ZEscrow User Guide

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Organization Dashboard and Functionality

Organization User Enrollment Process

Organization users will need to be invited to access ZEscrow. Once invited, the user will receive an email with a prompt to set up their new ZEscrow account.
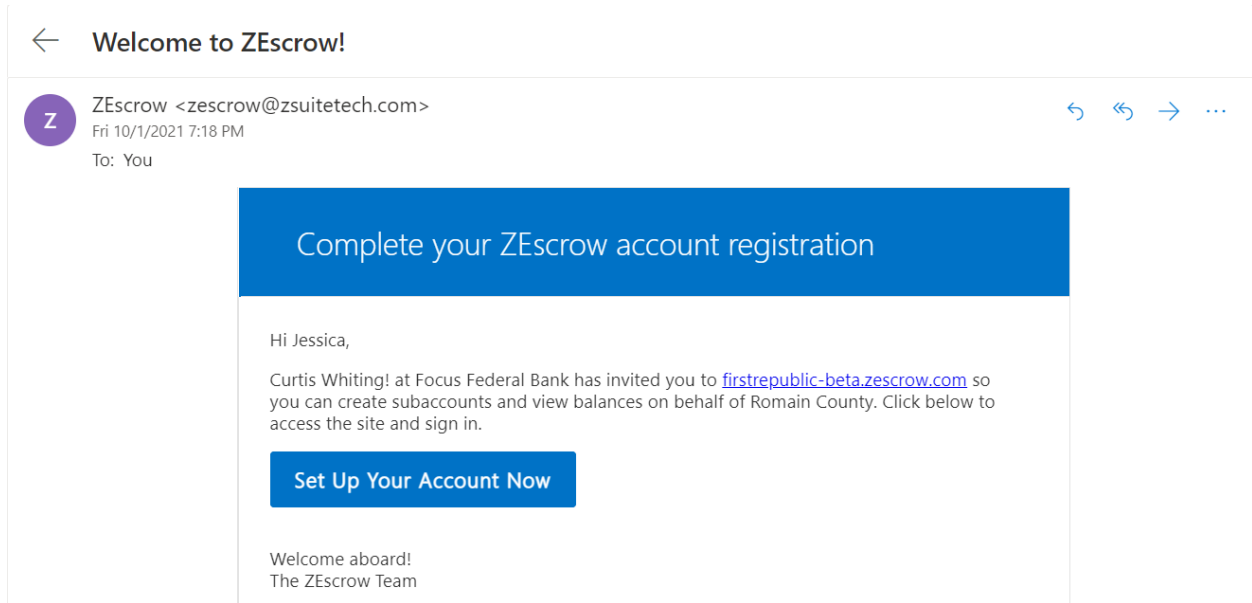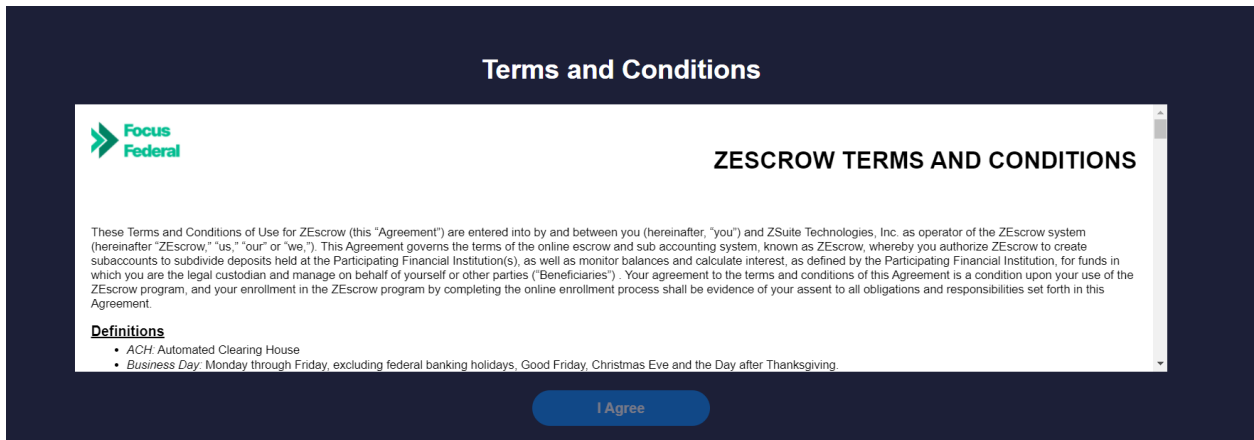

By clicking the customized URL in the email, the Client will be directed to a new page where they will be required to establish a unique password:
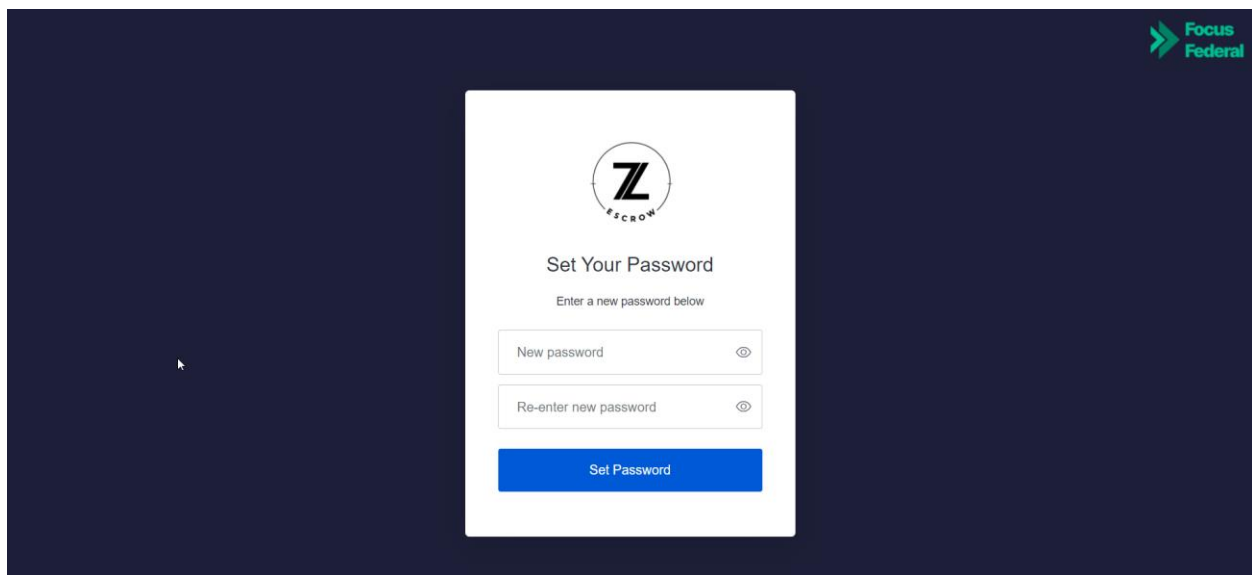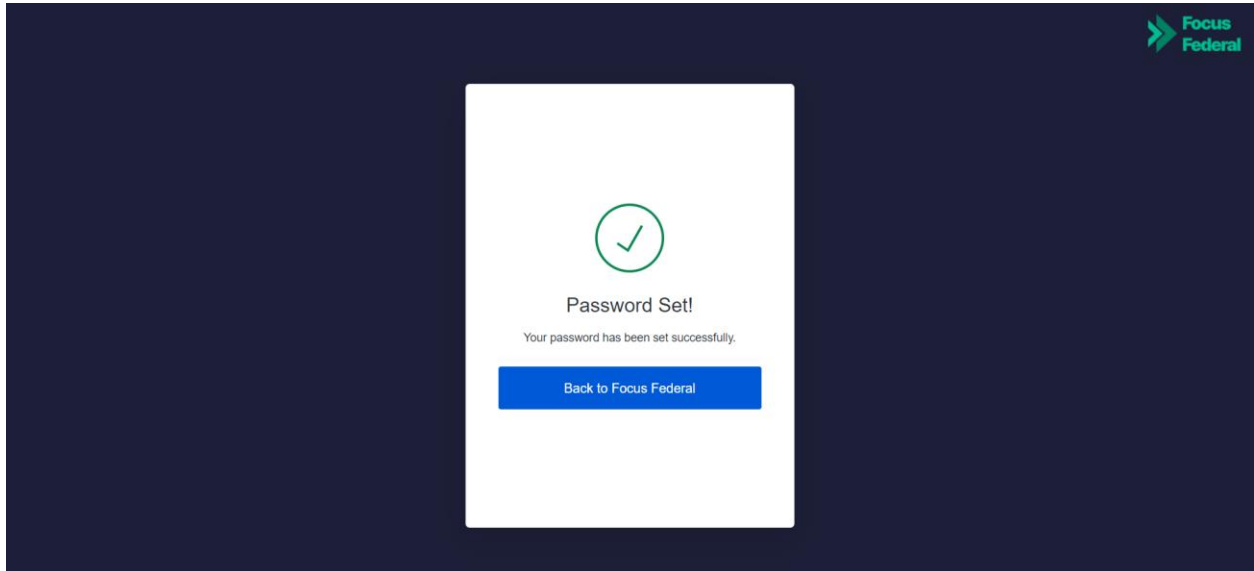
The new user will then be required to agree to a set of terms and conditions ("T&Cs") before getting redirected to the Organization dashboard.

