

Digital Banking Guide

ACH Payments



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User Guide - ACH Payments

Introduction to ACH Payments

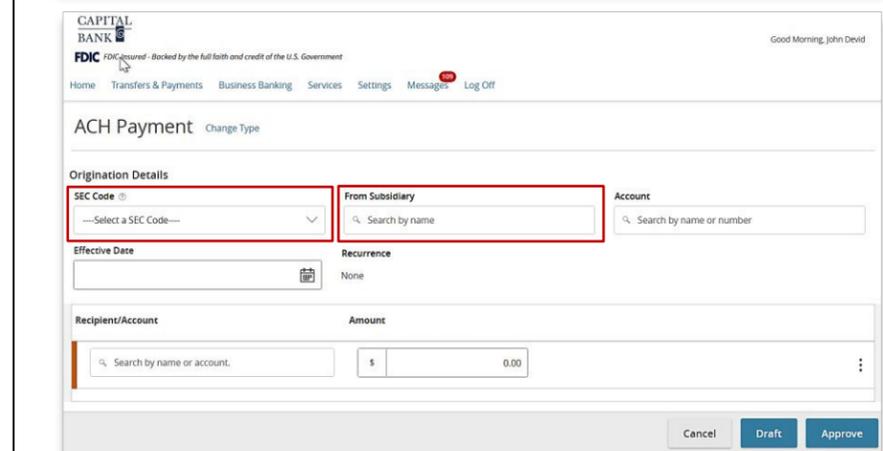
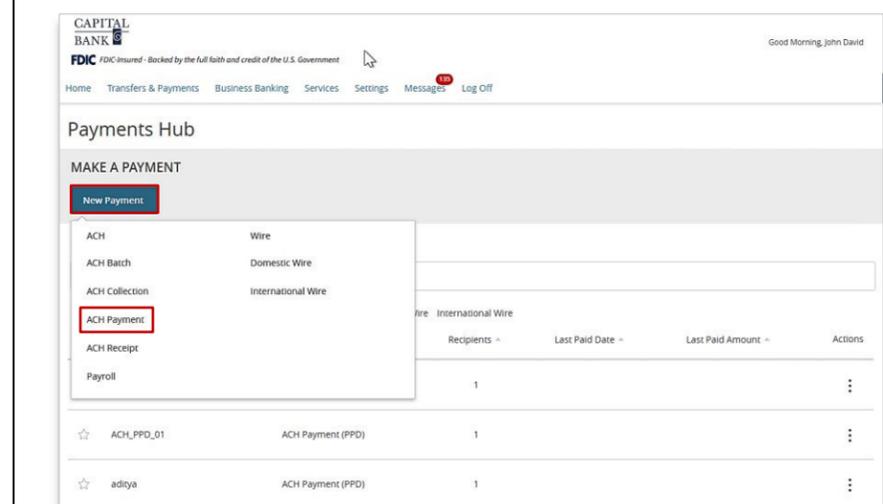
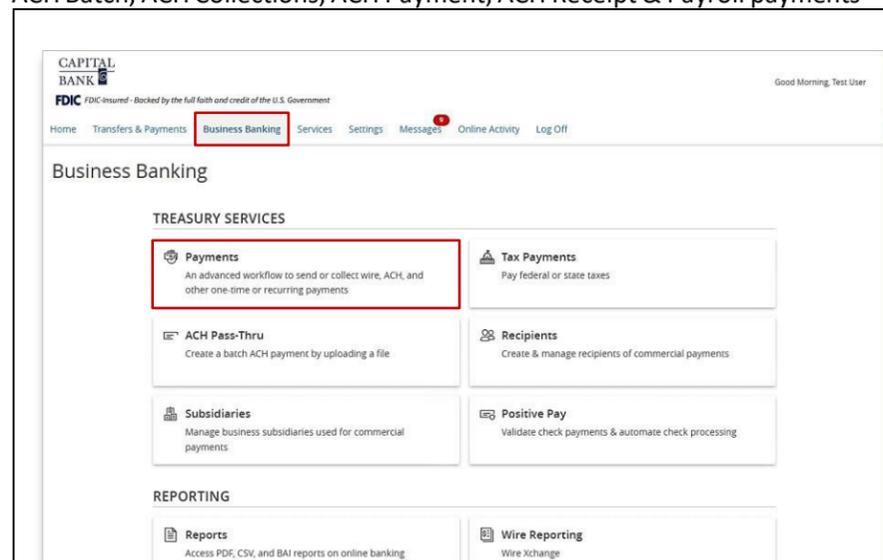
The Automated Clearing House (ACH) is a centralized system and clearing service that processes and settles transactions between banks that are part of its network. ACH payments are quick, effective, and affordable while offering enhanced security and convenience.

