



**DOING BUSINESS**

# Reconciliation Info



User Guide

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# How it works

## Reconciliation Info - User Guide

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### Introduction

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To meet your business needs, the Bank offers a service that allows you to improve your cheque reconciliation process and prevent fraud.

The Reconciliation Info service is very easy to use. Every day, the Bank will send you an electronic file of cheques paid (cleared), which you can use to automatically match issued cheques against paid cheques in your accounting system.

Once you have completed this process, you will be able to identify cheques to be returned and notify National Bank. The Bank will then take the necessary action.

This guide contains all the information needed to set up and get the most out of this service.

### Bank account

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To set up this service, we will open a new bank account for issuing the cheques to be reconciled. This reconciliation account is linked to your general bank account. The total amount for paid cheques is debited from your general account daily, once cheques have cleared. The balance of your reconciliation account will therefore always be zero.

### Printing cheques

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Since cheque reconciliation is based on reading electronic data on cheques, you must ensure that your printed cheques comply with the Canadian Payments Association (CPA) standards. See [Appendix 1 Printing Cheques](#). In particular, the magnetic ink character recognition (MICR) band on cheques must only contain the following fields: cheque (serial) number, transit number (05931), bank code (006) and the 7-digit reconciliation account number assigned to you. Please note that the amount field must not be encoded.

You must also ensure acceptable continuity in the numbering of your cheques. Cheque numbers must be included in the MICR band and used only once in a two-year period.

To ensure your cheques comply with CPA standards, we recommend forwarding 10 sample cheques from each new print run to our Onboarding Cash Management department. See [Appendix 5 Customer Service](#) for contact details. We will test your cheques against the CPA standard and notify you of the results within 15 business days. You will then be able to proceed with printing your cheques and avoid costs incurred by reprinting cheques that may not be compliant.

## Retention period

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The Bank stores your cheque images for 7 years. Images of the front and back of cheques can be accessed on Internet Banking Solutions - Businesses (IBS-B).

As part of this service, we give you access to a cheque reconciliation tool that allows you to manage your reconciliation account online via IBS-B. The IBS-B "Cheque Reconciliation" option allows you to view your account information, perform searches and request cheque images. It also gives you online access to your account history for the last 12 months.

The IBS-B "Cheque Reconciliation" option is offered free of charge with our Info Reconciliation service. Should you decide you would like to use other options offered on IBS-S to carry out transactions and manage your accounts, you will need to sign up for them. For more information, visit [www.nbc.ca/be-inc](http://www.nbc.ca/be-inc) or contact your National Bank representative. You can also contact Customer Service at 1-844-394-4494 or 514-394-4494.

You can access the "Cheque Reconciliation" option Monday through Friday from 6:00 a.m. to 9:00 p.m. (ET) for same day operations. Operations carried out on cheques during a holiday or on the weekend will be processed the next business day. The service is available 24/7 for consultation. The information displayed will always be from the previous business day. See section *Cheque reconciliation option on IBS-B* for more information on the various operations.

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## Files and Reports

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### Reconciliation file

To allow you to automatically reconcile cheques in your accounting system, the Bank provides you with daily electronic files containing information on cheques paid (cleared) the previous day so you can match issued cheques against paid cheques.

The electronic file is in ASCII format. See [Appendix 3 Reconciliation file](#). You can import the file directly from the Bank's CFT platform as of 7:30 a.m. (ET). See [Appendix 2 Downloading Files](#).

### Return decisions report

If you identify discrepancies between cheques in the report and your issued cheques, you must email [seeconsigne@bnc.ca](mailto:seeconsigne@bnc.ca) a list of the cheques you refuse to honor, and the reason why, to the Bank by 2 p.m. (ET) on the day after the report is generated by the Bank. To do this, use the *Return Decisions Report*. See [Appendix 4 Return Decisions Report](#). After this time, you will not be able to make any claims in relation to the cheques or to dispute them, except in the case of fraudulent endorsement.

