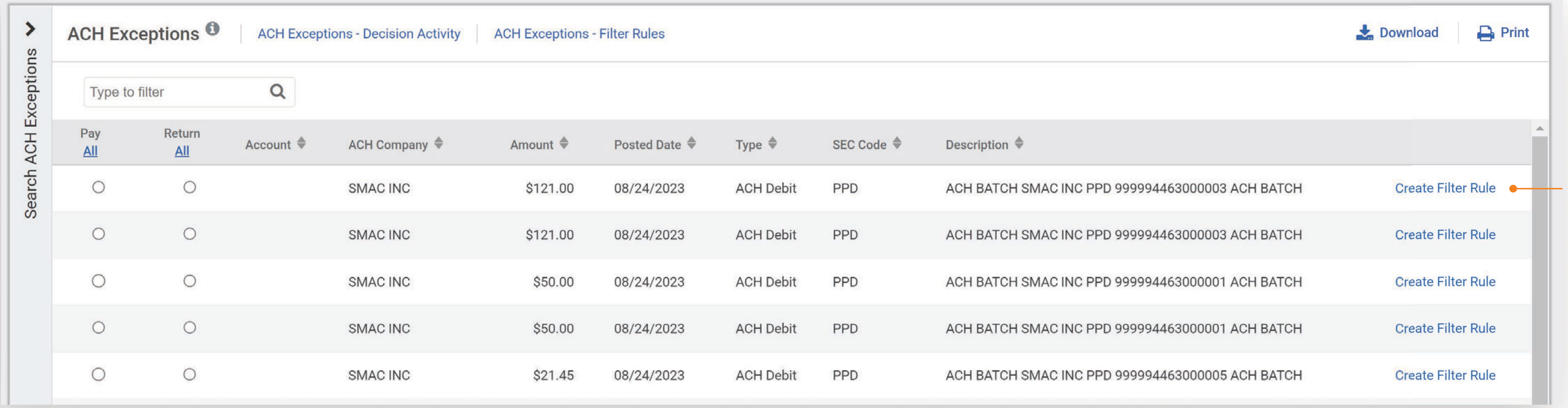
1 Clone ACH Filter Rule The following screen displays when Clone Criteria is selected from the Actions menu.

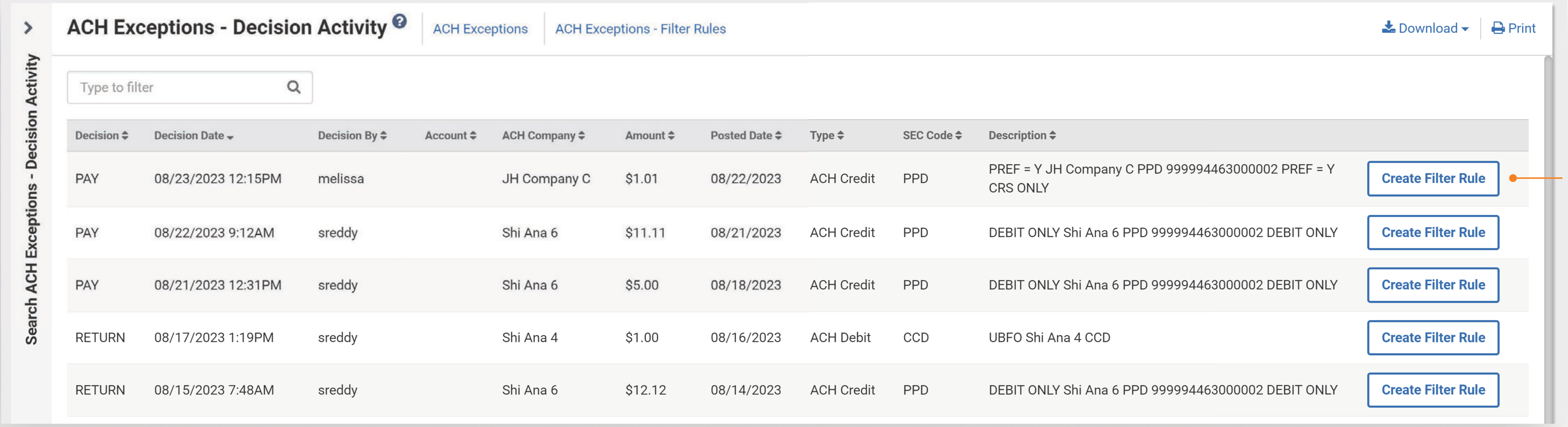
- The information from the filter rule selected will pre-populate the screen.
- Company ID and Transaction Type are required filter rule inputs.
- Optional filter rule criteria can also be selected (Amount, SEC Code, ACH Company Name, and Expiration Date).