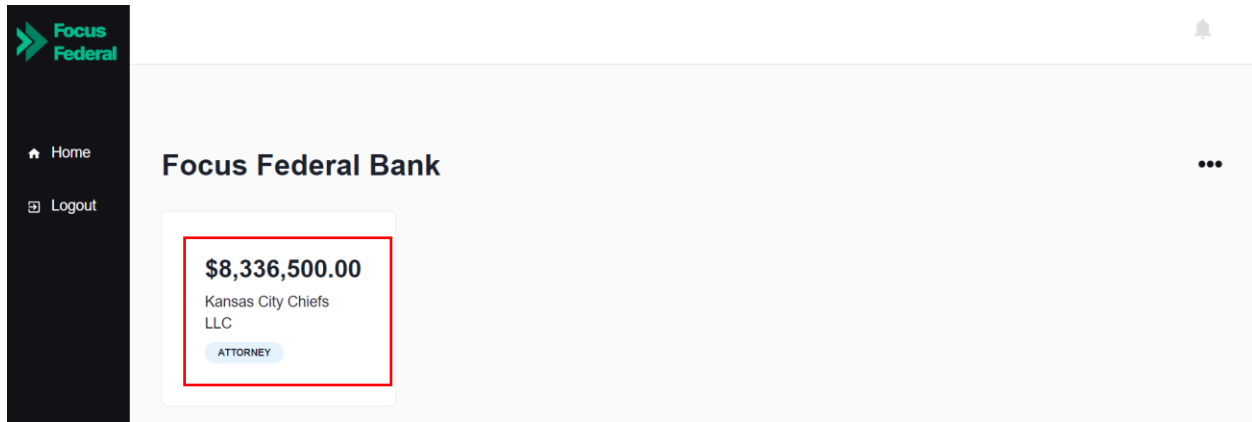If a User has access to multiple Organizations, they will have to go through the complete set-up process for one Organization. One login will allow them to view all of the Organizations on one screen.

SSO User

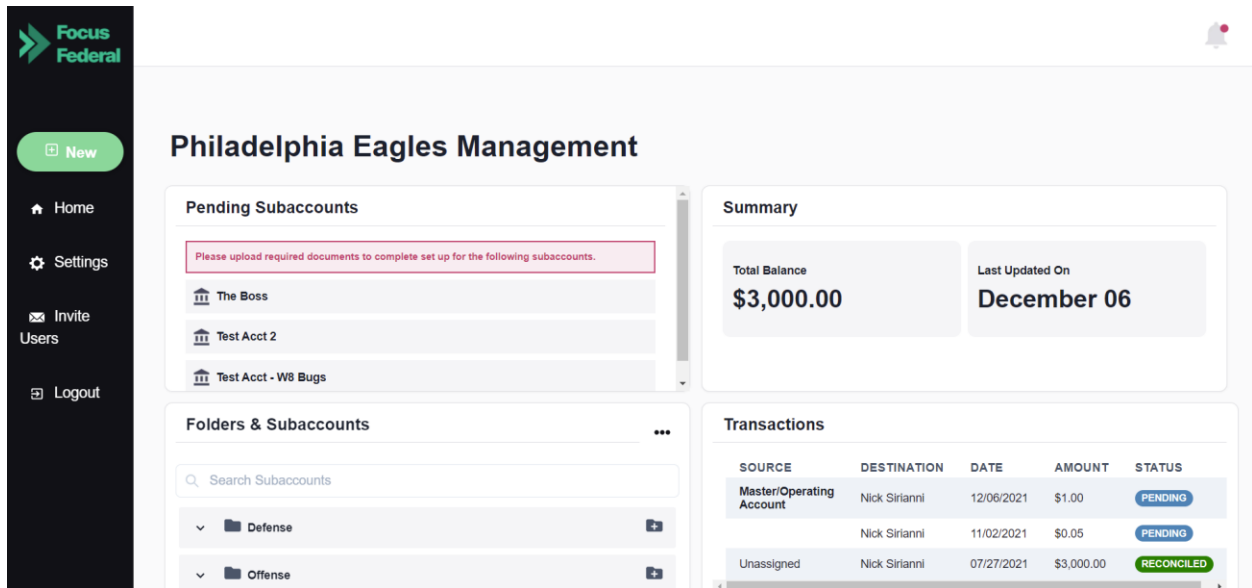If the user has an authorized connection already to the FI's online website, then they can login with the user credentials that they already have set up internally via SSO and can access ZEscrow from that site.

Organization Homepage

From here, active users will have the ability to search and view existing subaccounts, open new subaccounts, view transaction history and even allocate funds from unassigned transactions.

Creating New Folders

Authorized users can create new folders for convenient and streamlined subaccount categorization. This feature allows the user to consolidate and organize similar accounts in any way that suits the Organization's individual business needs. To create a new folder, the user will click on the three dots within the "Folders and Subaccounts" section and select "Add Folder".

