



Pre-authorized debits

User Guide

› Cash Management Solutions

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Amendments to Payments Canada's Rule H1

Payment Canada has announced changes to Rule H1, which governs pre-authorized debits. You have until **December 31st, 2023**, to comply with the rule changes.

Important reminder that it is mandatory to have a PAD agreement in place with your payors before initiating your pre-authorized debit transactions. Agreements must comply with Payments Canada requirements. We urge you to review your template agreements and processes now to ensure they comply with the requirements of the revised rule!

The revised rule does not require the modification of all agreements signed and in force before December 31, 2023. However, as of this date, in the event of a discrepancy between an existing pre-authorized debit agreement and the revised rule, the requirements of the revised rule will apply.

What changes

- > Where debits are processed by a third party, **the payor's PAD agreement shall include a statement that a third party will administer the PAD and the name of such administrator.** The payer will thus be able to recognize the name of the supplier making the PAD in his account.
- > When making a one-time payment, it will now be necessary to enter into a **one-time PAD agreement.** One-time PAD agreements will automatically terminate once payment is made. Any subsequent PAD transaction will require a new agreement.
- > **The distinction between paper and electronic agreements is eliminated.** All DPA agreements are subject to a single implementation deadline, which should improve the customer experience and facilitate contract management.
- > The "**commercially reasonable methods**" used to describe certain procedures for verifying the identity of the payer have been redefined. You will now be able to choose the method that best corresponds to the reality of your business, as long as they are reasonable and appropriate.

The mandatory elements, mandatory depending on the circumstances, as well as a model PAD Agreement can be found on [pages 8 and 9 of this user guide](#).

Several other model agreements are available in [Rule H1](#) on the Payments Canada website. Please refer to it for all the details surrounding the direct debit agreements.

Advantages



Convenient and easy to use

- > Makes it possible to predict when funds will be debited from your clients' accounts and when they will be deposited to your account.
- > Most tasks can be automated.
- > Provides access to reports so you can monitor all debits carried out.



Boosts efficiency

- > Decrease operating fees by saving time and paper.
- > Eliminate the need to visit the branch and facilitate cash management.
- > Increase the company's productivity by eliminating manual tasks.



Secure

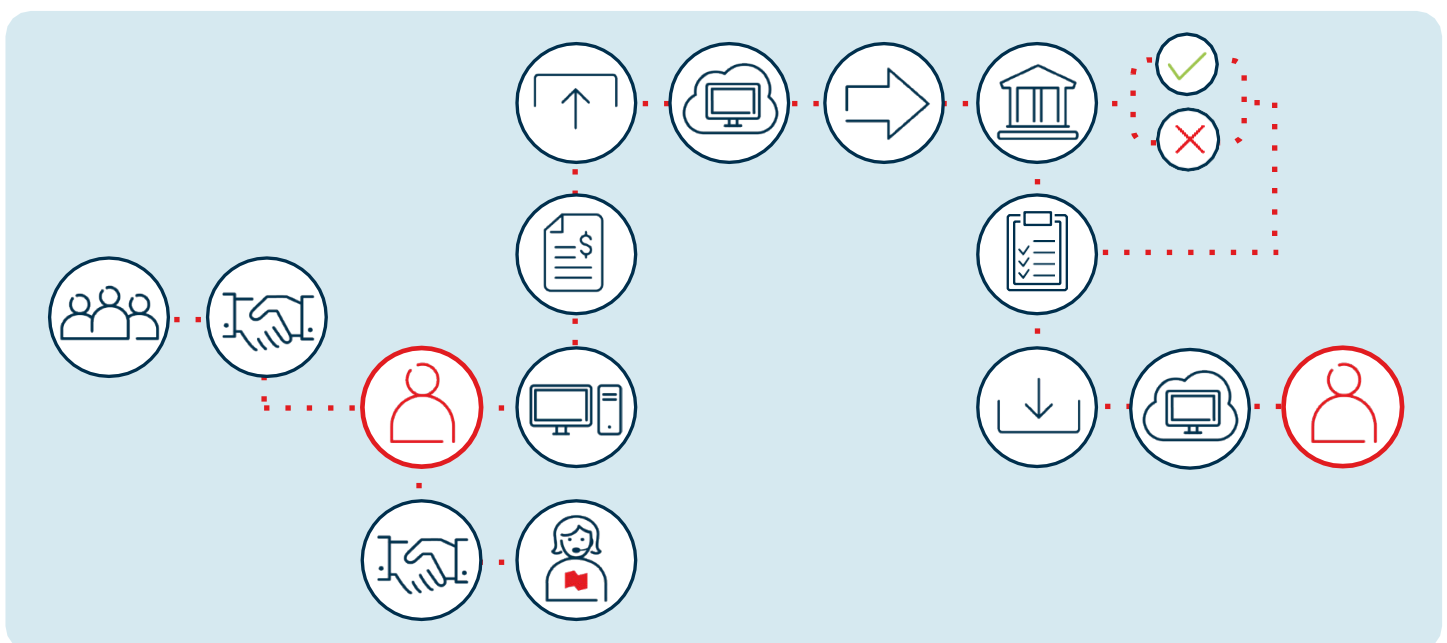
- > Decrease the risk of fraud by enhancing security and transaction reliability, since all transactions are encrypted.



Saves money

- > Eliminate costs related to cheque reconciliation.
- > Save time and money; pre-authorized debit transactions cost less than cheques.