2 Transaction Type (Debit or Credit) If the account status set by the bank is Credit Allowed and the Transaction Type selected is Credit, any inputs entered would be automatically “Not Allowed” and vice versa.

jack henry™

Create a Filter Rule from ACH Exceptions in Channel

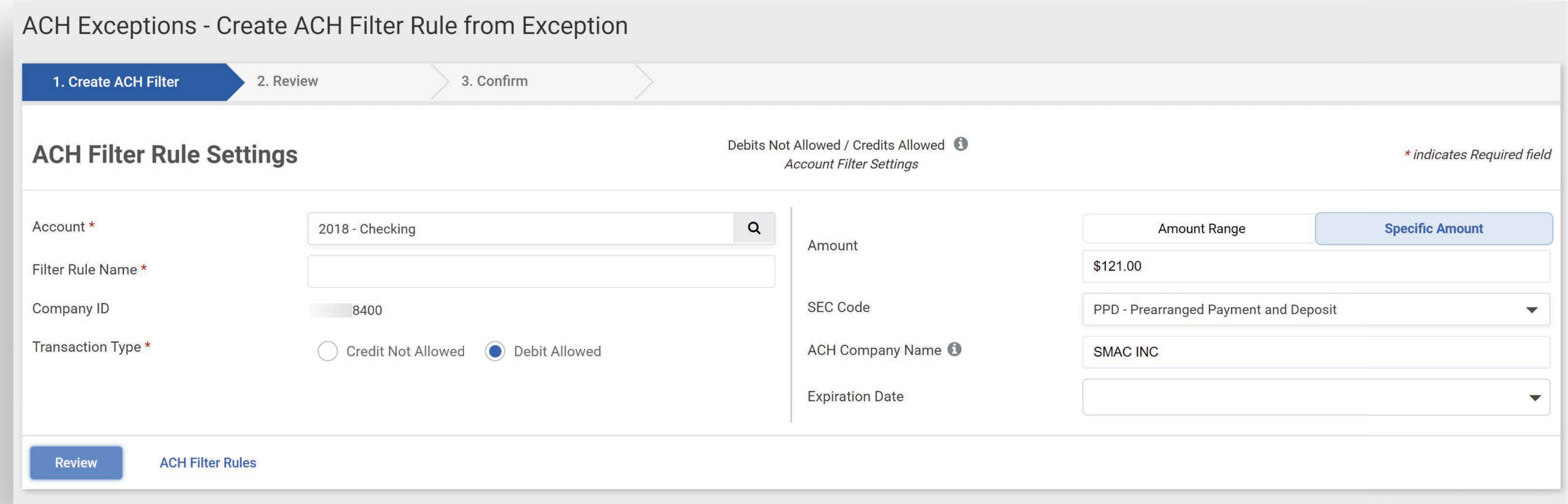


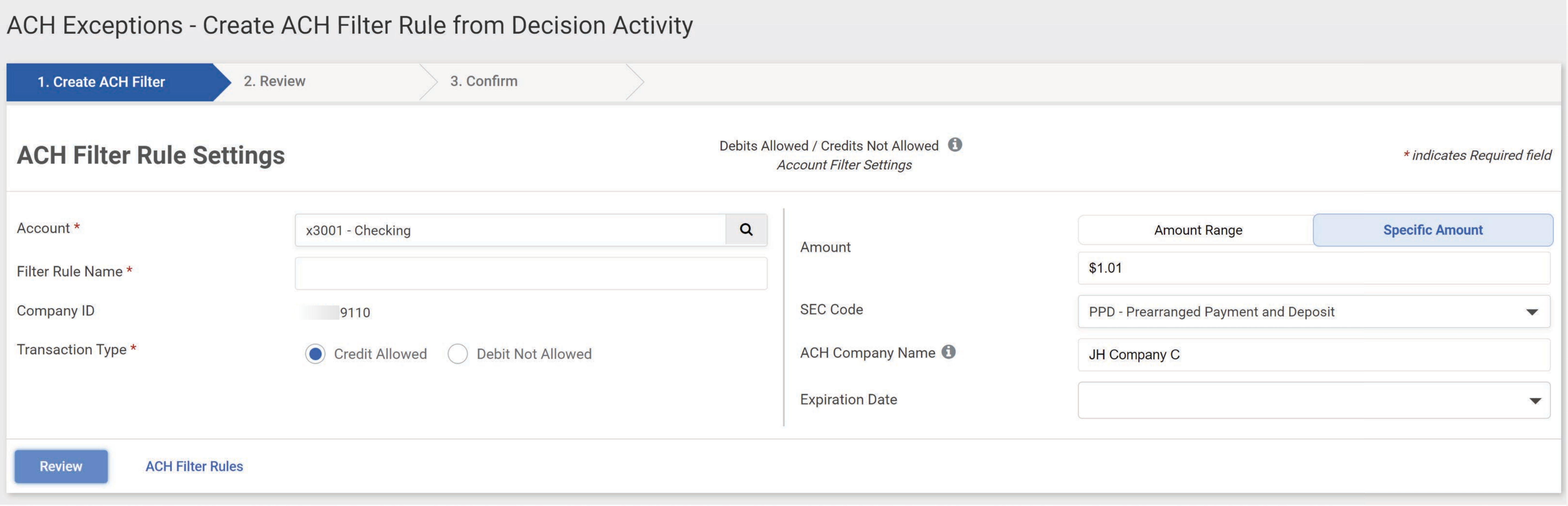


1 Create Filter Rule An ACH Filter Rule can be created while working an ACH Exceptions item by selecting the Create Filter Rule button on the ACH Exceptions open item or the ACH Exceptions - Decision Activity.

