

Positive Pay and Account Reconciliation Transmission Toolkit

ARP and Positive Pay Transmission Toolkit

Purpose

The purpose of this document is to outline the file layout specifications and transmission requirements for clients using our secure delivery service. These guidelines ensure proper setup and processing for Positive Pay and Account Reconciliation. By following the standards in the manual, your business can accurately transmit data, reduce errors, and fully benefit from the protection that these services provide.

Overview

This manual is designed to serve as a reference guide for clients implementing file transmissions through our service. It explains the structure, formatting, and submission requirements necessary to support Positive Pay and Account Reconciliation.

The intended audience includes individuals responsible for treasury management, accounting, and IT functions within your organization. Whether you are preparing initial setup files or managing ongoing transmission, this document provides step-by-step specifications to ensure consistency and reliability.

By using the instruction in this manual, you will:

- Maintain compliance with bank transmission standards
- Enable automated fraud detection through Positive Pay

Simplify reconciliation of cleared and outstanding items with Account Reconciliation.

ARP and Positive Pay Transmission Toolkit

Positive Pay and Account Reconciliation Guidelines

Issuance information for items should be submitted promptly following the issuance of items. For Positive Pay processing, the submission deadline for item issuance information is 11:00 P.M. ET (Eastern Time) on the day prior to the physical distribution of items, including manually issued items through check issue maintenance. Delays in providing the issue file may lead to positive pay exceptions, such as Late Check Issuance Files or Check Not on Issue File (aka Paid Not on Issue).

Clients are responsible for verifying all checks for which KeyBank did not receive a transmission file containing the issuance record. In addition to the transmission files outlined in this document, issue records and cancellation information may be submitted manually via Check Issue Maintenance. This feature is accessible within KeyNavigator® under the Payables section, located in Account Reconciliation by selecting Check Issue Maintenance.

The Daily Audit Listing Report is to be reviewed on the day following the transmission of a file containing new issuance records or cancellations. This report becomes available after 9:00 A.M. Eastern Time. If a statement is not present for review, it signifies either an unsuccessful file transmission or an incorrect file layout, necessitating a resubmission.

KeyNavigator Web-Based File Transfer clients: Please be advised that the connectivity confirmation for account reconciliation issue files solely confirms receipt of the file by KeyBank; it does not verify the file's contents. To ensure the file has been processed, please refer to the Daily Audit Listing Report available on KeyNavigator.

If an incorrect file has been transmitted to KeyBank, it will be necessary to request that the file be backed out. Please contact the Help Desk by emailing PDO_Help_Desk@KeyBank.com or by calling (800) 282-1628. Include your name and phone number in your email, using the subject line 'Need File Assistance'. A Help Desk associate will reach out to provide support. For those using a TTY/TRS device, please dial 711.

For current clients who do not have Payee Name Verification enabled for Positive Pay, payee verification will commence as of the implementation date for this feature. Please note that historical payee data cannot be uploaded into the system, as issuance data already exists for previously issued items.

If you are unable to generate check issue input files that comply with KeyBank's standard formats, you may take advantage of our File Translation Service or use the File Translator Tool to prepare your check issuance files. For further information regarding this solution, please contact your Payment Advisor.

KeyBank's Check Outsourcing, Consolidated Payables, and ERP Plugins provide a comprehensive check processing solution that seamlessly integrates with our Positive Pay service. For more information or to request these services, please contact your Payment Advisor.

ARP and Positive Pay Transmission Toolkit

File Formats

This document includes both inbound and outbound file formats. For all Positive Pay configurations, an inbound file format will be required. If you enroll in our Account Reconciliation service, you will have the option to receive outbound reports.

Positive Pay with Payee Name Verification Input Transmission Format Specifications.

Field Number	Column Begin	Column End	Field Description	Format
1	1	2	Region Code (unused)	Blank or "00"
2	3	17	Account Number	Numeric, zero-filled, right justified
3	18	27	Check Number	Numeric, zero-filled, right justified
4	28	35	Effective Date	YYYYMMDD
5	36	45	Amount	Numeric, zero-filled, right justified, no decimal point
6	46	46	Void Character**	"C" if void item; otherwise, blank
7	47	61	Optional Additional Data***	Alpha or numeric — used to provide optional client-specific information: Space filled
8	62	136	Payee Name - Line 1 in the Pay To The Order Of field***	Alpha or numeric (capitalized) — exactly as it appears on the check: spelling, capitalization, order of first and last names; left justified
9	137	211	Payee Name - Line 2 in the Pay To The Order Of field***	Alpha or numeric (capitalized) — usually a second name; exactly as it appears on the check: spelling, capitalization, order of first and last names; if your check has payee data that wraps to a second line, you must provide the second line exactly as it prints on your check, otherwise it could be flagged as an exception; left justified; space filled if unused Line 2 can include the payee name or address information. Address information is provided it will not be scored. Only payee names will be scored & reviewed.

