



# ACH Payments Supplement

## Regions Association Lockbox



## Association (ACH) Payments Supplement

Regions Association Lockbox Services provides Property Management companies and Home Owner Associations a solution for collecting association fees from unit owners electronically via an Automated Clearing House (ACH) debit.

**Note: If you initiate ACH payments outside of the Association Lockbox Program, this section will not apply to you.**

### How Association ACH Payments Works

- The Association Payment option is requested by contacting your Treasury Management Sales Representative or Account Officer. The service requires Regions approval and the execution of an Association Lockbox ACH Origination Agreement.
- Once the service is established, **ACH (Automatic) Payment Authorization, ACH (Automatic) Payment Change Request, and ACH (Automatic) Cancellation Request** forms are included in the ordered coupon booklets. Unit owners complete the ACH Payment Authorization form and return it to Regions with a Voided Check (U.S. Banks and Credit Unions only) to establish the automatic payment for **each coupon booklet they receive**. For example:
  - A unit owner receives coupon booklets for multiple properties
  - A unit owner receives one coupon booklet for monthly association dues and one coupon booklet for a garbage pick up fee
- If a **subsequent** coupon order is placed for an additional fee after the initial order, and the unit owner has an existing payment authorization established, **the unit owner will automatically be set up to make the second payment by ACH debit**. For example:
  - A unit owner receives an initial coupon booklet for the monthly association fee and returns the ACH (Automatic) Payment Authorization form to establish the automatic payment.
  - A subsequent coupon order is submitted by the Property Manager or Association for garbage pick up fee later in the year. Since an existing ACH debit is in place for the unit owner, this second fee will be automatically established as an ACH debit. The unit owner will receive a letter from the bank notifying the unit owner of the second ACH debit amount and frequency.
- If a unit owner is assessed multiple fees for the **same unit** and wants to use the ACH (Automatic) Payment Authorization option, all fees for that unit **must be set up to be paid by ACH debit**.

## Association ACH Payments Overview

### How Association ACH Payments Works

- **Association (ACH) Payment Authorization forms must be received by the 15<sup>th</sup> day of the current month in order to make the next regularly scheduled payment.** Payments are drafted from the unit owner's account on the 5<sup>th</sup> day of the month that the payment is due, or the following business day if the 5<sup>th</sup> falls on a weekend or holiday.
- If an Association ACH Payment Authorization form is received after the 15<sup>th</sup> day of the current month, the unit owner must make the current payment by check to avoid late payment.
- If the unit owner submits an Association ACH Payment Authorization form containing invalid or missing information, or without a voided check, the documents received will be mailed to you. .
- If incomplete documents are returned to you, please contact your unit owner and instruct them to re-submit a corrected Association ACH Payment Authorization form and voided check.
- Printable Association (ACH ) Payment Authorization, Change and Cancellation forms are available on the View ACH Authorizations screen within Image Lockbox, and at:  
[http://www.regions.com/commercial\\_banking/association\\_lockbox.rf](http://www.regions.com/commercial_banking/association_lockbox.rf)

These forms are available to unit owners should they misplace their original coupon booklet that contains the forms.

- When you order coupons for your unit owners, **you must include an order for all unit owners who are paying using the ACH Payment option.** Annually, these unit owner's ACH Payment will be renewed and the amount due modified (if applicable) based on the new coupon order information.
- Annually, when you submit a new coupon order, unit owners who have previously established an ACH (Automatic) Payment, will receive a letter stating their ACH Payment has been renewed. The letter includes the new start/end dates and applicable payment amount. **These unit owners will not receive a new coupon booklet.**
- ACH Payments are combined with the check and coupon payments received by Regions Association Lockbox and are included in the downloaded posting files.
- Property Management companies and Associations may cancel an ACH Payment for a unit owner utilizing the Association Lockbox Online Application.

## Sample ACH Coupon Booklet Forms

The following ACH forms are provided in the ordered Coupon Booklets upon request and approval of the ACH payment option:

### 1. ACH (Automatic) Payment Authorization Form:

ACH (Automatic) Payment Authorization	
Condo/Homeowner Association: _____	Unit No. _____
Property Owner Name: _____	
Street Address: _____	Phone No. _____
City: _____	State/Province: _____
Zip/Postal Code: _____	
Name of Financial Institution: _____	Phone No. _____
Bank Routing/Transit No.: _____	Bank Account No. : _____
Bank Account Type: <input type="checkbox"/> <b>Checking</b> <input type="checkbox"/> <b>Savings</b> <b>A Voided Check Must Be Attached</b>	
I authorize Condo/Homeowner Association to initiate debit entries to the account named above at the depository financial institution name above for the purpose of make my association payments. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law. This authorization is to remain in full force and effect until Condo/Homeowner Association has received written notification from me of my termination of this authorization. Authorization forms must be received by the 15 <sup>th</sup> day of the current month in order to e in effect for the next month's billing.	
_____	_____
Unit Owner Signature	Date
<b>898800000000000000000000H01840000000000000074802000748026</b>	