From here, the user will assign the new folder a unique name and click "Submit" to make it available for use.
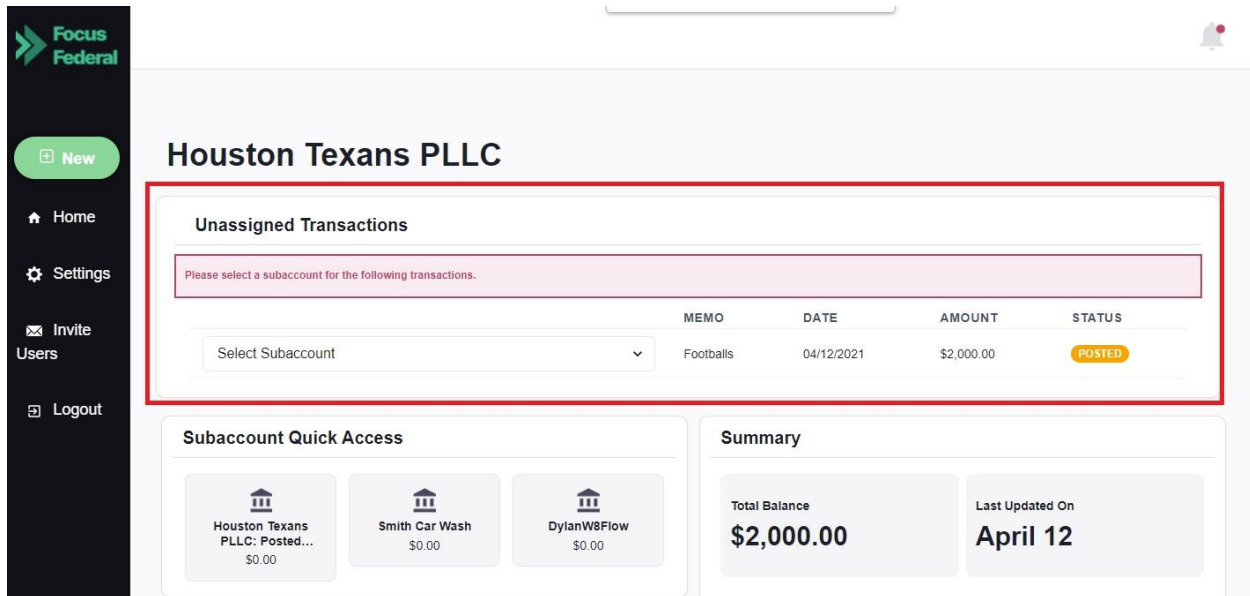
Reconciling Unassigned Transactions

Action Required: When a transaction has been processed through ZEscrow but has not been designated to a subaccount, it will appear in the "Unassigned Transaction" section.
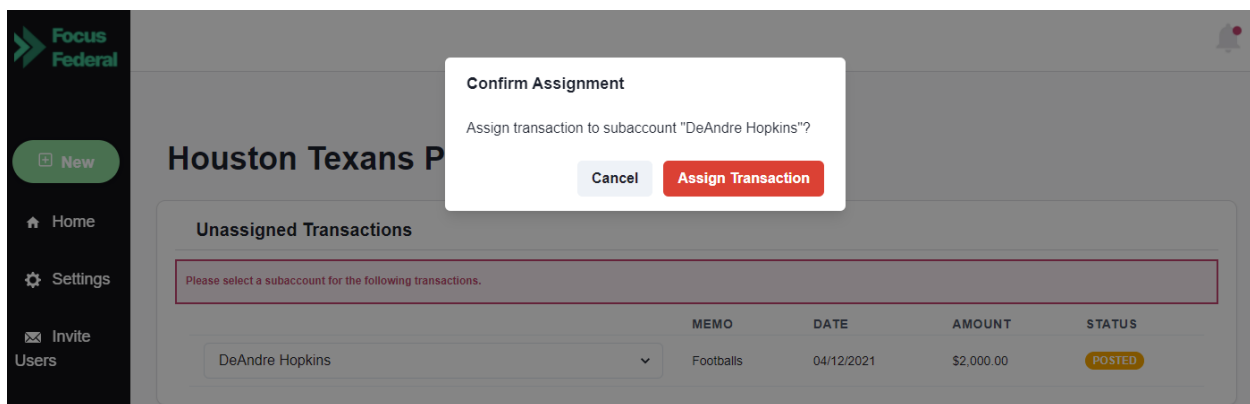
To ensure proper reconciliation (including interest calculation and 1099-INT reporting), an authorized user should assign all such transactions to the correct subaccount no later than the last business day of each month.

In the instance where an unassigned transaction must be split between two or more subaccounts, the user will have the option to split within the drop-down area.

Split Assignment

Select Subaccounts | Total Funds $1000000

Amount left to split: $1000000

Amount		Subaccount	Not Selected

Amount		Subaccount	Not Selected

Add Split

Done   **Cancel**

Move a transaction back to Unassigned in a Current Period

A transaction can be moved back to unassigned in case it was assigned to the incorrect sub from the "Unassigned" transaction list. This allows the user to correct any mistakes if the subaccount that the amount was moved to was incorrect.

This is available on the org dashboard as shown.

Transactions

bulktest/106 Olivera	Lincoln Law Group: Posted Interest	12/05/2022	$0.01	PENDING
	bulktest/106 Olivera	12/05/2022	$0.10	PENDING
Unassigned	bulktest2/104 Alamo v2	12/01/2022	$1,000.00	RECONCILED
Unassigned	bulktest/109 Friday	12/01/2022	$1,000.00	RECONCILED
Unassigned	bulktest/104 Alamo	12/01/2022	$1,000.00	DISMISSED
Unassigned	bulktest/204 Torres	12/01/2022	$2,000.00	DISMISSED

Click on the <u>amount</u> of the transaction you wish to reassign. It will open the transaction details pop up that will have a button to "Unassign" again. This will revert the transaction back to "Unassigned" status so it can be moved to the correct subaccount.

Transaction Details   ✕

Date	12/01/2022
Amount	$1,000.00
Status	RECONCILED
Current Subaccount	104 Alamo v2
Guid	6e82651f-65fd-4572-0747-08dad7e0b4dd
Reconciliation ID	4ZS23da0c95
Code	STANDARD

🕑 Unassign Transaction

Close

Transaction Details   ✕

Date	12/01/2022
Amount	$1,000.00
Status	RECONCILED
Current Subaccount	104 Alamo v2
Guid	6e82651f-65fd-4572-0747-08dad7e0b4dd
Reconciliation ID	4ZS23da0c95
Code	STANDARD

← Cancel Unassignment

⚠ The current transaction will be reset back to unassigned status and can be reassigned in the organization dashboard