The ACH network is used by retail consumers and businesses. Payments can be scheduled for a future settlement date, but they are not yet available for sending the same day. We are working to provide a same day solution in the near future. ACH payments are typically less expensive than Wire payments and can be executed in bulk, making them a preferred choice for most customers.

An ACH Debit Payment is a request to pull funds out of the payer's account whereas an ACH Credit Payment is pushing funds into the payee's account.

Digital Banking allows users to create, copy, and delete the following ACH payments:

ACH Batch, ACH Collections, ACH Payment, ACH Receipt & Payroll payments



Overview:

This user guide will cover the process of creating and approving ACH payment.

Section 1: One-Time ACH Payment Creation

Navigation:

1. Click on the 'Business Banking' tab displayed on the Home page and navigate to the 'Payments Hub' available under the 'Payments' tile.
2. The 'Payments Hub' page is used to create payments and new templates. These options are available based on user rights.
3. Click on the 'New Payment' button to create a one-time payment.
4. The drop-down will display a list of 'Transaction Types' available based on your assigned user rights
5. Select the required payment type to navigate to the payment creation screen.

In this example we will create a payment for - Transaction Type - 'ACH Payment'.

6. The payment creation screen is divided into two sections namely,
 - Origination Details
 - Recipient/Account

Origination Details:

- a. **SEC Code:** Each payment type is associated with a unique SEC Code which is used to process the payment through the ACH network. Based on the payment type, select the required code using the dropdown.

In this example we will create a payment for -Transaction Type - 'ACH Payment' and 'SEC Code' - PPD also known as Prearranged Payment and Deposit Entry. This is primarily used for consumer transactions.

- b. **From Subsidiary:** Subsidiaries are entities which are used for routing ACH payments. These entities can be wholly owned by the parent commercial entity or could be having business collaborations requiring frequent payments and transactions. Linking subsidiaries allows ACH to process multiple payments under a single parent company's agreement thereby streamlining reconciliations and settlements.

Please Note: Each Commercial Origination Account needs to be associated with a parent or a subsidiary entity.

For more information on adding or managing subsidiaries, please refer to our Subsidiary Management User Guide.

ACH Payment Change Type

Origination Details

SEC Code: PPD - Prearranged Payment and Deposit

From Subsidiary: ABC_ACH1Wire1 ****9909

Account: MMDA COMMERCIAL HIGH YIELD 1472 \$45.68

Effective Date: 04/07/2025

Recurrence: Set schedule

PROCESS CONFIRMATION

Same-Day ACH Processing Confirmation

By clicking "agree", you acknowledge this transaction as a Same-Day ACH and you agree to pay a potential fee for the expedited processing.

Cancel Agree

Schedule Recurring Transaction

How often should this transaction repeat?

1st Of The Month Weekly Yearly

Last Day Of The Month Every Other Week

1st & 15th Of The Month Monthly

15th & Last Day Of The Month Quarterly

Daily (Monday - Friday) Semi-Annually

When should this transaction stop?

On Before Date: [calendar icon]

After: [input field] (recurring)

Forever (until I cancel)

Cancel Set Recurring Transaction

- c. **Account:** Using the dropdown select the account to be debited (also known as the payment origination account).
- d. **Effective Date:** Using the calendar icon select the payment's processing date.
Payments can be scheduled for a subsequent future date only at this time.
- e. By default, a one-time payment will be created.
If you wish to set a recurring payment schedule, click on the 'Set Schedule' link. If you wish to set a recurring payment schedule, select the payment frequency and the duration for which the recurring payment should be in effect.
Click on the 'Set Frequency Schedule' to save the recurrences and proceed further.

Recipient/Account Amount

Search by name or account.

+ New Recipient

ACH Temp Checking 5972861709

Cancel Draft Approve

Amount: \$ 0.09

Recipient/Account Section:

- a. Click on the 'Recipients' box to view the list of existing recipients and select the required recipient.
- b. You can choose to send an email notification to the recipient using the 'Notify Recipient' option available in the (:) 'ellipsis' dropdown. Alternately you can click on 'Show Details' option from the (:) 'ellipsis' and select the 'Notify Recipient' checkbox. This will ensure that an email notification is sent to the recipient when the payment is processed.

Recipient/Account Amount

This payment is valid.