How it works

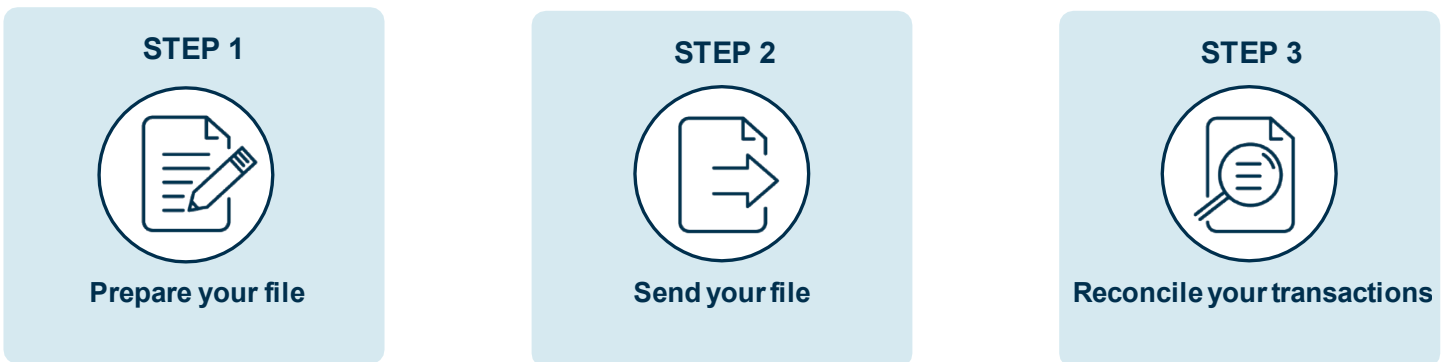


1 Sign up

Introduction

This solution allows you to collect regular payments directly from your clients' accounts. Your client must have a bank account with a Canadian financial institution. Transactions between different currencies are not allowed.

Making payments by pre-authorized debit can be summed up in three easy steps



Where should you start?

Before you begin, you will need a pre-authorized debit file generator and an issuer number for each currency you will be using and for each company.

The file or transfer module generator:

Most accounting softwares available on the market can be used to generate a file. Here are the different options available to you.

- > **If you have an accounting software:** You need to confirm the functions available with your software with your service provider as the transfer module is often an extra option.
- > **If you don't have an accounting software:** We suggest using a payment file generator. An online platform is offered by our partner Technicost.
- > **If you've developed an in-house solution:** The Bank can support you in implementing the necessary structure for generating files.
- > View the [technical specifications](#) required to develop the file.

Issuer number

- > National Bank will give you an issuer number once you have signed up for the service. The issuer number is a unique identifier. This number should be added to your file generator.

2 Implementation

Step 1: Prepare your file



You will need to get a sample cheque from each of your clients to ensure the information is accurate, as well as a payor authorization form.



Transactions that do not meet established validation criteria will be rejected and entered in a report.



The Bank will only validate the account format. It is therefore your responsibility to correctly enter the banking information in your file.



A file may contain transactions with different dates, as long as the transactions are not dated more than 173 days before or 45 days after the file creation date

Best practices: One file, one date!

- > In order to optimize your cash management and simplify reconciliation of your transactions, we recommend that you create one transaction file per due date. Your account will be credited the same day of due date, for the total amount of transactions contained in your file.

Step 2: Send your file

Once your file is ready to be sent, it may be sent via the secure Corporate File Transfer (CFT) platform. This platform allows files to be transferred securely. Depending on the transmission method selected, you can program your transfers.

Two options to send us your file

Send the files using your accounting software

- > Site address: <https://web.tfc.bnc.ca>
- > Windows environment

Program the automatic transfer of your files * IT development required *

- > Site address: <sftp.tfc.bnc.ca>
- > SFTP with public key (SSH)
- > Use of any operating system on which an SFTP client can be installed
- > SFTP client with data encryption (optional): PGP encryption software

Depending on the connection protocol selected, we will support you in the following steps.

- > The connectivity and your file format will be tested.
- > As soon as the test results are conclusive, you will be ready to use the service.

Payor Authorization

Payor's pre-authorized debit (PAD) agreement

You will need to have a payor's PAD agreement in place with your clients.

Each payor's PAD agreement must contain mandatory elements found in Appendix II of Payments Canada Rule H1, as well as certain supplementary elements found in the same rule. You can also include other elements, present them in a different way, and include them in a contract for goods and services or any other document, as long as the mandatory elements are included.

Each payor's PAD agreement is subject to all applicable legislation, including, without limitation, all applicable consumer protection legislation.

What are the mandatory elements that must be included in the agreement?

Here are the 7 mandatory elements that must be contained in every payor's PAD agreement

1. Date of the agreement and client's signature
2. Authorization to debit the account
3. PAD category (personal or business)
4. Amount, timing, and specific event/action
5. Cancellation of agreement: instructions and timeframe (maximum 30 days) for cancelling the agreement
6. Contact information for your business so clients can contact you
7. Recourse/reimbursement statement, which must read: "You [or I/We, depending on the context] have certain recourse rights if any debit does not comply with this agreement. For example, you [I/we] have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your [my/our] recourse rights, [I/we may] contact your [my/our] financial institution or visit www.payments.ca."

IMPORTANT

For more details and a descriptions of mandatory and supplementary elements to be included in the agreement, please consult the [Payments Canada](http://www.payments.ca) website:

payments.ca

Sample Pre-Authorized Debit Agreement

Please complete the Pre-Authorized Debit (PAD) Plan Agreement below

I/we authorize **ABC**, and the financial institution designated (or any other financial institution I/we may authorize at any time) to begin deductions as per my/our instructions for monthly regular recurring payments and/or one-time payments from time to time, for payment of all charges arising under my/our **ABC** account(s). Regular monthly payments for the full amount of services delivered will be debited to my/our specified account on the X day of each month. **ABC** will provide 10 days' written notice of the amount of each regular debit. **ABC** will obtain my/our authorization for any other one-time or sporadic debits.

This authority is to remain in effect until **ABC** has received written notification from me/us of its change or termination. This notification must be received at least 10 business days before the next debit is scheduled at the address provided below. I/We may obtain a sample cancellation form, or more information on my/our right to cancel a PAD Agreement at my/our financial institution or by visiting www.payments.ca.

ABC may not assign this authorization, whether directly or indirectly, by operation of law, change of control or otherwise, without providing at least 10 days' prior written notice to me/us.

I/We have certain recourse rights if any debit does not comply with this agreement. For example, I/we have the right to receive reimbursement for any PAD that is not authorized or is not consistent with this PAD Agreement. To obtain a form for a Reimbursement Claim, or for more information on my/our recourse rights, I/we may contact my/our financial institution or visit www.payments.ca.