### Statement of account

Your summary of your transactions is available electronically through IBS-E at your request.

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A National Bank representative will provide you with all the information needed to set up the chosen service and will help you fill in:

- A technical sheet with all the relevant information.
- An agreement stating the terms and conditions of this service.

The representative will then issue you an account number for printing and issuing your cheques for the Reconciliation service.

An implementation officer will set up your cheque reconciliation service. He will verify all documents and information received and then contact you to start the set-up process, carry out the necessary tests and set up the file transfers and various reports.

The implementation officer will also arrange for your cheques to be tested to ensure they comply with CPA standards. You will need to provide ten (10) sample cheques filled out manually or printed by your accounting software (include date, amount, payee, signatory, etc.). The word "VOID" must be written across the signature space on the front of each sample cheque. We will carry out the necessary checks and notify you of the results within 15 business days. You can then print and issue your cheques using proper controls in order to prevent losses, including those that could result from the actions of their employees and representatives.

**Reconciliation file:**

You will receive your reconciliation report by electronic file transfer. You will need to develop a program to read the reconciliation file for paid cheques. For details see [Appendix 3 Reconciliation file](#).

On request, we will provide you with a test file for this exercise, and you can confirm to us whether the tests were successful.

The set-up process will take at least thirty (30) business days from the start of the cheque testing exercise. Once all the tests have been completed (cheque printing and files), the implementation officer will confirm that the Reconciliation Info service and your cheque reconciliation account are ready to use.

Once the service is up and running you can rely on our Customer Service staff to answer any questions about transactions, reports or files. Contact details for our Customer Service department can be found in [Appendix 5 Customer Service](#).

# Cheque reconciliation option on IBS-B

The "Cheque Reconciliation" option, offered free on Internet Banking Solutions for Businesses (IBS-B), allows you to view the list of your paid cheques, perform searches and request photocopies. You will also be able to view certain reports and access your account history for the last 12 months.

You can access the "Cheque Reconciliation" option Monday through Friday from 6:00 a.m. to 9:00 p.m. (ET) for same day operations. Operations carried out on cheques during a holiday or on the weekend will be processed the next business day. The service is available 24/7 for consultation. The information displayed will always be from the previous business day.

To access the "Cheque Reconciliation" option, you must subscribe to it on IBS-B. Once enrolment is complete, you will need to designate an administrator for the platform and grant the access rights specified on the designation form. The administrator will then be able to create user profiles based on user needs and respective tasks and assign user access rights for the appropriate accounts.

**Please note that with the Info Reconciliation service, access is limited to viewing accounts and reports, and requesting photocopies.**

Help | Print

**User profile**

Last name: DOYON  
 First name: BRIGITTE  
 User code: doybr675  
 Type : Administrator

**Reconciliations**

User id : OBD

Allowed actions :

	Consult	Issue	Cancellation	Stop payment	Request photocopy	Consult report
Reconciliation of cheques						
0006-05041-0000227	[ ]	[ ]	[ ]	[ ]	[ ]	[✓]
0006-05841-0000227	[ ]	[ ]	[ ]	[ ]	[ ]	[✓]
0006-05931-0016925	[✓]	[✓]	[✓]	[✓]	[✓]	[✓]
0006-05931-0028729	[ ]	[ ]	[ ]	[ ]	[ ]	[✓]
0006-05931-0118027	[ ]	[ ]	[ ]	[ ]	[ ]	[✓]
Reconciliation of cheques						
0006-05841-0000325	[✓]	[✓]	[✓]	[✓]	[✓]	[✓]

History

- Modified on: 2007-02-23 at 9:32 AM ET by Robert Grodin

The reports are offered on IBS-B for clients who meet the eligibility criteria only.