Submit

Close

Opening a New Subaccount

From the Organization dashboard, the user will initiate the opening of a new subaccount by clicking on "New" and then "New Subaccount".
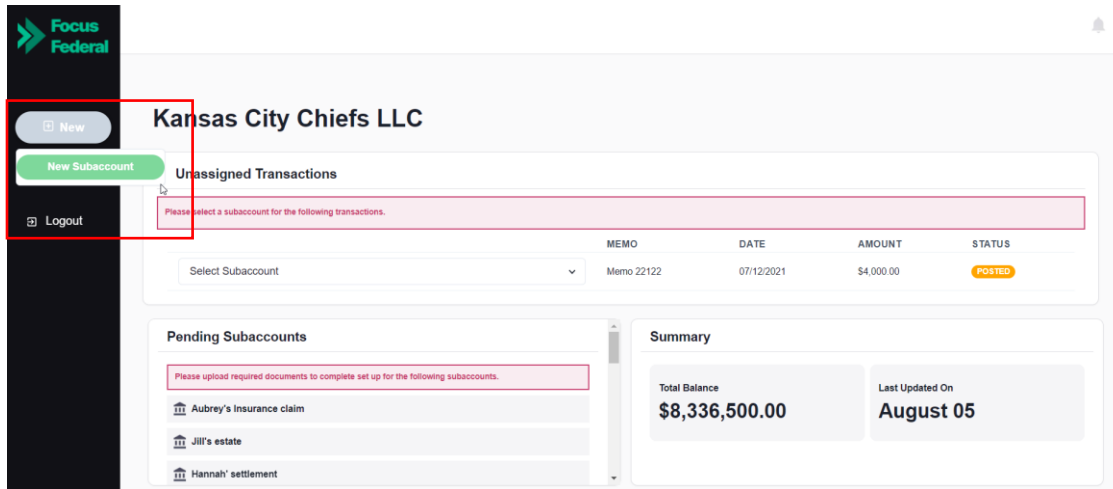
Step 1: From here, the user will enter a unique "Account Name/ID" in order to easily identify the account from the dashboard. This is typically used as the "nickname" of the subaccount. The user will also designate the type of beneficiary, country of citizenship, and assign the subaccount to a folder. If signature cards are required, the user will also specify which authorized user of the Organization should be designated as the signer on the account.

Step 2: In the instance that Signature cards are required, the following steps must be taken.

- If the account is being opened by an Admin User of the financial institution, an email invitation will be delivered to the authorized user with a unique URL enabling them to digitally sign the signature card.
- In the event that an authorized user of the Organization is opening the account directly through the dashboard, the individual will be prompted to electronically sign a signature card via DocuSign as part of the account opening workflow.

Step 3: Tax-ownership and reporting: If a beneficiary has been assigned, the user will be prompted to select one of two options for providing the required W-9 information needed for tax-ownership and reporting purposes.

- **Option 1: Email W-9 to Beneficiary** – This option is for scenarios where the user does not have the physical W-9 of the beneficiary. If selected, this workflow prompts the user to enter an email for the beneficiary, which in turn sends them an invitation to enter their own information directly through the platform.

- **Option 2: W-9 Manual Upload** – This alternative option is for scenarios where the user has already collected a signed W-9 for the beneficiary. If selected, this workflow allows the user to manually enter the required information on behalf of the beneficiary and digitally upload a signed copy of the W-9. Below is a list of the information that the user will enter and attest to on behalf of the beneficiary:
  - Beneficiary Name
  - Beneficiary Address

- ○ Beneficiary SSN
- ○ Beneficiary Phone (optional)
- ○ Beneficiary Email (optional)

- - **Option 3: W-8 Manual upload** – If the Individual beneficiary is not a resident of the United State, a W-8 is required for tax ownership and reporting purposes instead of a W-9. At this point the user will have the opportunity to upload a W8.

Action Required: If any of the previous steps are not completed, the subaccount will be listed in a "pending" status. Once all required documentation has been completed, the account status will automatically update from "pending" to "open". **Please note that only accounts that are in an open status are eligible to receive incoming deposits.**

Optional Second Name Line for Beneficiary – For an "Individual Beneficiary" subaccount when you select the W9 Completion Method as *Manual Upload* there is an option to add a second name line to represent surrogates.

Create a Subaccount ✕

First Name
Mike

Last Name
Smith

Beneficiary Name 2 (optional)
c/o, surrogate, etc

Address Line 1
123 Oak St

Address Line 2
A5

City
Boulder

State
Select State

Zip Code
12345

Social Security Number
123-45-6789

Phone Number (optional)
(123) 456-7890

Email (optional)
me@gmail.com

Finish Later   Continue

Viewing Subaccount Details

From the Organization dashboard, you can see accounts in a variety of statuses.

- **Open and Pending Subaccounts** (*Accessible through the "Folders & Subaccounts" section*) – This section includes subaccounts that are both in an open and pending status. Open accounts are those that have all necessary documentation on file and are considered ready for transactions.

- **Closed Subaccounts** (*Accessible by clicking on the three dots next to the "Folders & Subaccounts" section*) – These are accounts that have gone through the closure process and no longer have funds assigned.
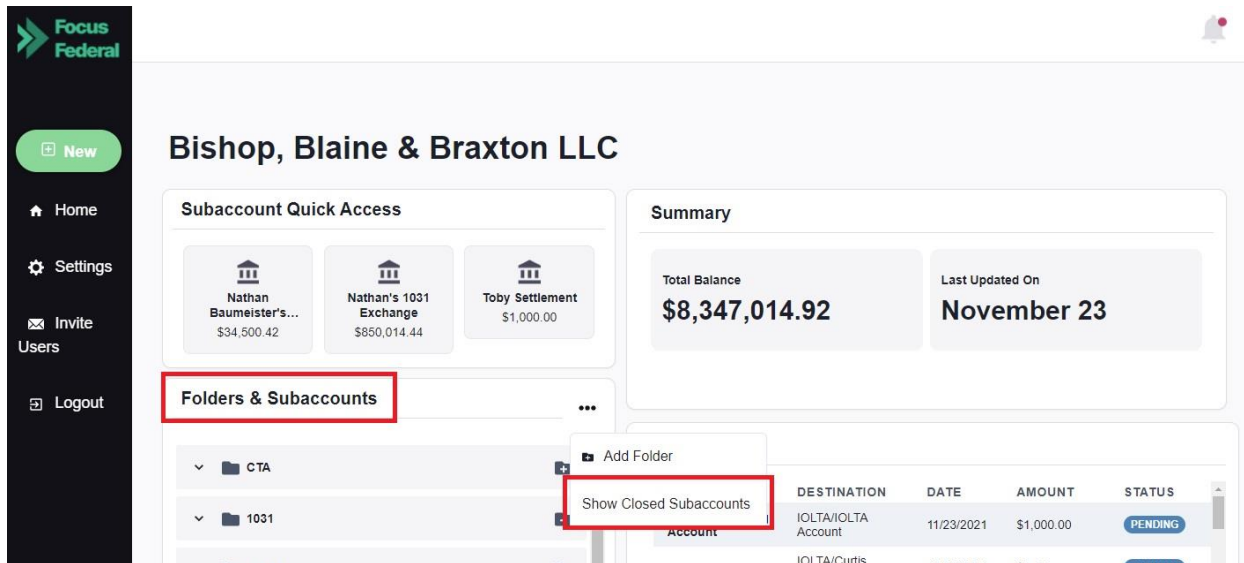
Selecting the subaccount that you would like to view will direct the user to a new dashboard with additional maintenance functionality that can be performed at the subaccount level.

Subaccount Dashboard and Functionality

Subaccount Dashboard

Authorized users can view the details of subaccounts by clicking into individual accounts from the Organization dashboard. This view allows users to review beneficiary details, account balances, transaction history, account documentation, and initiate subaccount transfers. *The user can edit the subaccount name, address, email, and phone. An additional feature is the ability to include property address on the subaccount.* When there is a Beneficiary Name there is an option to include a second name as well (E.g., in case of surrogates). If the user has a Standalone holding account, they will not be able to make transfers. They should use the Unassigned Transaction process to allocate funds.