ACH Temp Checking 5972861709 \$ 0.09

Notify Recipient Hide Details

Recipient details

Display Name: ACH Temp, ACH Name: ACH Template, ACH ID: [redacted]

Email Address: GLF-Akale@capitalbankmd.com, Address 1: 6711 COLUMBIA GATEWAY DR, Address 2: [redacted]

City: COLUMBIA, State: AL, ZIP: 21046

Country: United States

Account details

Account Type: Checking, Account: 5972861709, ACH Routing Number: 055003340

Addendum (optional): ABCDE

Cancel Draft Approve

Please note: 'Notify Recipient' is an optional field and notifications can be sent only if the recipient's email address is available. The email notification contains details pertaining to Transaction type, Customer name and Transaction Date.

- c. To view the selected recipient's details, click on the 'Show Details' option available in (:) ellipses on the right-hand corner or on the 'Show Details' link below the 'Amount' field.
The recipient details will be displayed in non-editable overlay. If you wish to modify the recipient details, click on the 'Edit' option.
Click on 'Save Recipient' button to save the modified details to view the 'Recipient Saved' overlay.
Click on 'Close' button to return to the payment creation page.

Please Note: A new recipient can also be added during payment creation. Click on '+New Recipient' option displayed in the 'Recipient' dropdown. On the 'Recipient details' screen, enter all the required data and click on 'Save Recipient' button.

For more information on adding or managing recipients, please refer to our Recipient Management User Guide.

Recipients (4) Filters: Pre-Notes Find recipients in collection

+ Add multiple recipients

Recipient/Account	Amount
ACH Payroll recipient 001 max lengt (72345... 12345678901234567) Checking	\$ 0.12
ACH Temp Checking 5972861709	\$ 0.02
ACH_Collection_002 (7979175) Checking 1936549300	\$ 0.00
ACH Receipt Recipient max length 2 (72345... 10292847567890213) Checking	\$ 0.00

+ Add another recipient

\$0.14
4 collections (2 for \$0.00)

Cancel Draft Approve

- d. Enter the payment 'Amount'.
- e. Enter payment reference details in the 'Addenda' field.

Please Note: Based on the payment type, the 'Addenda' format will change. For certain payment types, 'Addenda' is a mandatory field.

Recipients (2) Filters: Pre-Notes Find recipients in payment

+ Add multiple recipients

This payment is valid.

Another Recipient Savings 987654321 \$ 0.00

Notify Recipient Show Details

Addendum (optional): Invoice

- f. To initiate a 'Prenote', select the required recipient and enter an amount of '\$0' in the 'Amount' field.
In case of multiple recipients, use the 'All / Prenote' filter to differentiate between the selected recipients.
You can also use the 'Search' bar to filter from the list of selected recipients

Recipient/Account	Amount
ACH Payroll recipient 001 max lengt (72345... Checking 12345678901234567	\$ 0.12
ACH Temp Checking 5972861709	\$ 0.02
ACH_Collection_002 (7979175) Checking 1936549300	\$ 0.00
ACH Receipt Recipient max length 2 (72345... Checking 10293847567890213	\$ 0.00

\$0.14
4 collections (2 for \$0.00)

Transaction Drafted
Transaction requires 1 approval(s).
Transaction ID: 14131
Total Amount: \$0.09

- g. Based on your rights and approval limits, you will have the option to draft or submit and approve the payment. Click on the 'Draft' button to process the payment as a draft or on the 'Approve' button to submit the payment. The payment may need additional approval based on your user entitlement. Click on 'Cancel' if you wish to cancel the payment and return to the 'Payment Hub' screen.
- h. On the 'Transaction Drafted' overlay, click on the 'Notify Approvers' button to send an email notification to the assigned approvers. To view the payment, click on 'View in Activity Center' button. Click on 'Close' button to navigate back to the payment creation page.

Secure Access Code Required
A secure access code is required to authorize this transaction. Please select your delivery method to receive your secure access code:

- Text me: (XXX) XXX-4433
- Email me: rupxxxx@golivxxxxxx.com
- Email me: GLF-Rxxxxx@capitxxxxxx.com
- Email me: GLF-Oxxxxx@capitxxxxxx.com
- Email me: GLF-SDxxxxxx@capitxxxxxx.com

Enter your Secure Access Code
Enter the code that has been sent via email me to rupxxxx@golivxxxxxx.com.

Approve Transaction
Are you sure you want to approve this transaction?