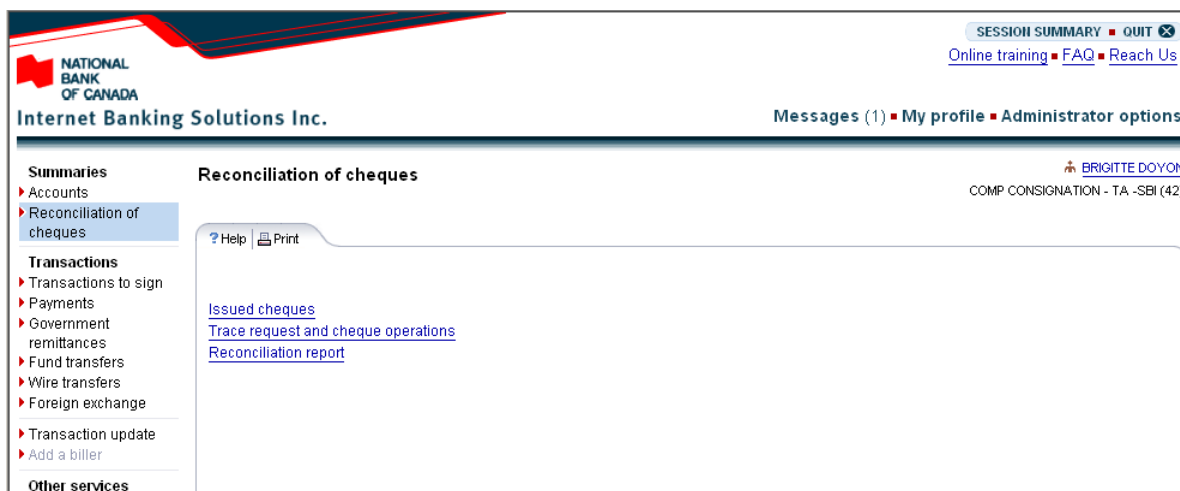


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Once a session has been opened on IBS-B, you must click on "Reconciliation of cheques" on the left-hand menu. The following screen will appear offering you three options:

- Issued cheques
- Search and cheque operations
- Reconciliation reports



#### Issued cheques

This option is only available with the Automated Cheque Reconciliation service.

#### Search and cheque operations

This option allows you to perform searches and carry out operations on your cheques.

#### Reconciliation reports

This option allows you to view and export the following reports:

- Daily reconciliation report of paid cheques
- History of cheque reconciliation

The data can be exported as a text file or spreadsheet.

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**Search and cheque operations**

- You can use this screen to search for cheques. A history of the last 12 months is available.
- You can perform an advanced search using cheque amount, payment date or serial number.
- Cheques will be displayed one page at a time. Each page will display a maximum of 20 cheques.
- The operations allowed on the cheques will be displayed at the bottom of the screen. Each action can be applied on one or more cheques at once, but two actions cannot be applied simultaneously.

**SESSION SUMMARY** ■ **QUIT**

[Online training](#) ■ [FAQ](#) ■ [Reach Us](#)

**Internet Banking Solutions Inc.** Messages ■ My profile ■ Administrator options

**Summaries**  
 ▶ Accounts  
 ▶ Reconciliation of cheques  
**Transactions**  
 ▶ Transactions to sign  
 ▶ Payments  
 ▶ Government remittances  
 ▶ Fund transfers  
 ▶ Wire transfers  
 ▶ Foreign exchange  
 ▶ Transaction update  
 ▶ Add a biller  
**Other services**  
 ▶ Stop payment  
 ▶ Credit reference  
 ▶ Letter of credit  
 ▶ More

**Questions ?**  
 (514) 394-2057 (opt 3)  
 1-800-910-4001 (opt 3)

**Trace request and cheque operations** JEAN TREMBLAY  
COMP CONSIGNATION - TA -SBI (42)

Help | Print

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Hide advanced search criteria

Account No. : 0006-05931-0059323 CAD

Cheque No. from : to :

Additional data :

Amount min : max :

Paid date from : to : (YYYY-MM-DD)

Issue date from : 2006-07-03 to : 2006-07-14 (YYYY-MM-DD)

Cheque status :  Cancelled  Outstanding  Paid  
 Paid, not transmitted  Stopped

[Apply criteria](#)