Focus Federal

Tennessee Titans Management
1406 South 1st St Bldg 2 > Aaron Coleman Unit 3

Home
Logout

Aaron Coleman Unit 3 Overview

Total Balance
$9,554.00

Accrued Interest
$0.04

Posted Interest
$0.00

Details

NICKNAME	Aaron Coleman Unit 3
BENEFICIARY NAME	Aaron Coleman
ADDRESS	31 Powers Rd Sudbury, MA 01776
EMAIL	nbaumeister@sbcglobal.net
PHONE	8564518184
PROPERTY ADDRESS	
BENEFICIARY TYPE	Individual
ACCOUNT CREATION DATE	May 26, 2021
ANNUAL PERCENTAGE YIELD	0.02 %
SUBACCOUNT STATUS	Open

Transactions

MEMO	DATE	AMOUNT	TYPE	STATUS
ghgh	03/11/2022	$1,000.00	DEPOSIT	PENDING
Increased rent	03/11/2022	$100.00	DEPOSIT	PENDING
Initial Funding Z-6409fe1	07/27/2021	$1,000.00	DEPOSIT	PENDING
Uniforms	07/12/2021	$7,454.00	DEPOSIT	RECONCILED

Account Documents

| SIGNATURE CARD | COMPLETED | Signature Card |
| W9 | COMPLETED | W9 |

Edit Details   ✕

Account Name/ID

Nathan's 1031 Exchange

Email Address

me@gmail.com

Phone Number

(123) 456-7890

☑ **Edit Beneficiary Details**

Beneficiary Name

NATHAN BAUMEISTER

Beneficiary Name 2 (optional)

c/o, surrogate, etc

Address Line 1

99 South Bedford St

Address Line 2

A5

City

Burlington

State

Massachusetts

Zip Code

01803

☑ **Edit/Add Property Address**

Address Line 1

Address Line 2

Uploading Documents for Sub Opening

To upload documents for a pending subaccount, the authorized user will select the subaccount from the Organization dashboard and click on the "Complete" button in the "Account Documents" section next to the tax document as shown in the screenshot below:

From here, the user will be prompted to upload the documentation required to open the account.
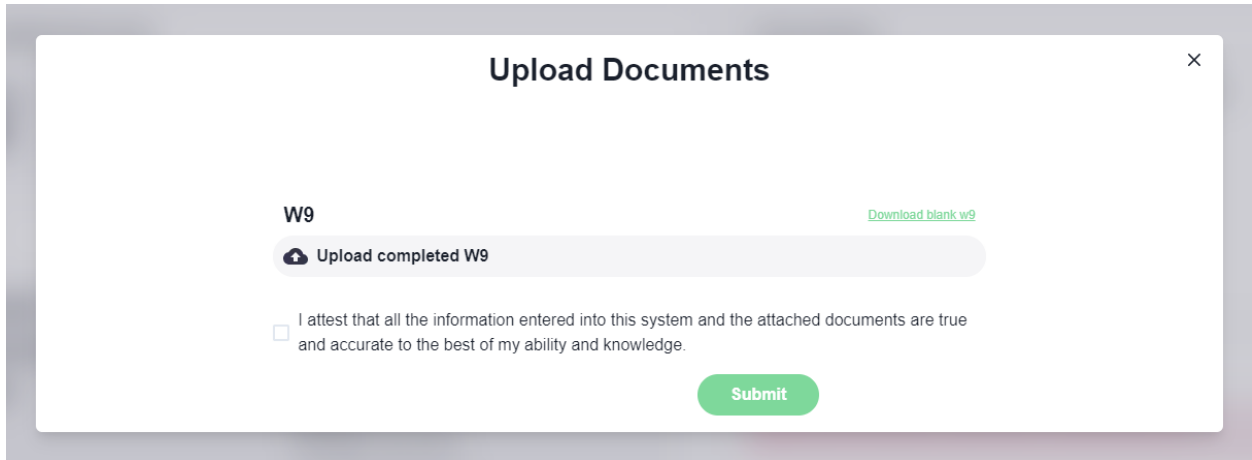
They will also be able to see documents such as monthly statements on the Org dashboard.
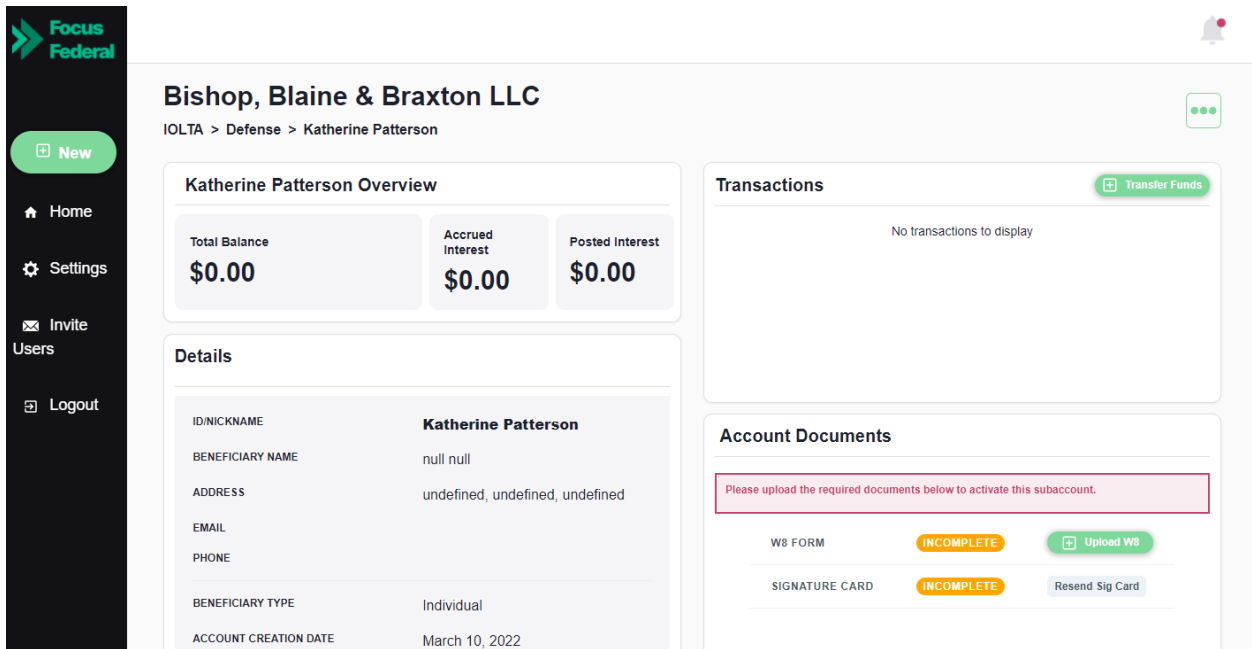
Upload Additional Documents

A user can upload other documents (such as death certificates in case of funeral homes) to the subaccount and view them in the "Account Documents" section from the Subaccount Dashboard

Account Documents   ⊞ Upload

W9   COMPLETED   🔗 W9
                     12/16/2022

After the "Upload" button is clicked the user can then enter a label for the document and upload it.

Upload Documents   ✕

                                                                    ⊞ Add document

Upload Document

⇒ Add file label

☁ Upload

☐ I attest that all the information entered into this system and the attached documents are true and
    accurate to the best of my ability and knowledge.

              Finish Later   Submit

They can also upload multiple documents by using the "Add Document" option available on the far right of the modal. Once the documents are uploaded and submitted, they can

then be viewed under the "*Account Documents*" section.