Approval Successful
Transaction successfully approved.
#14131 (\$0.09) Approved

Section 2: Approving Payments

Approve Own

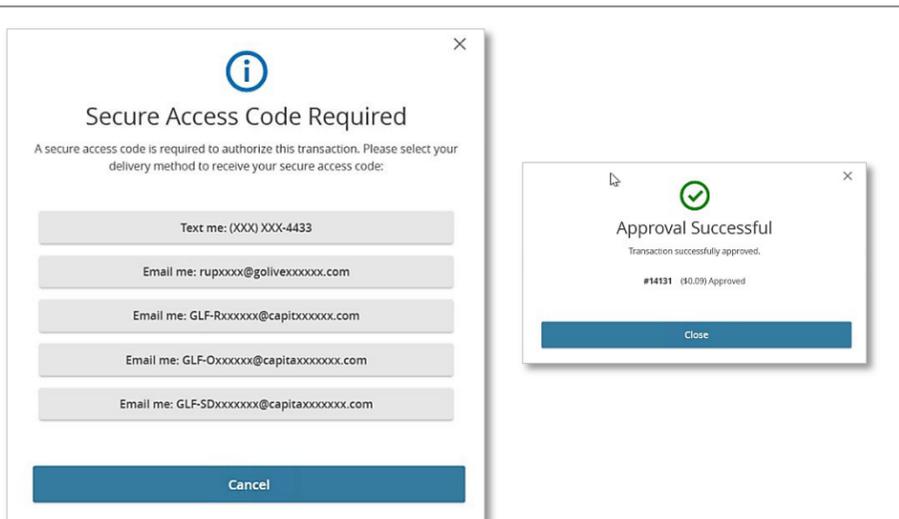
- a. If you have rights to approve your own payments, click on the 'Approve' button.
- b. Where applicable, a 'Secure Access Code Required' overlay will be displayed. Select the desired delivery method to receive SAC.
- c. If applicable, enter your Secure Access Code on the subsequent overlay and click on the 'Verify' option.
- d. The 'Approval Successful' overlay will be displayed with 'Transaction ID' and the payment amount. Click on 'Close' to navigate to the 'Payments Hub' screen.

Created date	Status	Approvals	Transaction Type	Account	Amount
4/30/2025 10:53 AM	Drafted	0 of 1	ACH Payment Tracking ID: 15333	SMALL BUSINESS CHECKING 1471	\$10.20
4/30/2025 8:56 AM	Processed	1 of 1	Funds Transfer Tracking ID: 15330	SMALL BUSINESS CHECKING 1471	\$7.00
4/30/2025 8:56 AM	Processed	1 of 1	Funds Transfer Tracking ID: 15331	MMDA COMMERCIAL HIGH YIELD 1472	\$2.00

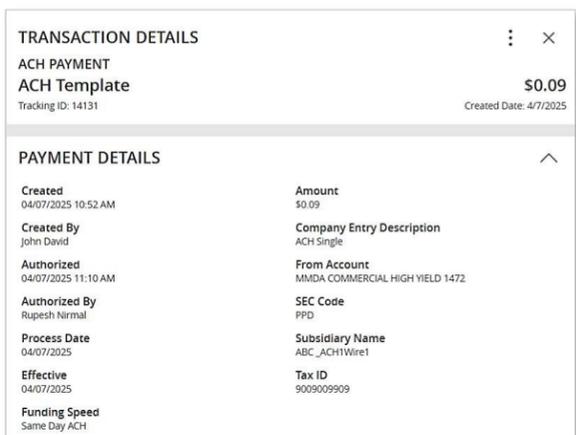
Dual Approval

Based on your user rights and security settings some payments may need to be approved by another user. Only users with approval rights can approve payments.

- 1. Navigate to the 'Online Activity' tab/selection from 'Transfer and Payments' and click on the 'Single Transactions' tab.
- 2. The 'Online Activity Center' offers a consolidated view of 'Processed', 'Submitted', 'Approved' and 'Drafted' payments. The page contains separate tabs for single Transactions, Recurring Transactions and Deposited Checks.
- 3. Enter transaction tracking ID in the search bar available on the right side of 'Online Activity' screen. You may also use the filter option, sort by date or status options to search
- 4. Click on the (:) 'ellipsis' available on the right side of the transaction and click on 'Approve' option.



5. Click the 'Confirm' button on the 'Approve Transaction' overlay.
6. If applicable, the system will display the 'Secure Access Code Required' overlay, select the required SAC delivery method.
7. If applicable, the system will prompt for the SAC on the next overlay. Enter the SAC and click the 'Verify' button.
8. The system will display the 'Approval Successful' overlay with the payment 'Tracking ID' and Amount'.



9. When closing the approval overlay, system will navigate to the 'Transaction Details' screen wherein the payment details and status will be displayed.