Name: _____
ABC Account Number: _____
Type of service: Personal Business
Address: _____
City: _____ Province: _____
Postal code: _____
Telephone: (office) _____ (home) _____
Financial institution: _____
Institution No.: _____ Transit No.: _____
Account number: _____
Address: _____
City: _____ Province: _____
Postal code: _____
Authorized signature(s): _____

ABC Inc.
Attention: Billing Department
987 1st Avenue, City, Province Postal code
Tel.: 999-999-9999, ext. 222
Email: billing@abcutilities.com

3 Start!

Deadlines and processing times

To debit your payees			
If you send your file	The deadline is		Your account will be credited
	CAD	USD	
Today, for transactions due today	At the latest, the same day of transaction, before 8pm ET, no possibility to stop payments	At the latest, the same day of transaction, before 8pm ET, no possibility to stop payments	Same day
Today, for transactions due tomorrow	At the latest, at 4h30pm ET, (1) one business day before day of debits, with possibility to stop payments or 8pm ET, no possibility to stop payments	At the latest, at 4h30pm ET, (2) two business days before day of debits, with possibility to stop payments or 8pm ET, no possibility to stop payments	The funds will be credited to your account the next day

Important:

- Your payor must have a bank account with a Canadian financial institution.
- Transactions between different currencies are not allowed.

To stop a payment or make a correction	
Stop payment	Correction
<p>A stop payment may be requested if the file or transaction has not yet been processed or delivered to other financial institutions.</p> <p>For transactions in USD:</p> <p>Please note that a stop payment can be carried out if we receive your file more than 48 hours before the due date of the transaction. Otherwise, the payment will be reversed as a correction.</p>	<p>A correction may be requested once the transactions are delivered or no later than 3 business days after the transaction due date.</p> <p>A “correction” request is deemed a last resort. You must notify your payors.</p> <p>They can exercise their <u>right of refusal</u> by declining the correction within 90 days of the correction notice.</p>

Important:

- You must always ensure the accuracy of the data in your file when sending it.
- Corrections can be used only in the following situations: double payment, incorrect payment amount, incorrect account number.
- National Bank cannot be held liable for losses or damages resulting from a reversal request processed as a correction.

IMPORTANT: Under Payment Canada rules, payees have the right to decline an EFT correction to their account.

Your reversal request (stop payment or correction) must be addressed to Customer Service by telephone or by fax using the forms for payment reversal requests included in this document in Appendice H.

Payment reversal request forms are kept at the Bank for 12 months.

Always ensure the information in your file is accurate before it is sent to the Bank. Correction reversal requests must comply with Payment Canada rules and should be seen as a last resort. Moreover, the following conditions apply to all correction requests:

- > Corrections can be used only in the following situations: double payment, incorrect payment amount, incorrect account number.
- > The payee must be notified about correction reversals, since a correction reverses a credit to a payee's account. Without restricting the limitation of liability under the Direct Deposit Service Agreement, the Bank cannot be held responsible for losses or damages resulting from the processing of corrections.

What happens if...

Your file is rejected?

- > A confirmation message appears on screen after receipt of your file.
- > If the Bank detects any problems while validating the data, Customer Service will contact you as soon as possible.
- > The Bank will not correct or modify your file in any way.

One or several transactions in your files are rejected?

- > A debit transaction may be returned for several reasons, such as a closed account.
- > A report will be sent to you, via the transmission method selected, advising you of the rejection.



Special feature for files with multiple dates. Best practices

- > If your file contains transactions due on different dates, your account will be credited for the total amount of the transactions in your file.
- > It may therefore be preferable to use one file per date, if you do not wish to be credited in advance for transactions coming due later.

Functions available

You can sign up for two functions to help you manage your files:

1 The EFT File Management option via our Internet Banking Solutions.

- > This option lets you view, modify, delete or add a transaction in your file.
- > Allows you to access your postdated files until 11:59 p.m., one business day before the due date for CAD files and three business days before the due date for USD files.
- > Available to clients that submit less than 3000 transactions per file.

IMPORTANT

- > Two individuals must authorize all changes, including additions, modifications and deletions, made to an EFT file using the EFT File Management option.
- > All changes, including additions, modifications and deletions, for which a final authorization is not received before the access deadline will not be considered and the file will be processed without those changes.
- > For reconciliation purposes, it is highly recommended to have one file per due date. When a file contains transactions due on different dates, only the due date of the nearest transaction will be considered for file access; the file will not be accessible for subsequent transactions.

2 Validation and Authorization of File Transfers option

- > This option allows you to approve or assign access rights to a user to approve submitted files.
- > You can sign up for this function if you choose to transfer your files yourself via your accounting software.
- > When you select this function, your file will not be processed until it is approved.
- > For more details on how to use this function, you can refer to the [IAM guide](#).

Step 3: Reconcile your transactions

Compare your internal data against the data provided by the Bank. Here is a list of reports available to help you verify and control your cash outflows.

List of reports available	Description	Format and availability
Summary of Transactions Received Show sample	<p>This report is issued once you have submitted your file.*</p> <p>The report confirms:</p> <ul style="list-style-type: none"> > That we have processed your file > The monetary value of your transactions by date <p>*You will also receive this report if you request corrections or stop payments for your file.</p>	<ul style="list-style-type: none"> > By fax > PDF downloadable from our transfer platform
List of Transactions Returned to Clients Show sample	<p>This report is issued if any of your transactions are returned.</p> <p>The report confirms:</p> <ul style="list-style-type: none"> > The list of rejected or non-processed transactions. <p>This report will be issued twice:</p> <ul style="list-style-type: none"> > Once for transactions involving National Bank accounts. > Once for transactions involving accounts at another financial institution. 	<ul style="list-style-type: none"> > By fax > PDF downloadable from our transfer platform
Summary of Transactions Delivered Show sample	<p>This report will be available on screen when you submit your file.</p> <p>The report confirms:</p> <ul style="list-style-type: none"> > We have received and treated your file 	<ul style="list-style-type: none"> > By fax > PDF downloadable from our transfer platform
List of Stop Payments Reimbursed Show sample	<p>This report is generated once you have made a request to stop payment of a file or transaction.</p> <p>The report confirms:</p> <ul style="list-style-type: none"> > The stop payment requests reimbursed. 	<ul style="list-style-type: none"> > By fax > PDF downloadable from our transfer platform
Billing	<p>This billing statement is produced at the start of every month and shows the breakdown of costs for your direct deposit service.</p>	<ul style="list-style-type: none"> > By fax > PDF downloadable from our transfer platform

Customer Service

Our Customer Service Department will be pleased to answer all your questions. Our offices are open Monday to Friday, from 7:00 a.m. to 8:00 p.m., Eastern time.