Initiating a Transaction

To initiate a transfer on an existing subaccount (whether a debit or credit), the authorized user will first need to select the appropriate subaccount from the Organization dashboard. From there, the user will click on the green button in the "Transactions" section.
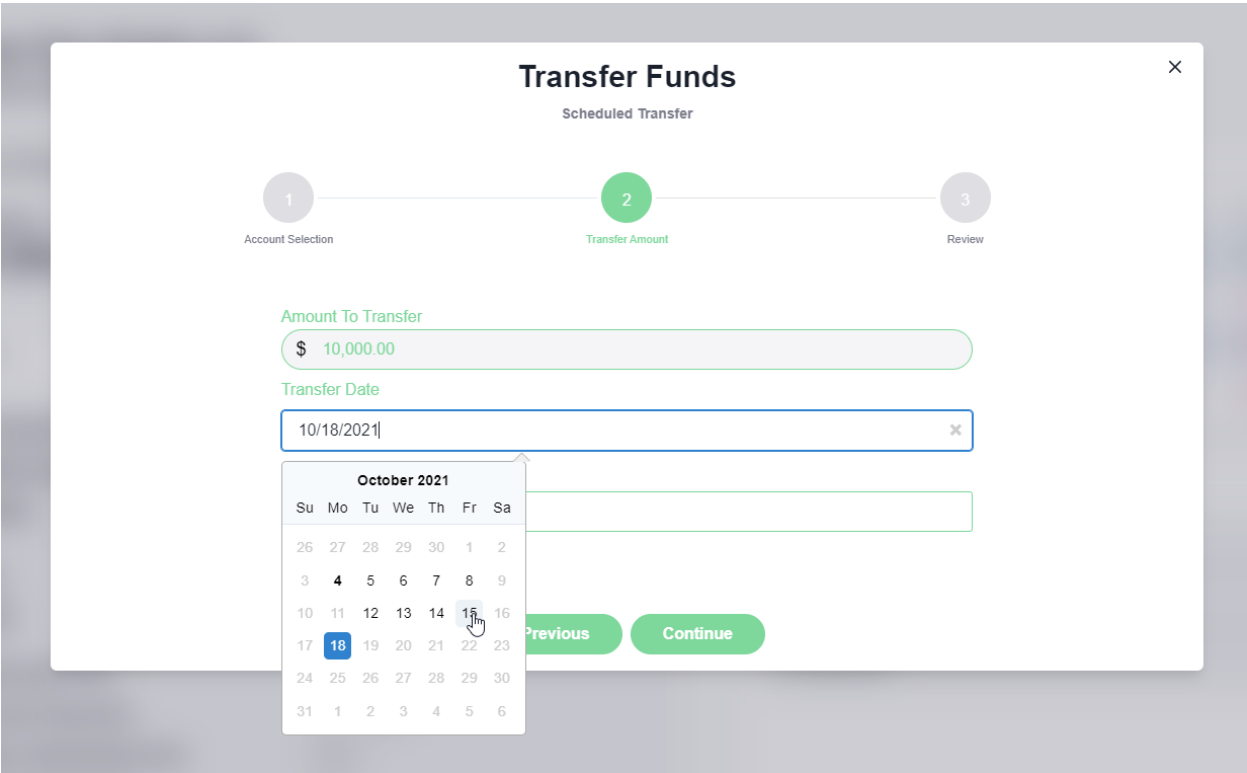

Step 1: A new screen will then appear which gives the user the options to select the transaction type (based on the "to" and "from" account options).
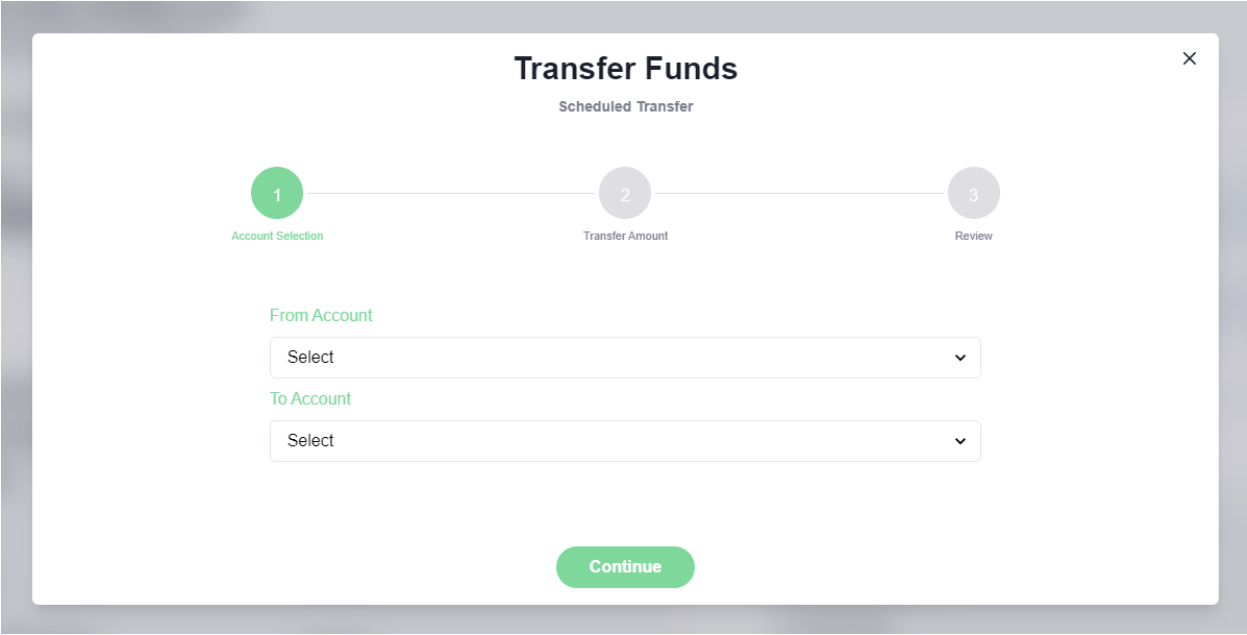
Step 2: The user will enter the amount to be transferred, select an effective date (up to two weeks in the future) and insert an optional memo for recordkeeping purposes.
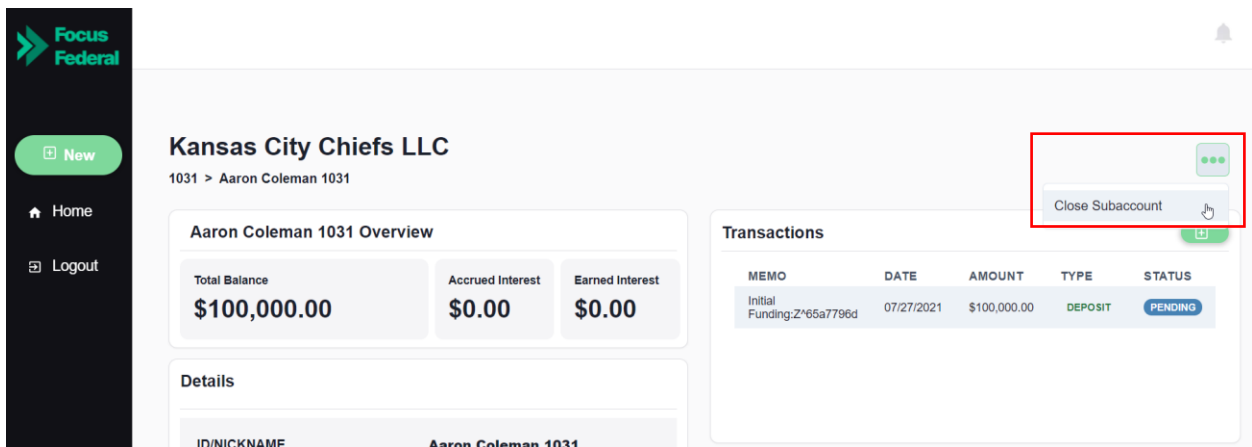

