

RECEIVABLES - Lockbox Services

As a lockbox service provider consistently ranked among the nation's best, PNC is prepared to provide you with a superior level of service when your lockbox becomes a part of PNC's A/R Advantage Lockbox Network. This transition will occur sometime after your National City accounts have been converted to PNC. When your account number changes, your National City lockbox deposits will automatically flow into your new PNC account. We will provide you with additional details well in advance of when your lockbox is scheduled to convert to the PNC lockbox network.

PNC's premier lockbox service, **A/R Advantage**, combines all electronic payment formats used by your customers, including wire, ACH and credit cards, together with traditional paper checks. The result is a single stream of remittance information for more efficient reporting, timely cash application and information management.

PNC offers eight image-enabled wholesale lockbox sites located in Atlanta, Boston, Chicago, Cleveland, Dallas, Los Angeles, Philadelphia and Pittsburgh.

Your Current National City Treasury Management Service...		Will Become This PNC Treasury Management Service...	
<p>WHOLESALE, IMAGE OR OCR LOCKBOX</p> <p>Remittances are mailed to a postal address in Cleveland or Chicago for processing on the current National City lockbox platform</p> <p>Mail Processing Incoming First Class mail fine-sorted and distributed to the production floor in deadline order</p> <p>Lockbox Processing One deposit per lockbox per day</p> <p>Weekend cutoffs are not available</p> <p>Standard of 13 acceptable payees per lockbox.</p> <p>Shadow lockboxes are required for processing various payment types</p> <p>U.S. dollar Canadian items and all payments made in foreign currency are removed from lockbox processing. These transactions are forwarded to the National City Foreign Cash Letter team for processing.</p> <p>Non-Canadian foreign currency items are removed from lockbox processing. These transactions are forwarded to the National City Foreign Cash Letter team for processing.</p> <p>"Paid In Full" or other restrictive endorsement items are removed from lockbox processing on a best-effort basis</p> <p>Standard batch size is 25 checks for invoice imaging, 50 checks for standard wholesale and 250 checks for OCR processing</p> <p>Batches are generated during lockbox processing based on operational workflow</p> <p>Original paper documents are kept on site for seven to 30 days after processing</p>	<p>A/R ADVANTAGE NATIONAL LOCKBOX NETWORK</p> <p>Mail will be processed at PNC Bank's Cleveland or Chicago locations</p> <p>You will not have to change your mailing address for your lockbox</p> <p>Mail Processing Incoming First Class mail is delivered to the production floor throughout the day. Continuous processing is on a first-in, first-out basis.</p> <p>Lockbox Processing Multiple deposits per lockbox per day are available</p> <p>Weekend cutoffs are available</p> <p>Standard of 15 acceptable payees per lockbox, while a maximum of 35 acceptable payees is available</p> <p>Shadow lockboxes are not used. All processing occurs in the main lockbox in which mail is received.</p> <p>U.S. dollar Canadian items are processed the same as any other domestic transaction</p> <p>You can choose from one of three options for handling non-Canadian foreign items: 1. Convert to U.S. dollars prior to processing 2. Process via PNC's Foreign Exchange group 3. Return the items to you, unprocessed</p> <p>PNC does not look for or detect "paid in full" or similar language appearing on or with lockbox items. These items will be processed as usual, notwithstanding any such language.</p> <p>Standard batch size is 50 checks, but can vary, depending on your requirements</p> <p>Batches are generated during output generation. Virtual batching based on client specific business rules.</p> <p>Original, paper documents are kept on site for three days after processing</p>		

(continued...)

Your Current
National City Treasury Management Service...

Will Become This
PNC Treasury Management Service...