General information		
Account No.	Account Name	Total cheques outstanding
0006-05931-0059323 CAD	COMPTE TEST CONCILIATION	

Cheques in reconciliation						
Cheque No.	Issue Date	Paid Date	Amount	Status	User	Additional data
<input type="checkbox"/> 0000000001	2006-07-04	2006-12-11	0.01 CAD	Cancelled	OMT	
<input type="checkbox"/> 0000000002	2006-07-04	2006-08-04	0.01 CAD	Cancelled	UM	TEST
<input type="checkbox"/> 0000000008	2006-07-07	2007-02-01	0.02 CAD	Cancelled		TEST DATA
<input type="checkbox"/> 0000000009	2006-07-07	2007-02-01	0.03 CAD	Cancelled	ODD	
<input type="checkbox"/> 0000000010	2006-07-07	2006-12-14	0.04 CAD	Paid		
<input type="checkbox"/> 0000000022	2006-07-05	2006-07-05	0.01 CAD	Paid		
<input type="checkbox"/> 0000000023	2006-07-05	2006-07-05	0.02 CAD	Paid		
<input type="checkbox"/> 0000001111	2006-07-07	2007-02-01	0.05 CAD	Cancelled		
<input type="checkbox"/> 0000003333	2006-07-05	2007-02-01	1,303.53 CAD	Cancelled		
<input type="checkbox"/> 0000003337	2006-07-09	2007-01-24	1,303.53 CAD	Paid		
<input type="checkbox"/> 0000004335	2006-07-07	2007-01-18	1,259.94 CAD	Paid		
<input type="checkbox"/> 0000011111	2006-07-07	2007-02-01	0.06 CAD	Cancelled		

Cancel 
  Remove cancellation 
  Stop payment 
  Remove stop payment 
 Request photocopy

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Help | Print

[Legal information - Confidentiality policy - ABC's of security](#)  
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## Reconciliation reports

### Daily reconciliation report of paid cheques

- This report lists all cheques cleared the previous business day with "Paid" status.
- The "Export" button is active only if the report contains at least one cheque.
- You will be able to sort the cheques in the report in ascending or descending order by "Cheque No.", "Amount" or "Sequence No."

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Internet Banking Solutions Inc.

SESSION SUMMARY ■ QUIT  
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Messages ■ My profile ■ Administrator options

**Summaries**  
▶ Accounts  
▶ Reconciliation of cheques

**Transactions**  
▶ Transactions to sign  
▶ Payments  
▶ Government remittances  
▶ Fund transfers  
▶ Wire transfers  
▶ Foreign exchange  
▶ Transaction update  
▶ Add a biller

**Other services**  
▶ Stop payment  
▶ Credit reference  
▶ Letter of credit  
▶ More

**Questions ?**  
(514) 394-2057 (opt 3)  
1-800-910-4001 (opt 3)

Report : daily reconciliation

Report dated : 2007-03-26

Account No. : 0006-05931-0059323 CAD  
Report : Paid cheques  
Frequency : Daily

Apply criteria

Reconciliation Report (S13283)

Cheque No. ▲	Amount	Sequence No.
--------------	--------	--------------

Non-existent/ No data for this request.

Legal information - Confidentiality policy - ABC's of security  
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## History of cheque reconciliation

This option allows you to view and export the reconciliation reports for paid cheques. You can access up to 12 months of account history with this option, depending on the frequency of reports and the selected dates.

- Select the account for which you want to generate the report.
- For a daily report, specify the business day for which the report will be generated. For a weekly report, specify the month and week, and for a monthly report specify the month.
- You can print a report and export the data at any time.
- You can sort cheques in the report in ascending or descending order before exporting them.

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Report : **historic reconciliation**

Account No. : 0006-05931-0059323 CAD

Report :  Paid cheques  Outstanding cheques  Consolidated cheques

Frequency :  Daily  
 Weekly  
 Monthly

Payment date : (YYYY-MM-DD)

March 2007

Apply criteria

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#### Exporting reports - Format choices

- To export a report, click on the "Export" button in the top-left corner of the screen. A screen will appear and you will be able to make your selections.
- Two file formats are available: text and spreadsheet. You will be able to customize the delimiters used, decimal separators and date format.