Step 3: The last step of the process is to review the transaction details for accuracy and click "Submit" to initiate the transaction.
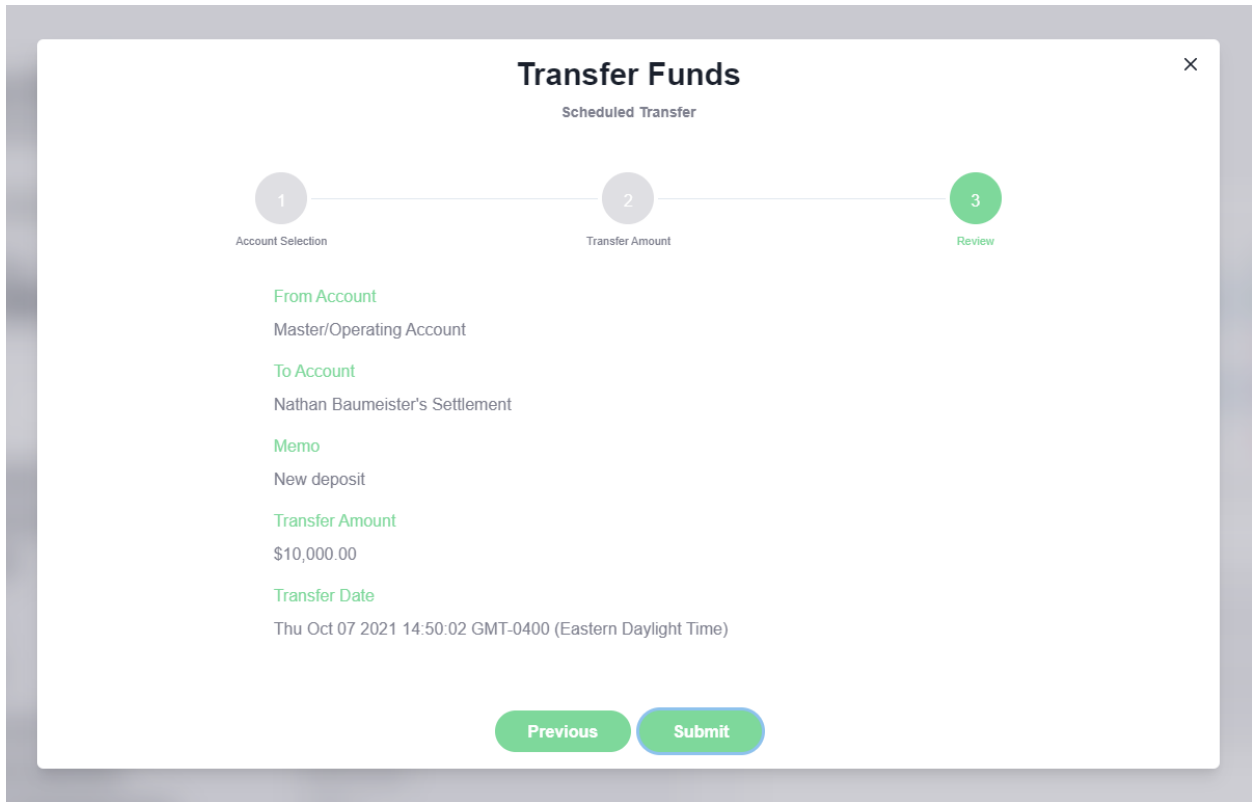
Closing an Existing Subaccount

Once inside the subaccount, authorized users can initiate an account closure by clicking on the three dots on the right side of the screen and selecting "Close Subaccount".

From here, the user will be directed to a new screen where they can review the closure details and insert an optional memo for tracking purposes.

Close Subaccount

Aaron Coleman Unit 3

×

Memo (optional)

Subaccount Name
Aaron Coleman Unit 3

Account Balance
$9,554.00

Account Open Date
May 26, 2021

Account Close Date
May 11, 2022

Beneficiary Name
Aaron Coleman

Accrued Interest
$0.04

Posted Interest
$0.00

From Account
Aaron Coleman Unit 3

To Account
Master/Operating Account

The Following Will Occur Upon Subaccount Closure:

- The subaccount will go into a partially closed status until all scheduled transactions are reconciled and the settled balance is 0
- Once fully closed, the subaccount will be hidden, but accessible from the organization dashboard
- The account balance will be transferred from the subaccount to the designated disbursement account
- The accrued interest will be transferred first to the subaccount, then to the designated disbursement account

Transfer Balance & Accrued Interest and Close Account

If this is a standalone subaccount, the closure is not recognized as complete until funds have been moved out

Reports

To view available reports through ZEscrow, click on "Reports".
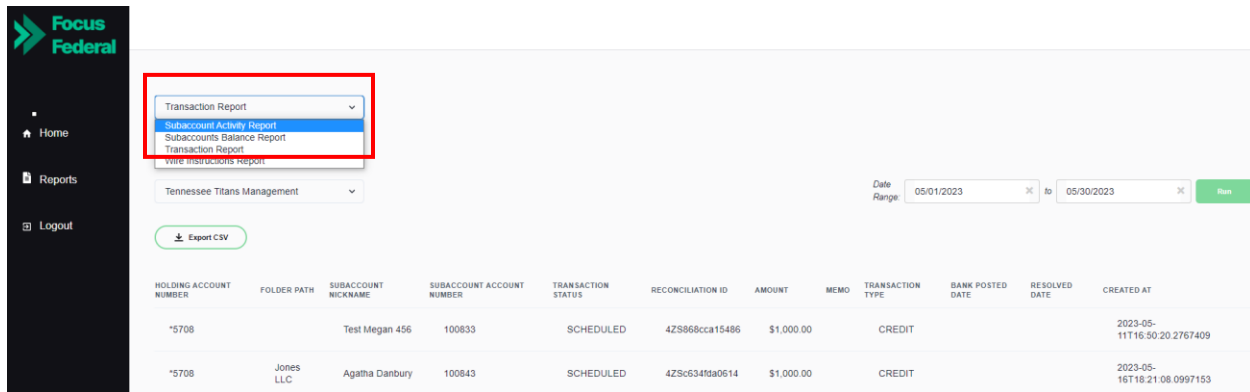
There are currently two types of reports available for an org user to download:
- **Subaccount Activity Report:** Reporting for your Organization on sub details that includes balance, and interest.
- **Subaccounts Balance Report:** Reporting for your Organization on transactions, balance and interest based on the date range selected.
- **Transaction Report:** Reporting for your Organization on all transaction level data for the specified date range that can be used to audit and track transactions.