<p>Lockbox Processing (continued) ACH, EDI, and Wire data can be merged with your lockbox for data transmission purposes via Electronic Lockbox</p> <p>Credit card processing is available</p>	<p>Lockbox Processing (continued) ACH, EDI, and Wire data can be merged with your lockbox for data transmission and information reporting purposes. Pseudo images of electronic payment activity are generated.</p> <p>Credit card processing is available</p>
<p>Online Information Reporting Lockbox information reporting is available online via ConsultNC</p> <p>Images are presented in black-and-white TIFF format</p> <p>Intraday image and detail reporting is available throughout the day via ConsultNC, Check images are available within 30 minutes after encoding is completed.</p> <p>Standard online image retention of 90 days</p> <p>Maximum online image retention of 10 years</p> <p>PDF printing of images is supported at a batch level</p> <p>Any information that is captured (keyed) is searchable online</p>	<p>Online Information Reporting Lockbox information reporting is available via PINACLE</p> <p>Images are presented in full-color, JPEG format; back-side imaging is optional</p> <p>Intraday image and detail reporting is available throughout the day via PINACLE following your pre-determined cutoff/deposit time(s)</p> <p>Standard online image retention of 35 days</p> <p>Maximum online image retention of 10 years</p> <p>PDF printing of images is supported at a batch or transaction level</p> <p>Any information that is captured (keyed) is searchable online</p>
<p>Data Transmission Data transmissions available in BAI, EDI and customer proprietary formats</p>	<p>Data Transmission Data transmissions available in BAI, EDI and customer proprietary formats. Your current file format and transmission delivery method will not change during the conversion.</p>
<p>Image Delivery Options CCITT Group 4 TIFF image format</p> <p>CD-ROM and image transmission available; DVD delivery is not supported</p> <p>CD-ROM is password-protected but not encrypted</p> <p><i>If you are transferring images delivered to you via CD-ROM or image transmission to an Internal image archive, the file format will change during the conversion of your lockbox to PNC. Additional information will be provided prior to the actual lockbox conversion.</i></p>	<p>Image Delivery Options Color JPEG or CCITT Group 4 TIFF image format</p> <p>CD-ROM, DVD, Bulk Download via PINACLE and image transmission is available</p> <p>CD-ROM/DVD is password-protected and encrypted</p>
<p>Mail Options The following mail delivery options are supported:</p> <ul style="list-style-type: none"> ▪ USPS ▪ Overnight Courier ▪ Branch Delivery <p>Packages are mailed daily</p>	<p>Mail Options The following mail delivery options are supported:</p> <ul style="list-style-type: none"> ▪ USPS ▪ Overnight Courier <p>Packages are mailed daily</p>

(continued...)

Your Current National City Treasury Management Service...		Will Become This PNC Treasury Management Service...	
	Remote Deposit Capture Integration with lockbox processing is not available		Remote Deposit Capture Integration with A/R Advantage processing through PNC's Remittance On-Site service is available, allowing for capture of checks, documents and envelopes. Transactions submitted a minimum of four hours prior to end-of-day deadline are processed on a same-day basis.
WHOLESALE LOCKBOX	Remittances are mailed to a postal address in Cincinnati for processing on the current National City lockbox platform	WHOLESALE LOCKBOX <i>No changes, processing or otherwise, are planned for the Cincinnati Lockbox site</i>	Mail will be processed at PNC's Cincinnati location You will not have to change your mailing address for your lockbox

Frequently Asked Questions

Q. When will my lockbox conversion occur?

A. Your ARC Lockbox will convert to a PNC A/R Advantage Lockbox after your National City account has been converted to PNC. When your account number changes, your National City lockbox deposits will automatically flow into your new PNC account.

Q. Will my lockbox number and P. O. Box address remain the same?

A. Yes.

Q. Will my checking account number change?

A. Yes. You will receive a separate communication outlining your new account information.

Q. Will the conversion to PNC change how my lockbox is processed?

A. In most cases, as reflected in the product matrix on the previous page, you will experience minimal change to your processing instructions when your lockbox is converted to PNC.

The PNC A/R Advantage solution is fully image-based, and the images that will be available to you electronically will be presented in full color and with much greater clarity than they are today.

If your current processing includes data capture and/or imaging of remittance documents, your check photocopies will no longer be reassigned with the accompanying remittance material. Following the transition to PNC, check photocopies will be grouped with remittance material at a batch level. The package you receive in the mail will contain check photocopies that are stacked, in order, on top of your remittance documents.

Q. Will my deposit reports look different?

A. Yes. However, your reports will contain information that is similar to what you receive today.

Q. What other delivery options does PNC offer?

A. You can choose not to receive paper copies of your lockbox activity and instead have the activity reported to you by other methods. PNC offers full-color images of both checks and remittance documents, which can be delivered to you by one or more of the following methods:

- Online via PNC's PINACLE Internet portal;
- CD-ROM, which is sent to you via courier; or
- Direct transmission

To learn more about these options, please contact a customer service representative.



Whom to Contact With Questions

PRIOR TO Lockbox Conversion:

Please continue to contact Treasury Management Client Services (TMCS) at 1-800-669-1518 or email TMCS@pnc.com.

AFTER Lockbox Conversion:

Please contact Treasury Management Client Services (TMCS) at 1-800-669-1518 or email TMCS@pnc.com, or contact your Treasury Management Officer.

What to Expect in the Coming Weeks

As part of your transition to PNC, all of your National City accounts will be converted to new PNC accounts. When those new PNC accounts become active, we will automatically update your existing lockbox with your new PNC account number. Sometime after your National City bank account(s) have been converted to PNC, your ARC Lockbox will convert to PNC's A/R Advantage service.

Prior to your lockbox conversion, you will receive a letter from PNC's Lockbox team providing more detailed information about your lockbox service and the transition to PNC. A member of PNC's Lockbox Implementations team, MIS team or a sales associate may also contact you, to ensure that you and your organization experience a smooth transition to PNC.

For now, simply continue to bank as you do today while final preparations are made for the transition to PNC.