Business Central, transit: 4176-1 | 514-394-4494 (Montreal) | 1-844-394-4494 (outside Montreal)



Technical specifications

The following section is for clients who have chosen to develop their own file format for submitting transactions to be processed and/or would like to receive the file copy of the rejected transactions report.

Operation Codes

Select the operation code below that best reflects the type of withdrawals and enter it for each transaction in field No. 4 of Record D.

Operation code	Description	Abbreviation English/French
330	Insurance	INS/ASS
331	Life Insurance	
332	Auto Insurance	
333	Property Insurance	
334	Casualty Insurance	
335	Mortgage Insurance	
336	Health/Dental Claim Insurance	HDC/SDR
350	Loans	LNS/PRE
351	Personal Loans	
352	Dealer Plan Loans	
353	Farm Improvement Loans	
354	Home Improvement Loans	
356	Term Loans	
370	Mortgage	MTG/HYP
371	Residential Mortgage	
372	Commercial Mortgage	
373	Farm Mortgage	

(Continued on the next page)

Operation code	Description	Abbreviation English/French
380	Taxes	TAX/TAX
381	Income Taxes	
382	Sales Taxes	
383	Corporate Taxes	
384	School Taxes	
385	Property Taxes	
386	Water Taxes	
400	Rent/Leases	RLS/LOY
401	Residential Rent/Leases	
402	Commercial Rent/Leases	
403	Equipment Rent/Leases	
404	Automobile Rent/Leases	
405	Appliance Rent/Leases	
420	Cash Management	CMS/GES
430	Bill Payment	BPY/FAC
431	Telephone Bill Payment	
432	Gasoline Bill Payment	
433	Hydro Bill Payment	
434	Cable Bill Payment	
435	Fuel Bill Payment	
436	Utility Bill Payment	
437	Internet Access Payment	IAP/PAI
438	Water Bill Payment	WPB/CE
439	AutoPayment	APY/PAA
450	Misc. Payments	MSP/DIV
451	Customer Cheques	CCQ/CHP
452	Expense Payment	EXP/RDD
453	Bill Payment Error Correction	BPC/CPF
460	Accounts Payable	AP/CC
470	Fees/Dues	FEE/FRA
480	Donations	DON/DON
650	Inter-FI Funds Transfer Debit	FTD/TDF
700	Business PAD	BUS/ENT
701	Commercial Investments	CIV/PLE

(Continued on the next page)

Operation code	Description	Abbreviation English/French
702	Commercial Insurance	CLI/AVE
703	Commercial Auto Insurance	CAI/AUE
704	Commercial Property Insurance	CPI/ABE
705	Commercial Casualty Insurance	CCI/ARE
706	Commercial Mortgage Insurance	CMI/AHE
707	Commercial Loans	CLN/PEE
708	Commercial Mortgage	CMG/HYE
709	Commercial Taxes	CTX/TXE
710	Commercial Income Taxes	CIT/IRE
711	Commercial Sales Taxes	CSL/TVE
712	Commercial GST	CGT/TPE
713	Commercial Property Taxes	CPT/TFE
714	Commercial Rent/Leases	CRL/LBE
715	Commercial Equipment. Rent/Lease	CRL/LME
716	Commercial Automobile Rent/Lease	CAR/LAE
717	Commercial Cash Management	CCM/GEE
718	Commercial Bill Payment	CBP/PFE
719	Commercial Telephone Bill Payment	CTB/PTE
720	Commercial Gasoline Bill Payment	CGB/ESE
721	Commercial Hydro Bill Payment	CHB/ELE
722	Commercial Cable Bill Payment	CCB/PCE
723	Commercial Fuel Bill Payment	CFB/CBE
724	Commercial Utility Bill Payment	CUB/UPE
725	Commercial Internet Bill Payment	CIB/AIE
726	Commercial Water Bill Payment	CWB/CEE
727	Commercial Auto Payment	CAB/PAE
728	Commercial Expense Payment	CEP/RDE
729	Commercial Accounts Payable	CAP/CDE
730	Commercial Fees/Dues	CFD/FRE
731	Commercial Creditor Insurance	CRI/ARC

Transaction file format to be developed

Purpose: To identify the user. This record must be the first in each file and occur only once within a single file.

If you chose to develop your own file according to Canadian Payments Association (CPA) standards, you must carefully follow the instructions in this section. The file to be developed contains three types of records.

The “**A**” record identifies the user, the “**D**” record(s) indicates the details of each transaction, while the “**Z**” record indicates the number of transactions and the total amount of the file. All records must be composed of 1464 characters.

All “**D**” records must describe 6 transactions. If your last “**D**” record does not contain 6 transactions, complete it by inserting blank spaces until 1464 characters have been entered.

N.B.: "Payor" refers to your client and "user" refers to your company.

Record A

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always A
02	2-10	9	N	Sequence No.	Always "000000001"
03	11-20	10	A/N	User No.	Assigned by the Bank
04	21-24	4	N	File creation No.	Increases by "1" after each file
05	25-30	6	N	Creation date	Format: 0YYDDD
06	31-35	5	N	Recipient	Always "00610"
07	36-55	20	A/N	Reserved	Filled with blank spaces
08	56-58	3	A	Currency code	CDN or USD
09	59-1,464	1,406	A/N	Reserved	Filled with blank spaces

Record D

Purpose: To record information related to deposit transactions.