SESSION SUMMARY ■ QUIT

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**Summaries**

- ▶ Accounts
- ▶ Reconciliation of cheques

**Transactions**

- ▶ Transactions to sign
- ▶ Payments
- ▶ Government remittances
- ▶ Fund transfers
- ▶ Wire transfers
- ▶ Foreign exchange
- ▶ Transaction update
- ▶ Add a biller

**Other services**

- ▶ Stop payment
- ▶ Credit reference
- ▶ Letter of credit
- ▶ More

**Questions ?**  
(514) 394-2057 (opt 3)  
1-800-910-4001 (opt 3)

Report : current reconciliation  
Account : 0006-05931-0059323 CAD

Format	Extension	Options
<input type="radio"/> Spreadsheet (Excel, Lotus ...)	.csv	Separator : [ ] Decimal : [ ] Date : [YYYY-MM-DD]
<input checked="" type="radio"/> Text	.txt	Separator : [ ] Decimal : [ ] Date : [YYYY-MM-DD]

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#### Sample result based on the selected criteria (text format)

Report SI3292

Account number: 0006-05931-0059323

Status of consolidated cheques

Monthly report with end-of-month indicator

Date 2006-11-06 at 1.08 p.m. ET

Cheque No., Amount, Paid date, Issue date, Additional data, Status

0000001415, 0.01, 2006-10-26, 2006-07-17, TEST, Stopped

0000001416, 0.01, 2006-10-26, 2006-07-17, Stopped

0000001418, 0.01, 2006-10-11, 2006-07-17, Cancelled

Total by status, Status

Amount, No. of cheques

Stopped, 0.020.01,2

# Appendices

## Appendix 1 - Printing cheques

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A 5/8" band must be reserved at the bottom of the cheque for MICR encoding. No other kind of ink can appear in this space.

The cheque (serial) number must contain between six (6) and eight (8) digits. Numbers with fewer than six (6) digits must be padded with zeros. E.g.: 000212 for cheque number 212.

The positioning specifications for each field on the MICR line are as follows:

Cheque No:	position 47	Symbol
(for 6 digits)	positions 48 - 53	Cheque No:
	position 54	Symbol
Cheque No:	position 47	Symbol
(for 8 digits)	positions 48 - 55	Cheque No:
	position 56	Symbol
Transit number:	positions 33 - 43	(See MICR instruction sheet)
Account number:	positions 20 - 29	(See MICR instruction sheet)

Your printer must strictly comply with these standards so that your cheques can be read magnetically when they are processed by the Bank. The printer must ensure cheques comply with the Canadian Payments Association (CPA) standards, specifically Standard 006. For more information, visit the CPA website [payments.ca/](http://payments.ca/). The Bank is not liable for any expenses resulting from errors or failure to meet these standards or be bound to provide the service if the client does not comply with said standards

## Appendix 2 - Downloading files

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You must use National Bank's Corporate File Transfer (CFT) platform to download the electronic version of your reports. Depending on the service you have chosen, you will have access to a virtual mailbox where you can download files.

Below are the three transfer methods available and the requirements for each:

### HTTPS

- Windows
- Zip utility for file compression (e.g. WinZip - must create a zip file)
- S-filer plug-in, will be provided by National Bank, depending on which browser you use.

You will be able to assign user roles and access rights.

When the service is set up, a telephone call will be scheduled with one of our technicians to explain how the platform works.

### SFTP (SSH) password or certificate authentication

- Use of any operating system on which an SFTP client can be installed
- SFTP client
- Knowledge of FTP protocol
- Data encryption (optional): PGP encryption software<sup>1</sup>

### ADDRESSES

Addresses on National Bank's website from which your CFT transfers will be carried out:

- HTTPS: <https://web.tfc.bnc.ca>
- SFTP: <sftp.tfc.bnc.ca>

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<sup>1</sup> At your expense.