- When selected, you are redirected to the Create ACH Filter Rule workflow.

Create a Filter Rule from ACH Exceptions in Channel (continued)





1 Exception Data The information from the exception item will populate the Create ACH Filter Rule screen with the following data elements providing the information is available with the exception.

The data elements that may be populated are:

- Company ID
- Account
- Transaction Type
- Amount
- SEC Code
- ACH Company Name

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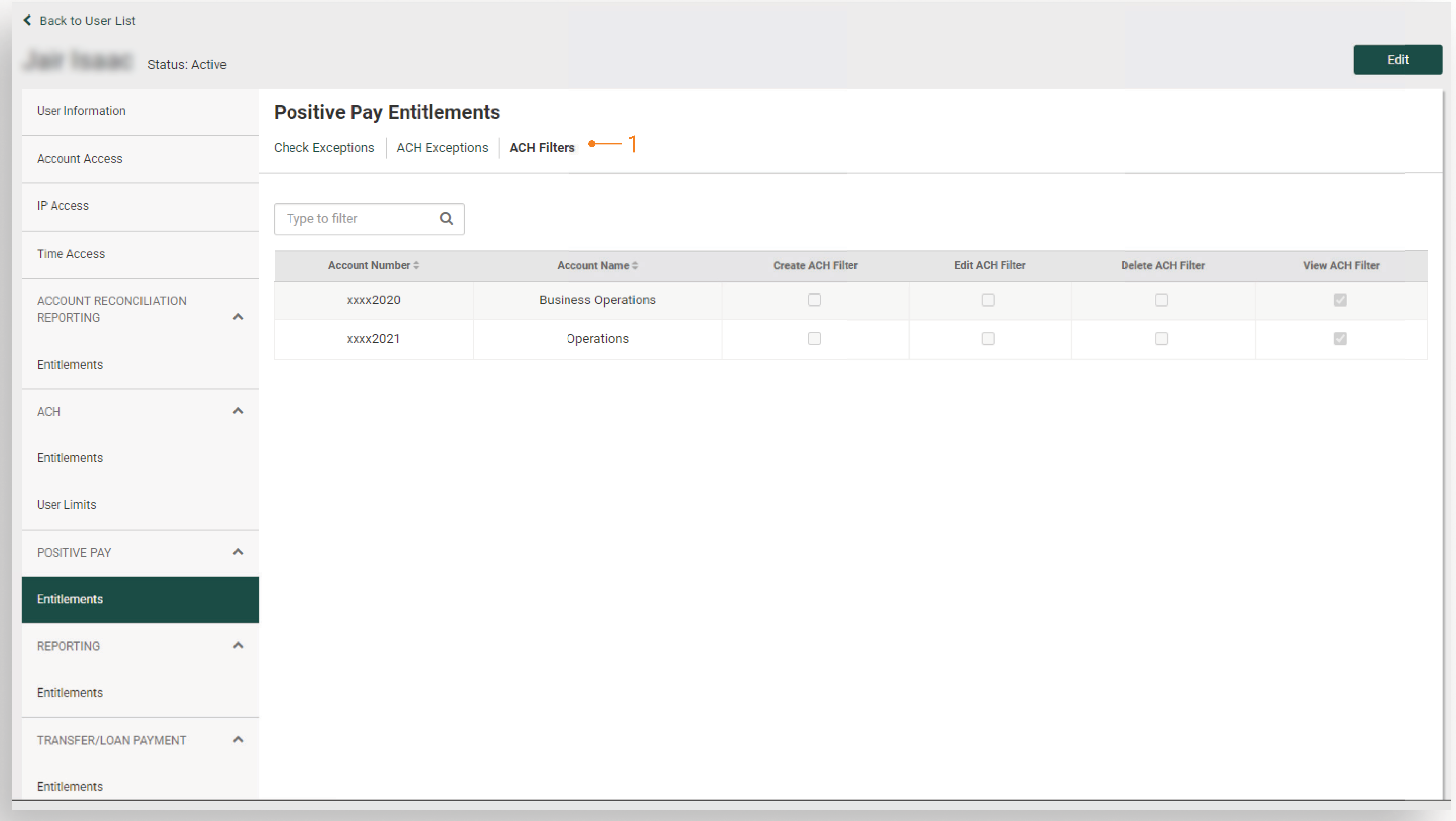
User Entitlements in Channel



Navigate to Positive Pay > ACH Filters > User Entitlements

1 ACH Filters - User Entitlements

- User access can be controlled by the bank or an admin user.
- Users can be given access to View, Create, Edit, and Delete ACH Filter Rules for specific accounts.
- Admin users can navigate and select Admin, select User List, then select View User from the Actions menu, navigate to Positive Pay and select Entitlements to add or update entitlements.
- User can select View User from the Actions menu, then select Edit, and navigate to Positive Pay and select Entitlements to add or update these entitlements. Or the user could select Edit User from the Actions menu.