### 2. ACH (Automatic) Payment Change Form:

ACH (Automatic) Payment Change Request	
Condo/Homeowner Association: _____	
Property Owner Name: _____	
Old Unit No. _____	New Unit No. (If applicable): _____
Old Bank Name: _____	New Bank Name: _____
Old Routing/Transit No.: _____	New Routing/Transit No. _____
Old Account Type: <input type="checkbox"/> <b>Checking</b> <input type="checkbox"/> <b>Savings</b>	New Account Type: <input type="checkbox"/> <b>Checking</b> <input type="checkbox"/> <b>Savings</b>
<b>Mail to: Association Lockbox Services, P.O. Box 11407, Drawer # 6000, Birmingham, AL 35246-6000</b>	
By submitting this form I hereby authorize Condo/Homeowner Association to initiate changes to my existing ACH debit payments on behalf.	
_____	_____
Unit Owner Signature	Date
<b>898800000000000000000000H01840000000000000074802000748026</b>	

### 3. ACH (Automatic) Payment Cancellation Form:

ACH (Automatic) Payment Cancellation Request	
Condo/Homeowner Association: _____	Unit No. _____
Property Owner Name: _____	
Street Address: _____	Phone No. _____
City: _____	State/Province: _____
Zip/Postal Code: _____	
Name of Financial Institution: _____	Phone No. _____
Bank Routing/Transit No.: _____	Bank Account No. : _____
Bank Account Type: <input type="checkbox"/> <b>Checking</b> <input type="checkbox"/> <b>Savings</b>	
<b>Mail to: Association Lockbox Services, P.O. Box 11407, Drawer # 6000, Birmingham, AL 35246-6000</b>	
By submitting this form I hereby authorize Condo/Homeowner Association to cancel the ACH debit authorization for the above property/owner. I understand that this form must be received by Condo/Homeowner Association by the 15th day of the month in order to be effect for the next payment month.	
_____	_____
Unit Owner Signature	Date
<b>898800000000000000000000H01840000000000000074802000748026</b>	

## Association ACH Payments - Verifications and Returns

All ACH (Automatic) Payment Authorization forms and voided checks received from unit owners to establish an automatic payment are reviewed by Regions to ensure that all fields are completed. Incomplete Association ACH Payment Authorization forms, or forms without a voided check, **will be returned to the Property Manager or Association** so the unit owner can be notified to resubmit complete forms.

Typical reasons for returned ACH (Automatic) Payment Authorization forms include:

- **Forms are incomplete**
- **Forms were submitted without a Voided check**
- **The check information does not match information provided on the form**
- **Information provided on the forms is illegible**
- **Invalid debit account information**
- **The form is not signed by the unit owner**
- **Not a U.S. bank, cross border payments are not allowed**
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**The return of an ACH (Automatic) Payment Authorization form to you for correction by the unit owner could cause a delay in the initiation process for the automatic payment.** If a form is returned, the unit owner should be instructed to submit their association payment by check until the automatic payment is successfully established.

In addition to the return of incomplete/invalid ACH (Automatic) Payment Authorization forms, it may also be necessary from time to time to notify you of situations involving your unit owners ACH payments. These additional notices include:

### 1. ACH Notification of Change (NOC)

If the unit owner's bank notifies Regions of a modification to the unit owner's account information, Regions will make the necessary change(s) and initiate the ACH (Automatic) Payment. Regions will provide the Property Manager or Association with a copy of the NOC via email. **No action is required of the Property Manager or Association when you are notified of NOCs.**

### 2. ACH Returns for Insufficient Funds (NSF) or Uncollected Funds

Property Managers and Associations will be notified via email with a copy of all ACH Returns. If Regions is notified by the unit owner's bank of an NSF/Uncollected Funds, **Regions will take no action.** The Property Manager or Association is responsible for contacting the unit owner directly to collect the **current** payment. Regions will attempt to process the next regularly scheduled payment.

### 3. ACH Returns for Account Closed/Invalid Account Information

If Regions is notified that a debit account is closed or that account information is invalid, **the bank will cancel the ACH Payment Authorization** and notify the Property Manager or Association by email. The Property Manager or Association should contact the unit owner directly for payment. The unit owner is required to submit a new ACH (Automatic) Payment Authorization form to request a new automatic payment.