REMINDER: For Record D, each transaction line must be composed of 1464 characters and contain six segments. Each segment communicates transaction details for one individual. Therefore, for every line:

- > Fields 01 to 03: beginning of record = positions 1 to 24
- > Fields 04 to 21:

segment 1 = positions 25 to 264	segment 4 = positions 745 to 984
segment 2 = positions 265 to 504	segment 5 = positions 985 to 1224
segment 3 = positions 505 to 744	segment 6 = positions 1225 to 1464

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always D
02	2-10	9	N	Sequence No.	Increases by "1" after each logical record (000000002 and ++)
03	11-24	14	A/N	Control No.	Same information as fields 3 and 4 of Record A
04	25-27	3	N	Operation code	See <u>Operation Codes</u> list
05	28-37	10	N	Amount	Must be greater than zero. Justified to the right, with no decimals and preceded by 0.
06	38-43	6	N	Transaction date	Format: 0YYDDD
07	44-52	9	N	Payor's institution	*
08	53-64	12	A/N	Payor's account No.	Justified to the left and filled with blank spaces
09	65-86	22	N	Trace No.	Always "00000000000000000000"
10	87-89	3	N	Reserved	Always "000"
11	90-104	15	A/N	User's short name	Mandatory
12	105-134	30	A/N	Payor's name	Name under which account was opened
13	135-164	30	A/N	User's name	Mandatory
14	165-174	10	A/N	User No.	Same information as field 3 in Record A
15	175-193	19	A/N	Transaction reference No.	For the user and for tracing purposes (mandatory field), e.g.: Employee No., SIN
16	194-202	9	N	User's institution	*
17	203-214	12	A/N	Return account No.	Justified to the left and filled with blank spaces
18	215-229	15	A/N	User's general information	Reserved for user (optional field)
19	230-251	22	A/N	Reserved	Filled with blank spaces
20	252-253	2	A/N	Reserved	Filled with blank spaces
21	254-264	11	N	Reserved	Always "00000000000"

* Format: 1st position always zero; 2nd position contains the financial institution No. (length = 3); 5th position contains the payee's or user's branch No. (length =5)

Record Z

Purpose: To identify the end of a file and control transaction totals. This record must be the last in the file.

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always Z
02	2-10	9	N	Sequence No.	Increases by "1" after each logical record (000000003 and ++)
03	11-24	14	A/N	Control No.	Same information as fields 3 and 4 of Record A
04	25-38	14	N	Total value of debits	Total value of transactions in file Justified to the right and preceded by zeros
05	39-46	8	N	Total number of debits	Total value of transactions in file Justified to the right and preceded by zeros
06	47-60	14	N	Reserved	Filled with zeros
07	61-68	8	N	Reserved	Filled with zeros
08	69-82	14	N	Reserved	Filled with zeros
09	83-90	8	N	Reserved	Filled with zeros
10	91-104	14	N	Reserved	Filled with zeros
11	105-112	8	N	Reserved	Filled with zeros
12	113-1,464	1,352	A/N	Placeholders	Filled with blank spaces

File Format to Be Developed for Rejected/Returned Transactions*

This file format is intended for clients who want to receive a report listing rejected and returned transactions.

The file can contain up to four types of records. An “A” record identifies the user; one or several “D” records indicate the transactions rejected following initial validation; one or several “J” and “F” records identify transactions returned due to reasons related to the payor’s account; and a “Z” record identifies the number of rejected transactions and the total amount of the file.

Your file will have the following name: RT03800#####_YYYYMMDD_HHMMSS.TXT.

represents the first five characters of your issuer No., which will be given to you by a national bank employee, followed by a time stamp.

N.B.: "Payor" refers to your client and "user" refers to your company.

Record A

Purpose: To identify the user. This record must be the first in each file and occur only once within a single file.

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always A
02	2-10	9	N	Sequence No.	Always "000000001"
03	11-20	10	A/N	Institution No.	Always "0000000610"
04	21-24	4	N	File creation No.	Increases by "1" after each file
05	25-30	6	N	Creation date	Format: 0YYDDD
06	31-35	5	N	User No.	Your client number assigned by the bank
07	36-55	20	A/N	Reserved	Filled with blank spaces
08	56-58	3	A	Currency code	CDN or USD
09	59-1,464	1,406	A/N	Reserved	Filled with blank spaces

Record D

REMINDER: For **Record D**, each transaction line **must** be composed of 1464 characters. Each line must contain **six segments**. Each segment communicates transaction details for one individual. Therefore, for every line:

- > Fields 01 to 03: beginning of record = positions 1 to 24
- > Fields 04 to 21:

segment 1 = positions 25 to 264	segment 4 = positions 745 to 984
segment 2 = positions 265 to 504	segment 5 = positions 985 to 1,224
segment 3 = positions 505 to 744	segment 6 = positions 1225 to 1464

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always D
02	2-10	9	N	Sequence No.	Increases by "1" after each logical record (000000002 and ++)
03	11-24	14	A/N	Control No.	Same information as fields 3 and 4 of Record A
04	25-27	3	N	Rejection code	Always "900"
05	28-37	10	N	Amount	Must be greater than zero. Justified to the right, with no decimals and preceded by 0.
06	38-43	6	N	Transaction date	Format: 0YYDDD
07	44-52	9	N	Payor's institution	*
08	53-64	12	A/N	Payor's account No.	Justified to the left and filled with blank spaces
09	65-86	22	N	Trace No.	Assigned by the bank
10	87-89	3	N	Operation code	Original operation code for the transaction
11	90-104	15	A/N	User's short name	Same as original transaction
12	105-134	30	A/N	Payor's name	Same as original transaction
13	135-164	30	A/N	User's name	Same as original transaction
14	165-174	10	A/N	User No.	Same as original transaction
15	175-193	19	A/N	Reference No. entered by the user	Same as original transaction
16	194-202	9	N	User's institution	Same as original transaction
17	203-214	12	A/N	User's return account No.	Same as original transaction
18	215-229	15	A/N	User's general information	Same as original transaction
19	230-251	22	A/N	Reserved	Filled with blank spaces
20	252-253	2	A/N	Reserved	Filled with blank spaces
21	254-264	11	N	Invalid element	Indicates the number of the field that cause the rejection (each two digits in the field)

* Format: 1st position always zero (0); 2nd position contains the financial institution No. (length =3); 5th position contains the payee's or user's branch No. (length =5)

Record J or F

REMINDER: For **Record J or F**, each transaction line **must** be composed of 1464 characters. Each line must contain **six segments**. Each segment communicates transaction details for one individual. The record J refers to rejected transactions and F refers to corrections.