Accounts enrolling in Account Reconciliation will reference data from the positive pay issuance file.

*When submitting a void or cancel item, please ensure that Field 4 reflects the date you are sending the file, rather than the effective date from the original check issuance file.

** The Additional Data field is designated for entering information specific to your company that aids in identifying payees, such as vendor names or employee IDs. Please be aware that the data entered in this field will appear on your Account Reconciliation reports when these services are utilized. It is important to consider confidentiality before including any information in this section.

** *These fields must be capitalized for the cleanest read and subsequent comparison.

ARP and Positive Pay Transmission Toolkit

Issuance / Check Examples

Listed are six examples of checks issued and how each would come over in the issuance file. Payee Name for line one and line two are both left justified.

Example 1: Business check where there are two lines of payee names in the amount of \$1,23456, check #1000023456 on 09/15/2025 from DDA account #1234567.

Example 2: Consumer check where first line is the payee's name & second is the street address in the amount of \$12,345.67, check #1000023457 on 09/15/2025 from DDA account #1234567.

Example 3: Business check that is being cancelled by issuer that has placed a "C" in the void field with an amount of \$123.00, check #23458 on 09/15/2025 from DDA account #1234567.

Example 4: Business check that includes two different sets of names each being placed into their own line, written in the amount of \$123.45, check #1000023459 on 09/15/2025 from DDA account #1234567.

Example 5: Business check with one payee name in line 1 and with an address in line 2 in the amount of \$12,345.00, check #1000023460 on 09/15/2025 from DDA account #1234567.

Example 6: Business check with the one payee name in line 1 and standard address name in line 2 in the amount of \$12,345,000.00, check #23460 on 09/15/2025 from DDA #1234567.

Not Used	Account Number	Check Number	Date	Amount	Void	Payee Name Line 1 – To The Order Of Up to 75 characters	Payee Name Line 2 – To The Order Of Up to 75 characters
00	000000001234567	1000023456	20250915	0000123456		BUSINESS NAME	AKA BUSINESS NAME
00	000000001234567	1000023457	20250915	0001234567		CONSUMER NAME	456 SAMPLE ROAD
00	000000001234567	0000023458	20250915	0000012300	C	BUSINESS NAME	ATTN: ACCOUNTS RECEIVABLE
00	000000001234567	1000023459	20250915	0000012345		BUSINESS NAME	DBA BUSINESS NAME
00	000000001234567	1000023460	20250915	0001234500		BUSINESS NAME	PO BOX 12345
00	000000001234567	0000023460	20250915	1234500000		BUSINESS NAME	123 SAMPLE STREET

Check Example: Correct Layout & Placement

Logo (optional)	Return Address Name 1 Return Address Name 2 Return Address Street Address Return Address City, ST 00000-0000	KeyBank National Association Bank City, St 00-0000 0000	0000001234
		Date 04/23/2018	Amount \$*****12,345.67
Pay Exactly DOLLARS	TWELVE THOUSAND THREE HUNDRED FORTY-FIVE & 67/100		
TO THE ORDER OF	PAYEE NAME 1 PAYEE NAME 2 123 SAMPLE STREET SAMPLE CITY ST 00000-0000		
	SIGNATURE LOGO1 SIGNATURE LOGO2 (if applicable)		
Memo Line Text (Optional)			
⑈000000 1234⑈ ⑆0000000000⑆ 000000000000⑈			

ARP and Positive Pay Transmission Toolkit

Output Files

ARP Transmission Output Format (Paid Items Only)

- Record Format: EBCDIC
- Block Size: 9990
- Record Length: 90
- Full or Partial Reconciliation
- Daily or Monthly

Field Number	Column Begin	Column End	Field Description	Format
1	1	15	Account Number	Numeric, zero-filled, right justified
2	16	25	Check Number	Numeric, zero-filled, right justified
3	26	35	Amount	Numeric, zero-filled, right justified, no decimal point
4	36	41	Date	MMDDYY — the date the item presented for payment
5	42	61	Not Used	
The following fields are optional:				
6	62	67	Issue Date	MMDDYY — the date you supplied on your issue file
7	68	75	Sequence Number*	Numeric
8	76	90	Additional Data**	Alpha

*The Sequence Number is the sequence number of your paid check.

**Additional Data Field contains the data you provided in that field on your input file when you issued the items. It can be used to retain information with the check issue that is pertinent to your individual company to help identify payees, such as vendor name, employee ID, etc. Please note the Additional Data will show on your ARP Reconciliation reports. Confidentiality should be considered before putting data in this field on your issue file.

Example

In this example:

Account number 1234567, Check number 1000023476, Amount 1,688.12 with optional data fields issue date and sequence number being used. Data in these optional fields was supplied by you on the issue file and can be included in this paid file to you for your use in reviewing your items.

