Custom Software Solutions Inc.

The Broker's Workstation Business Management System

Compliance with Canadian Payments Association Cheque Imaging Standard

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Background:

The Canadian Payments Association (CPA) is an organization of financial institutions that develops standards for the processing and clearing of cheques and other financial instruments in Canada. The CPA has established a new standard for image-ready cheques that will come into force December 31, 2006 for business cheques. Read more about it at http://www.cdnpay.ca/news/new_cheque_specs.asp.

From a system user's point of view, the key change to the cheque specification is the adoption of a numeric date field in one of three specified formats (YYYYMMDD, MMDDYYYY or DDMMYYYY). Field indicators must be printed below the date field to indicate which format is being used.

As cheque suppliers are now providing blank stock in the new format, The Broker's Workstation can now accommodate the changes while continuing to support the old format to permit the consumption of supplies.

Overview of System Changes:

As noted above, The Broker's Workstation can now support the printing of the new cheque format for selected accounts while maintaining the old format as required for other accounts.

Unless otherwise set up, the system will continue to print cheques for a particular account in the old format. The application of the new format to a particular bank account must be enabled.

The application of the new standard is but one item to set up for each bank account. Due to the various options available for the appearance of blank cheque stock, there are a number of other specific appearance issues that are addressed for each bank account based on the form of the cheque stock. Due to the possible variations across accounts, each bank account has its own cheque element positioning controls.

Enabling the New Standard for an Account:

The old cheque printing standard will continue to apply for each bank account until the new standard is enabled.

The ability to access and change the cheque type and appearance is regulated by The Broker's Workstation User Rights. Rights to these functions should be assigned to appropriate personnel in the organization by enabling Cheques Setup on the Accounting tab of the user rights form accessed via Tools>User Manager>Rights.

To enable the new standard for an account, follow these steps:

- Navigate to Tools>Accounting Tools>Cheques Setup

- Select the bank account for which you want to enable the new cheques standard from the dropdown box.

- Select the radio button labeled "Use CPA Standard 006 Cheques"

- Select the other particulars for the appearance of the cheque as follows:

    o Print Cheque Number – this presents an option to print the assigned cheque number on the cheque. If the blank cheque stock is pre-numbered, it may be desirable to disable cheque number printing.

    o Print leading asterisks on convenience amount – this presents the option of printing asterisks before the cheque amount expressed in numbers. Example: $***50.00.

    o Print leading asterisks on printed amount – this presents the option of printing asterisks before the amount presented in words. Example: ***Fifty and 00/100.

    o Preprinted $ - this is selected if the blank cheque stock has a preprinted "$" for the convenience amount. If this is selected, TBW will not print the "$".

    o Convenience $ Location – this sets the user preference for the position of the convenience "$" location. Options are leading or trailing, that is, to the left or right of the amount. Example: $50.00 (leading) or 50.00$ (trailing).

    o Date Format – the approved formats are presented here. Approved formats include:

        ▪ DDMMYYYY

- MMDDYYYY
- YYYYMMDD

- Date Separator Types – the elements of the date may be separated by approved separator characters including none, space, dots, dash or slash. Note that the slash is only permitted if the selected date format is YYYYMMDD.

- Date Field Indicator Type – The field indicators are the small characters beneath the date numbers that provide the legend. Options are English or bilingual. The bilingual option is only available if the selected date format is YYYYMMDD.

- "Date" Preprinted on Form – Check this box if the word "Date" is preprinted on the blank cheque stock. If it is selected, TBW will not print the work "Date" on the cheques for that particular account.

- Once the desired cheque appearance attributes are selected, it is possible to print a test cheque to verify the appearance and location of the elements.

- If it is necessary to move some of the cheque elements, this can be accomplished by clicking the Elements button. The user is then presented with a form that lists the various data elements and their respective x and y coordinates. The position of the items is changed by increasing or decreasing the values in the x and y boxes.

  The x value relates to the left/right position as measured from the left edge of the page. Increasing the x value moves the item to the right. Decreasing the x value moves the item to the left.

  The y value related to the up/down position as measured from the top of the page. Increasing the y value moves the item down. Decreasing the y value moves the item up.

- Once satisfied with the appearance and positioning, click OK to save the changes and exit the function or click Apply to save the changes and leave the function open to permit the setup for another bank account.