Therefore, for every line:

- > Fields 01 to 03: beginning of record = positions 1 to 24
- > Fields 04 to 21:
 - segment 1 = positions 25 to 264
 - segment 2 = positions 265 to 504
 - segment 3 = positions 505 to 744
 - segment 4 = positions 745 to 984
 - segment 5 = positions 985 to 1224
 - segment 6 = positions 1225 to 1464

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always J or F
02	2-10	9	N	Sequence No.	Increases by "1" after each logical record (000000002 and ++)
03	11-24	14	A/N	Control No.	Same information as fields 3 and 4 of Record A
04	25-27	3	N	Return code	<u>See lists of reject and return codes</u>
05	28-37	10	N	Amount	Must be greater than zero. Justified to the right, with no decimals and preceded by 0.
06	38-43	6	N	Transaction date	Format: 0YYDDD
07	44-52	9	N	User's institution	*
08	53-64	12	A/N	User's return account No.	Justified to the left and filled with blank spaces
09	65-86	22	N	Trace No.	Tracing No. of the item assigned by the returning institution
10	87-89	3	N	Operation code	Original operation code for the transaction
11	90-104	15	A/N	User's short name	Same as original transaction
12	105-134	30	A/N	Payor's name	Same as original transaction
13	135-164	30	A/N	User's name	Same as original transaction
14	165-174	10	A/N	User No.	Same as original transaction
15	175-193	19	A/N	Reference No. entered by the user	Same as original transaction
16	194-202	9	N	Payor's institution	Same as original transaction
17	203-214	12	A/N	Payor's account No.	Same as original transaction
18	215-229	15	A/N	User's general information	Same as original transaction
19	230-251	22	A/N	Reserved	Original tracing No. of the item assigned by the bank
20	252-253	2	A/N	Reserved	Filled with blank spaces
21	254-264	11	N	Reserved	Always "0000000000"

* Format: 1st position always zero (0); 2nd position contains the financial institution No. (length = 3); 5th position contains the payee's or user's branch No. (length = 5)

Record Z

Purpose: To identify totals for each type of record.

Field No.	Character position	Field length	Format	Content	Information required
01	1	1	A	Record type	Always Z
02	2-10	9	N	Sequence No.	Increases by "1" after each logical record (000000003 and ++)
03	11-24	14	A/N	Control No.	Same information as fields 3 and 4 of Record A
04	25-38	14	N	Total value of debits	Total value of rejected/returned withdrawals in the file Justified to the right and preceded by zeros (D and J)
05	39-46	8	N	Total number of debits	Total number of rejected/returned withdrawals in the file Justified to the right and preceded by zeros (D and J)
06	47-60	14	N	Total value of credits	Total value of rejected/returned deposits in the file Justified to the right and preceded by zeros (C and I)
07	61-68	8	N	Total number of credits	Total number of rejected/returned deposits in the file Justified to the right and preceded by zeros (C and I)
08	69-82	14	N	Reserved	Filled with zeros
09	83-90	8	N	Reserved	Filled with zeros
10	91-104	14	N	Reserved	Filled with zeros
11	105-112	8	N	Reserved	Filled with zeros
12	113-1464	1352	A/N	Placeholders	Filled with blank spaces

Example of a file in ASCII format:

```
A0000000010000000610077501411699999
D000000002000000061007759010000002500018206000112345#####      0000006102328145957396450
J0000000020000000610077590100050000000141150006107510012345      9999006100775057240224450
Z0000000030000000610077500000005000000000000100000000000000000000000000000000000000000000000000000000
```

List of Reject/Return Codes

NB transaction code	Reject/return code	Description	Abbreviation English/French	
900	04	Transaction code invalid	REJ/REV	
900	05	Amount invalid		
900	06	Due date invalid		
900	07	Payor bank account No. and transit invalid		
900	08	Payor bank account No. invalid		
900	11	User short name invalid		
900	12	Payor name invalid		
900	13	User name invalid		
900	14	User No. invalid		
900	15	Reference No. invalid		
900	16	Payor bank account No. and transit invalid		
900	17	Payee account No. invalid		
900	18	Not used		
900	19	Not used		
900	20	Not used		
900	21	Not used		
901	N/A	Insufficient funds (debit only)		NSF/DSP
902	N/A	Account not found		CNT/ITV
903	N/A	Payment stopped/recalled	STP/ARR	
905	N/A	Account closed	CLS/FER	
907	N/A	No debit allowed	NCP/PPC	
908	N/A	Funds not cleared (debit only)	FNC/FNL	
909	N/A	Currency/account mismatch	WCU/MDC	
910	N/A	Payee deceased	DEC/DEC	
911	N/A	Account frozen	FZN/BLQ	
912	N/A	Invalid/incorrect account No.	INA/INV	
914	N/A	Incorrect payor/payee name	INP/NOM	
915	N/A	Agreement non-existent	NOG/ANP	
916	N/A	Non-compliant to agreement - retail	ACP/NCA	
917	N/A	Agreement revoked – retail	AGP/ARP	
918	N/A	No confirmation/prior notice - retail	PRP/PNP	

NB transaction code	Reject/return code	Description	Abbreviation English/French
919	N/A	Non-compliant to agreement - commercial	ACB/NCE
920	N/A	Agreement revoked - commercial	AGB/ARE
921	N/A	No confirmation/prior notice - commercial	PRB/PNE
922	N/A	Customer initiated return	REC/CIR
990	N/A	Institution in default	DEF/DEF