Once the report that you would like to view has been selected, input a date range as needed and then click on the "Export CSV" button to download the data.
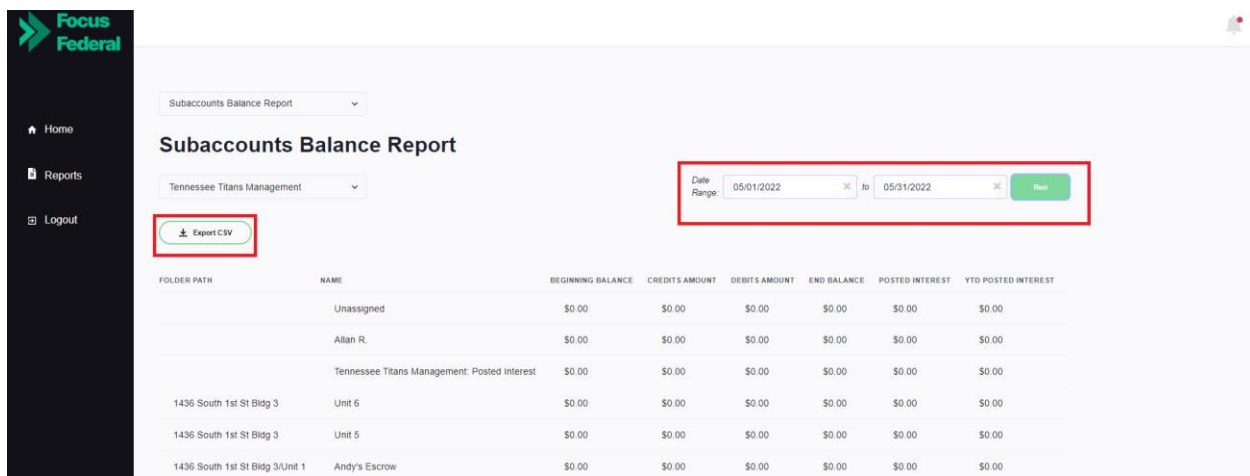
Beneficiary Access (Sub Level) role

An organization can now invite Beneficiaries to access ZEscrow so that they can confirm an account exists and is earning interest, and that there's a record of transactions and documents/statements.

Assumptions:

1. The FI has opted to have this feature enabled.
2. There is a valid email address where the invite can be sent.
3. The sub/beneficiary is associated with a valid Tax Id or SSN.

Steps to invite a beneficiary to access the subaccount:

➢ Open the subaccount to whom the beneficiary needs access.
➢ Navigate to the dashboard and click on the "Add User" icon next to the email address if one is provided already as shown below.

➢ You will now see the "Invite Beneficiary" window which allows you to edit the email address if needed and also provides the information if there was already an invite sent to the beneficiary or not. Click on "Send Invite" in order to send the invitation

to that email address.

Invite Beneficiary   ✕

Beneficiary Email Address:

benetest@gmail.com   [✎]

INVITATION STATUS: Invitation Not Sent

INVITATION SENT ON: Not Sent

Finish Later   **Send Invite**

Complete your ZEscrow account registration

Hi John!

Username at BetaDev Bank has invited you to beta-dev.zescrow.com so you can view your subaccount and balances. Use the button below to set up your account and get started:

Set Up Your Account Now

If you have any questions you can reply to this email.

Welcome aboard!

The ZEscrow Team

➢ Clicking on "Set Up Your Account Now" will allow the user to set a password and upon success they will be able to view the platform. The beneficiary user will now be able to use their credentials and login.

Enter Your Password

Enter your password for ZEscrow to continue to Beta Dev

| benetest@gmail.com | Edit |

Password

•••••••••••| 👁

Forgot password?

Continue

➢ They will be asked to verify their identity.

Verify Your Identity

Last 4 Digits of SSN

Submit

➢ Upon verification you will then view the T&Cs and then be able to view the subaccount.

They will only have access to view the transactions and their statements but will not be able to perform any actions such as transfer of funds or update their information.

➢ If the org user now goes to that subaccount's dashboard clicking invite user icon again will show the updated status.

➢ In case the invite needs to be sent again "Resend Invite" can be used.

Invite Beneficiary

Beneficiary Email Address:

benetest@gmail.com

INVITATION STATUS: Invitation Sent

INVITATION SENT ON: June 22nd 2023, 7:35:40 pm UTC

Finish Later   **Resend Invite**

Ability to enter interest portion for a Beneficiary for Organizations.

In some scenarios, Organizations want to be able to create a subaccount and add a portion of the rate they want to be paid to the Beneficiary. This is now available as a part of the subaccount creation process or can be added to existing subaccounts.

The FI has negotiated a rate with the Organization. From there, the Organization wants to pay the Beneficiary a portion of their earned interest. The beneficiary is effectively receiving a split of the Organization's interest.

Note: Any changes applied to interest rates or splits revert to the first date of the interest cycle.

How to Enable this feature: The Organization should contact their banking representative to ensure this is set up for their experience.

Once the organization has this enabled, they can enter an interest percentage for the subaccounts in two scenarios.

1. **Adding Interest at Subaccount Creation**

   When you create a new subaccount, clicking "Continue" on the first screen will display a modal asking if you want to set up an interest split override. Select "Yes" if you wish to enter a value other than the default interest earned by the subaccount.

In the above example, the subaccount will earn the default interest rate of 2.5% which is 50% of the total earned by the organization (Total APR 5%). This amount can be changed to any percentage of the total APR depending on the interest rate you want this subaccount to earn.

Once you have entered the amount hit "Continue" and complete setting up your subaccount.

2. Add/Edit Interest on Existing Subaccounts.

Open any existing subaccount within the organization with the interest split override enabled in the configuration.

Click on the "Edit Interest Split" button as highlighted above. This will allow you to change an existing split or add or remove one as applicable.

You can either update the amount and hit "submit" to save your changes or click the option to remove the split and let it use the default organization configuration.

Here we updated the percentage to 60% and hit "Submit". The override got set to 60% which resulted in the subaccount now earning an APR of 3%.

Details

 Edit Details

ACCOUNT NUMBER	101705
ID/NICKNAME	test split
BENEFICIARY NAME	John Smith
ADDRESS	123 xyz lane Denver, CO 76543
EMAIL	
PHONE	
PROPERTY ADDRESS	
BENEFICIARY TYPE	Individual
ACCOUNT CREATION DATE	May 20, 2024
APR / APY	3 / 3.04 %
SUBACCOUNT STATUS	Open
OPENED DATE	May 20, 2024

+2 Invite Beneficiary

↕ Edit Interest Split

Removing an override

Click on "Edit Interest Split" on the subaccount dashboard, then select "Remove override."

This returns the interest rate to the organization's original configuration of 2.5%.

Edit Subaccount Interest Split

✕

🔘 Remove split override and return to the default interest rate for this subaccount

Finish Later   **Submit**

Details

✏️ Edit Details

ACCOUNT NUMBER	101705
ID/NICKNAME	test split
BENEFICIARY NAME	John Smith
ADDRESS	123 xyz lane Denver, CO 76543
EMAIL	
PHONE	
PROPERTY ADDRESS	
BENEFICIARY TYPE	Individual
ACCOUNT CREATION DATE	May 20, 2024
APR / APY	2.5 / 2.53 %
SUBACCOUNT STATUS	Open
OPENED DATE	May 20, 2024

+👤 Invite Beneficiary

⇅ Edit Interest Split