## Cancelling ACH Payments

There are several ways in which an active **ACH (Automatic) Payment Authorization** cancellation request can be initiated, including:

- The unit owner mails an Association **ACH Payment Cancellation form** to the bank
- Regions cancels a payment authorization at request of the Property Manager, Association, or unit owner's bank.
- The Property Manager or Association cancels an ACH Payment Authorization from the **Manage ACH Authorizations screen**

There will be times when the Property Manager or Association needs to cancel an Active ACH Payment for a unit. Examples include:

- The Property Manager may have knowledge of the pending sale of a unit
- The unit owner may request the Property Manager or Association to handle their request

Follow these steps to process a cancellation of an **Active** payment authorization:

### To cancel ALL fees:

1. Click the **Status** drop down box and select **Cancelled**.
2. Ensure the **“Update the status for all future debits...”** is checked.
3. Click the **Update Status** button at the bottom of the screen. You will be prompted to confirm the **Update**.
4. **You must cancel all ACH Authorizations with an Active status.**

### To cancel one individual fee when a unit owner has multiple fees:

1. Click the **Status** drop down box and select **Cancelled**.
2. **Uncheck** the **“Update the status for all future debits...”** checkbox.
3. Click the **Update Status** button at the bottom of the screen. You will be prompted to confirm the **Update**.
4. If you cancel one fee and another fee remains in effect, at the time you submit new annual coupon orders, both fees will again be renewed as ACH payments. The only way to completely stop an ACH payment for one fee is to cancel **ALL** fees.

**ACH Details**

Status: Cancelled

Update the status for all current and future debits against this ACH Authorization for this unit owner until a new ACH Authorization form is received.

Last Payment Date:

Created Date:

Effective Date:

**ACH Forms**

ACH Form	Date Received	
Authorization	12/23/2009	<a href="#">View</a>

**Debited Account Details** \* The account currently being debited is highlighted in red.

Financial Institution	Phone Number	Account Type	Account No.	Routing No.	Date Received	Date to Begin Debiting		
Regions	18001231234	Checking	1234051234	062000019	12/23/2009	1/26/2010	<a href="#">Edit</a>	<a href="#">View</a>

Associate Coupon Order
Update Status
Resubmit ACH Debit

## Renewing ACH Payments

When an existing coupon order reaches the last date of the order, the status of all existing ACH Debit Authorizations will change to the **Expired Status** on the **Manage Authorization screen**. Once a new coupon order is submitted, the dollar amount of each unit owner's existing automatic payment is verified against the coupon order to determine if a new debit amount is required.

Coupon orders **must** include **ALL** unit owners, including those that pay by Automatic ACH Payment. If a coupon order is not received for an existing unit owner paying by Automatic ACH Payment, the payment will **expire**.

Coupon orders **must** be submitted by the Association or Property Manager at least 5 calendar days prior to the expiration of your existing order to ensure uninterrupted payment processing for the unit owner.

**Note: Unit owners must be notified of change amount, frequency or additional fees at least 10 business days prior to the ACH debit by the Property Management Group or Home Owners Association.**

Upon receipt, confirmation and submission of a coupon order, your unit owners with an existing ACH payment established will receive the following notice for the continuation of their Association Payment. The notice includes the frequency of the payment and the new amount of the payment.

Association Name  
Association Address Line 1  
Association Address Line 2  
City, State, Zip

### ADDRESS SERVICE REQUESTED

Owner Name  
Address Line 1  
Address Line 2  
City, State, Zip

Account Number: XXXX00000000000000AB200  
Unit Number: 200

Dear <Customer>

As per your previous authorization, we will continue to draft your Association Payments from your account on a/an <frequency> basis. The amount of the draft is <amount>. To change your debit account information or to cancel this authorization, please complete and submit the appropriate form contained in your coupon book, or visit [http://www.regions.com/commercial\\_banking/association\\_lockbox.rf](http://www.regions.com/commercial_banking/association_lockbox.rf) to obtain forms and mailing instructions.

If you believe you have received this notice in error or have any questions, please contact us.

Sincerely,

This guide is for general informational and reference purposes only and is entirely subject and subordinate to the terms of the respective written agreements for the products and services described above. This guide does not constitute a contract or representation or warranty of any kind, express or implied, nor does it in any way supplement, replace, modify, or amend the terms and provisions of the written agreements that govern the products and services. You should review actual product and service agreements carefully to understand the terms that govern the products and services and the rights, responsibilities, and liabilities of parties thereunder.