Appendices – Sample reports

Appendix A - Summary of Transactions Received

A: 9999900610		BNC TR: 0000-0		DE: BANQUE NATIONALE DU CANADA				PAGE 1	
LES ENTREPRISES ABC INC				SERVICES ELECTRONIQUES AUX ENTREPRISES				DATE: 2019-02-13	
9001 RUE UNIVERSITY				600 DE LA GAUCHETIERE OUEST				SI-2162 PG3806	
MONTREAL				MONTREAL, QUEBEC				9999-9999-99	
PO		H4N 3H7		H3B 4L2					
A/S:				NO FAX: (514)394-6728					
NO FAX: (999)999-9999									
DEPOTS DIRECTS / PAIEMENTS PREAUTORISES ELECTRONIQUES									
SOMMAIRE DES TRANSACTIONS RECUES LE: 2019-02-13									
NO. CREATION DU FICHER : 7854									
DATE DE CREATION DU FICHER: 19043									
DETAIL DES TRANSACTIONS RECUES:									
=====									
DATE DE		DEBITS (D/J)		CORR.CREDITS (E)		CREDITS (C/I)		CORR.DEBITS (F)	
TRANSACTION	NOMBRE	MONTANT		NOMBRE	MONTANT	NOMBRE	MONTANT	NOMBRE	MONTANT
FE. 14		0.00			0.00		0.00		0.00
		-----		-----	-----	-----	-----	-----	-----
SOUS-TOTAL	0	0.00		0	0.00	0	0.00	0	0.00
NBRE TOTAL D'ITEMS:		0							
NBRE DE RETOURNES :		0							
NBRE DE REFUSES :		0							

Description:

- > You will receive this report via fax or in PDF format via the Corporate File Transfer (CFT) platform after each file has been processed.
- > This report confirms that your file has been processed and provides the processing date and the total amount of your transactions.
- > It also indicates if any transactions were rejected during the initial validation by the system.
- > If the information confirmed does not match your file, please contact Customer Service at 1-844-394-4494 or 514-394-4494.

How the report is displayed on the CFT platform

RP00SI21620380099999_YYYYMMDD_HHMMSS.PDF

Appendix B – List of Transactions Returned (return/reject and correction)

TRANSIT: 4131-1 SERVICES ELECTRONIQUES AUX ENTREPRISES MONTREAL, QUEBEC H3B 4L2			SERVICE TRANSFERT DE FOND ELECTRONIQUE BANQUE NATIONALE DU CANADA LISTE DES TRANSACTIONS RETOURNEES A NOS CLIENTS (D0380J44, PG3844B)				PAGE: 1 DATE: 2017-04-07 SI-3206B 2505-1230-20	
EMETTEUR : 4783600610 PAIE / OPERA								
SUCC NOM	COMPTE BENEFICIAIRE/PAYEUR	DATE	CREDIT NOM	CORR.DT PAYEUR/BENEFICIAIRE	DEBIT RAISON DU REJET	CORR.CT	NO RECHERCHE NO REFERENCE NO RECHERCHE ORIGINAL	SUCC TRANS NO CPTE RET.
02761 TRX278	1901703	2017-04-06	PAIE	OPERA	DEBIT NON PERMIS	\$ 3.20	0006006100125111111415 0000006100125111111273	006 14601 7261520
04951 TRX288	2130991	2017-04-06	PAIE	OPERA	COMPTE BLOQUE	\$ 35.00	0006006100125111111416 0000006100125111111277	006 14601 7261520
04951 TRX289	2525996	2017-04-06	PAIE	OPERA	COMPTE BLOQUE	\$ 540.00	0006006100125111111417 0000006100125111111278	006 14601 7261520
13231 TRX281	9201206	2017-04-06	PAIE	OPERA	DEBIT NON PERMIS	\$ 102.00	0006006100125111111419 0000006100125111111286	006 14601 7261520

TRANSIT: 4131-1 SERVICES ELECTRONIQUES AUX ENTREPRISES MONTREAL, QUEBEC H3B 4L2			SERVICE TRANSFERT DE FOND ELECTRONIQUE BANQUE NATIONALE DU CANADA LISTE DES TRANSACTIONS RETOURNEES A NOS CLIENTS (D0380J44, PG3844B)				PAGE: 2 DATE: 2017-04-07 SI-3206B 2505-1230-20	
EMETTEUR : 4783600610 PAIE / OPERA								
TOTAL PAR EMETTEUR					NOMBRE		MONTANT	
CREDIT (C) :					0	\$	0.00	
CORR. DEBIT (F) :					0	\$	0.00	
SOUS-TOTAL :						\$	0.00	
DEBIT (D) :					0	\$	0.00	
CORR. CREDIT (E) :					4	\$	680.20	
SOUS-TOTAL :						\$	680.20	
DIFFERENCE :						\$	680.20-	

Description:

- > You will receive this report via fax or in PDF format via the Corporate File Transfer (CFT) platform after each file has been processed.
- > You will receive this report only if **National Bank** transactions are returned to you unpaid. Example: Your payee's account is closed.
- > You could receive this report 3 to 7 times a day:
 - > One report for National Bank transactions.
 - > A separate report for returned transactions from other banks (Appendix C).
- > If you decide to receive the report in PDF format via the Corporate File Transfer (CFT) platform, you'll receive only one report per day with all returned transactions (from NB and other banks).

How the report is displayed on the CFT platform

RP00SI3206B0380099999_YYYYMMDD_HHMMSS.PDF

Appendix C - List of Transactions (return/reject and correction)

SI3652-PG3805 NO-EXPEDITEUR: 5700200610		TRANSFERT DE FONDS ELECTRONIQUE LISTE DES TRANSACTIONS RETOURNEES A NOS CLIENTS				2017 04 10 PAGE 1	
TRANS SEQUENCE LIVR NO CLIENT ORIGI RECHERCHE	DATE REFERENCE	CREDITS CORR.DT NO. RECHERCHE	DEBITS CORR.CT ORIGI.	DEST RETOUR PAYEUR/EMETTEUR (ABG)	NO COMPTE NO CPT RET	BENEFIC./DEBITEUR PAYEUR/EMETTEUR(LG) ACTION A PRENDRE	RAISON
900 S	111111566 5700200610		30.00	0555-60111 00060111	5444444 000999999	TRX504 BRIERE TEST TI CIE01	NO DESTINATAIRE INVALIDE
450 900 S	000000610010211111566 111111576 5700200610	81.00		BRITEST TI C1 0333-30000	5444444 000999999	RETOURNE TRANSFERT FICHER TRX511 BRIERE TEST TI CIE01	NO DESTINATAIRE INVALIDE
200	000000610010311111576			BRITEST TI C1		RETOURNE TRANSFERT FICHER	
PAR DATE		NB	CREDITS	NB	DEBITS		
TOTAL DES RETOURNES (C/D) :		1	81.00	1	30.00		
TOTAL DES RETOURNES (E/F) :		0	.00	0	.00		
TOTAUX :		1	81.00	1	30.00		

Description:

- > You will receive this report via fax or in PDF format via the Corporate File Transfer (CFT) platform after each file has been processed.
- > You'll only receive this report if transactions **from other financial institutions** are returned unpaid. Example: Your payee's account is closed.
- > You could receive this report 3 to 7 times a day:
 - > One report for National Bank transactions (Appendix B).
 - > A report for returned transactions from other banks.
- > If you decide to receive the report in PDF format via the Corporate File Transfer (CFT) platform, you'll receive only one report per day with all returned transactions (from NB and other banks).