Field Number	Column Begin	Column End	Field Description	Format
1	1	15	Account Number	Numeric, zero-filled, right justified
2	16	25	Check Number	Numeric, zero-filled, right justified
3	26	35	Amount	Numeric, zero-filled, right justified, no decimal point
4	36	41	Date	MMDDYY — the date the item presented for payment
5	42	61	Not Used	
6	62	67	Issue Date	MMDDYY — the date you supplied on your issue file
7	68	75	Sequence Number*	Numeric
8	76	90	Additional Data**	Alpha

ARP and Positive Pay Transmission Toolkit

Test File and Test Checks for Positive Pay with Payee Name Verification

Please submit a test file along with the relevant scanned images of the test checks by email. When validating payee data, verify that the payee information on the checks corresponds exactly to the details provided in the file.

For additional information about the setup process, consult the Overview Transmission Toolkit. Information related to setup time frames is available in the File Transfer Setup Timeline Toolkit.

Testing MICR Line Data for Self-Print or In-House Check Stock

We recommend conducting MICR line testing on any newly produced self-print or in-house check stock. Inadequate MICR lines may result in increased bank reporting errors and positive pay exceptions. Any modifications to preprinted check stock should undergo MICR line testing and receive approval prior to production. We advise submitting a minimum of 10 checks for thorough testing. Your Payment Advisor is available to assist in coordinating this process.

For further information regarding check stock, please consult our Check Printing and Positive Pay Best Practices Guide.

Your Payment Advisor can provide you with the Best Practices Guide and support you with additional details about MICR line testing.

Transmission Support Contact Information:

- All Transmission Communication Issues should be directed to the PDO Helpdesk at **(800) 282-1628** or PDO_Help_Desk@keybank.com.
- All File / Application Issues (incorrect file, wrong format, etc.) should be directed to the PDO Helpdesk at **(800) 282-1628** or PDO_Help_Desk@keybank.com.
- If you are using KeyNavigator File Transfer, please contact the Commercial Banking Services Internet Group at **(800) 539-9039**.
- For those using a TTY/TRS device, please dial 711 and provide the corresponding service center number.

ARP and Positive Pay Transmission Toolkit

Frequently asked questions

1. What happens if transmission testing is not completed?

Exceptions will be presented for review throughout the testing phase. Initially, reporting will include all your items as there will be no issue information on the system. When testing is complete, only those items that are true exceptions will be presented for review; completing testing, and then sending files in a timely manner, reduces the number of exception items that you must review and then pay or reject.

Paid No Issue (PNI) fees are typically waived during testing and for a short time after implementation so that you can adjust to the new process. Fees may be applied if testing is protracted.

2. If I send a bad file, can I just resend a corrected file?

No. You need to contact the Payment & Deposit Operations Help Desk at PDO_Help_Desk@KeyBank.com or call them at 800-282-1628 to have the bad file backed out of the ARP software. After hours, until 9:00 p.m. ET, you can call Commercial Banking Services at 800-821-2829. If the bad file is not backed out, the second file sent will reject because the check numbers are the same. Communication is the key to clean reporting when a bad file is discovered.

Dial 711 for TTY/TRS.

3. I have my KeyNavigator confirmation, but I don't think the file was received because Positive Pay exceptions are showing. What's wrong?

The file confirmation on KeyNavigator is a confirmation of connectivity. Actual file data cannot be validated until the file updates into the reconciliation software during Key's nightly batch processing. Any client that is sending a transmission file needs to view the Daily Audit Listing Report on KeyNavigator to validate the accuracy of their file and that the issues have been loaded. This PDF report is available at 8:00 a.m. ET the following business day.

4. What is the purpose of my mailbox ID?

The mailbox ID is your access to process a file on our KeyNavigator website. If you send a file to an incorrect mailbox ID, it will not process.

5. Why do I have a Daily Audit Listing Report for an account I did not send a file to?

The "lead/master account" processes all files sent, regardless of the account number. When a file is processed, the total items will show on the "lead/master account" and the detail will show on the Daily Audit Listing Report for the account the file was sent to.

6. If I convert from Standard Positive Pay to Positive Pay with Payee Name Verification, do I need to resend outstanding check data with the payee names?

No. KeyBank already has the issuance data. Any new data for the same check number will reject. An implementation date will be communicated once testing has successfully been completed. Only items issued after that date will go through the Payee Name Recognition process.

7. When will I start to review Positive Pay Exceptions on KeyNavigator?

Items will be available for you to view during the testing phase. It is important that you begin reviewing items at this time so that you can become accustomed to the reporting and action to be taken. Contact your Payments Advisor for your service start date.

8. What is the difference between service start date and implementation date?

The service start date is the date that coincides with the DDA statement cycle. The implementation date is the date testing is completed and the file moves into production.

ARP and Positive Pay Transmission Toolkit

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