## Appendix 3 - Reconciliation file

File format (ASCII) for receiving the paid cheques report.

Field No.	Position	Length	Format	Contents	Information required
01	1 to 3	3	N	Branch number	Always 593
02	4 to 13	10	N	Account number	The reconciliation account number (7 digits, including zeros, excluding hyphens) assigned to you by the Bank. Precede this number with 000.
03	14 to 19	6	N	Reconciliation date	Always 000000
04	20 to 27	8	N	Cheque number	Corresponds to the number printed with magnetic ink (MICR) at the bottom-left corner of the cheque.
05	28 to 33	6	N	Date payable	Always 000000
06	34 to 39	6	N	Date paid	The date the cheque was honoured by the Bank. YYMMDD format.
07	40 to 50	11	N	Sequence number	Always 00000000000
08	51 to 60	10	N	Amount	Cheque amount: an amount of \$100 must be entered as 0000010000 without a comma or decimal point.
09	61 to 64	4	N	Cheque status	3000: cheque reconciled by Bank
10	65 to 73	9	A/N	Unused	Nine spaces
11	74 to 79	6	A/N	Unused	Six spaces
12	80	1	N	Unused	Always 0

### Information for files received over the Corporate File Transfer platform (Internet).

File name: CS031XXXXXXX.YYY where XXXXXXX is the reconciliation account number given to you by the Bank, including zeros but without the hyphens, and YYY is the file extension depending on the chosen transfer protocol: .ZIP for HTTPS and .TXT for SFTP. E.g.: if your account number is 00-921-22, the file will be named CS0310092122.ZIP if by HTTPS.

For file transfer requirements see section *Cheque reconciliation option on IBS-B*.

## Appendix 4 - Return decisions report

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You must download your paid cheques report directly from IBS-S and validate the contents on a daily basis. Once you've validated the information, you must notify the Bank the same day of any cheques you refuse to honour using the *Return Decisions Report*. You must email [seeconsigne@bnc.ca](mailto:seeconsigne@bnc.ca) this report to the Bank before 2 p.m. (ET).

Details:

\_\_\_\_\_

\_\_\_\_\_

Cheque number	Date paid	Reason for return

Date: \_\_\_\_\_

Prepared by: \_\_\_\_\_

Signature

\_\_\_\_\_  
Name and title

Authorized by: \_\_\_\_\_

Signature

\_\_\_\_\_  
Name and title

### PRIVACY STATEMENT

This document is intended solely for the individual or entity to whom it is addressed. The information contained in this document is legally privileged and confidential. If you are not the intended recipient or the person responsible for delivering it to the intended recipient, you are hereby advised that you are strictly prohibited from reading, using, copying or disseminating the contents of this message. In such a case, please resend us this message immediately and destroy this document.

## Appendix 5 - Customer service

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### Information requests

To obtain information or notify us of any irregularity concerning payments, please contact our customer service team. You will receive a written response in 5 to 10 business days of our receiving your inquiry.

### Missing or incorrect report

If a report is missing or incorrect, please call Customer Service immediately and have on hand:

- Name and telephone number of your company
- Format of the relevant report (fax or electronic file)
- Date of the missing or incorrect report

Customer Service  
Cheques Reconciliation, transit 0593-1  
514-394-4494 (Montreal area)  
1-844-394-4494 (toll-free)  
Fax: 514-394-9590

Our business hours are Monday to Friday, 7:00 a.m. to 8:00 p.m. (ET).

### CPA standard testing offered to new accounts - Printed cheques

For the cheques to be tested, you must send 10 of them to the following address:

Onboarding Cash Management, Transit 4697-1  
600 de la Gauchetiere street W, 11th floor  
Montreal (Quebec) H3B 4L2

It is also possible to send your cheques via internal mail by visiting one of our branches. Simply mention that the cheques must be sent to transit 4697-1.