How the report is displayed on the CFT platform

RP00SI36520380099999_YYYYMMDD_HHMMSS.PDF

Appendix D – Summary of Transactions Delivered (return/reject and correction)

SI-2163					
A: Papier Inc ST-HYACINTHE	3814100610		DE: BANQUE NATIONALE MONTREAL, QUE.		PAGE : 1 00610
	SOMMAIRE DES TRANSACTIONS LIVREES				
	PRODUCTION DU SOIR - J28				
	NO. CREATION DU FICHIER 0000				
	DATE CREATION DU FICHIER 15194				
DETAILS DES PAIEMENTS					
DATE DE TRANSACTION	NOMBRE	DEBITS (D/J) MONTANT	NOMBRE	CREDITS (C/I) MONTANT	
JUL 09	1	211.65	0	0.00	
JUL 10	7	397.94	0	0.00	
SOUS-TOTAL :	8	609.59	0	0.00	
DETAILS CORRECTION D'ERREUR					
DATE DE TRANSACTION	NOMBRE	CORR. CT (E) MONTANT	NOMBRE	CORR. DT (F) MONTANT	
SOUS-TOTAL :	0	0.00	0	0.00	
TOTAUX :	8	609.59	0	0.00	
NOMBRE TOTAL D'ITEM:		8			
NOMBRE DE RETOURNES:		0			
CES TRANSACTIONS SONT ENREGISTREES SUR LA BANDE NO. :P0x00 ET NUMERO DE GENERATION :0000					

Description:

- > You will receive this report in PDF format via the Corporate File Transfer (CFT) platform to confirm receipt of your file.

How the report is displayed on the CFT platform

RP00**SI2163**0380099999_YYYYMMDD_HHMMSS.PDF

Appendix E – List of Stop Payments

1234500610 PAPIER INC 111 BOULEVARD LE CADEAU LAVAL PQ A/S: XXXXX XXXXXXXX	BNC TR: 1234-1 H1H 1H1	DE: BANQUE NATIONALE DU CANADA SERVICE ELECTRONIQUE AUX ENTREPRISES 600 DE LA GAUCHETIERE OUEST MONTREAL, QUEBEC H3B 4L2	PAGE 1 DATE: 2012-03-22 SI-3887 PG3810 2203-2150-32	
TRANSFERT DE FONDS ELECTRONIQUE LISTE DES TRANSACTIONS D'ARRETS DE PAIEMENT REMBOURSEES LE 2012/03/23 PRODUCTION DU SOIR				
NO. SEQUENCE	NO. REFERENCE	MONTANT	NOM DU BENEFICIAIRE	DUE
12345678	1234567	827.92	Joe smith	23MA
12345678	1234567	1,722.27	Joe smith	23MA
- TOTAL POUR L'EMETTEUR : 1234500610				
	NOMBRE	MONTANT		
. . C R E D I T :	2	2550.19		
CORRECTION DEBIT :	0	0.00		
. . D E B I T :	0	0.00		
CORRECTION CREDIT:	0	0.00		

Description:

- > You will receive this report via fax or in PDF format via the Corporate File Transfer (CFT) platform after each file has been processed.
- > You will receive this report only if stop payments have been returned by the Bank.

How the report is displayed on the CFT platform

RP00SI38870380099999_YYYYMMDD_HHMMSS.PDF

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Appendix G – Complete File Reversal Request/Demande de renversement d'un fichier complet

RENVERSEMENT D'UN FICHER COMPLET COMPLETE FILE REVERSAL

Numéro de client
Client number

						0	0	6	1	0
--	--	--	--	--	--	---	---	---	---	---

Nom de l'entreprise
Company name

[xxx]

Numéro de fichier
File number

--	--	--	--	--

Nombre de transactions
Number of transactions

[xxx]

--	--	--	--	--	--	--	--	--	--	--

Montant total des transactions \$
Total amount of transactions \$

S'il vous plaît, veuillez retourner ce formulaire par télécopieur
Please return this request by fax

À l'attention du : Service à la clientèle T.F.E.
Attention to: AFT Customer Services

Télec./Fax : 514 394-6728
Tél./Tel. : 514 394-4494 ou/or 1 844 394 4494

IMPORTANT: Si les délais requis pour effectuer un renversement en mode **Arrêt de paiement** sont dépassés, veuillez prendre note que la Banque émettra une transaction de renversement en mode **Correction**.

Votre client **payeur ou votre bénéficiaire** peut exercer un droit de refus de 90 jours sur cette opération de correction d'erreur. Dans cette éventualité, celle-ci vous sera retournée avec la mention « Accord de DPA inexistant » ou « Retour demandé par le client ». C'est pourquoi l'**exactitude** de vos données est **primordiale**. **La Banque Nationale ne pourra être tenue responsable des pertes résultant du traitement d'opérations pour corrections d'erreurs.**

IMPORTANT: If the deadlines for a stop payment reversal are exceeded, the Bank will reverse the transaction via **correction**. The **payer or payee** may decline the correction within 90 days. If a correction is declined, a notice will be returned to you with the note "There is no PAD agreement" or "Return requested by client." This is why it's **essential** to provide **accurate** data. **National Bank cannot be held responsible for losses resulting from the processing of corrections.**

SIGNATURE _____ Tél./Tel. _____

Nom (lettres moulées)
Name (please print) _____ Date _____