Important Information for ACH Origination Customers
05/01/2025

Annually, the *National Automated Clearing House Association* (NACHA), the rule-making body for the ACH network makes edits and updates to the Operating Rules. As a courtesy to our customers, we communicate those updates as well as provide you with a few reminders regarding ACH processing through Nicolet National Bank.

Reminders:

- ✓ **Do NOT use employee social security numbers within ACH files.** This is an ACH Rules violation. Please review your templates or files to ensure you are not displaying personal, non-public information within your files.

- ✓ Ensure your Company Description is clear to the Receiver of your payment. The Receiver should be able to clearly identify the source (Your Business Name) of the payment.

- ✓ Daily ACH cutoff for Next Day file submission is 5:00pm CST.

- ✓ Daily ACH cutoff for Same Day file submission is 12:30pm CST. (Users must check the Same Day box during file submission.)

- ✓ Same Day ACH entry limit is $1,000,000.00. No one entry within the file can be for more than $1,000,000.00.

- ✓ Each Company is assigned a Daily ACH Limit. If you exceed your daily limit your file submission will fail. A call by an account signer to Treasury Management Support (855-451-4793) to request a temporary or permanent limit increase will be needed to complete the ACH file process.

- ✓ After each file is initiated, there will be a yellow warning that states “Pending Financial Institution Review”.

- ✓ An email will be sent to identified users that states “ACH Limit Check – Warning” to explain the file has been received and is pending review by the Bank.

- ✓ Nicolet runs all ACH files through a fraud detection system and releases the files after the review is complete.

- ✓ Submit your ACH files, especially payroll files, 2 business days prior as a standard to ensure there is sufficient time to process.

- ✓ Once the review is complete, a second email will be sent to tell ACH users for the Company that the ACH file has passed all steps of origination and will be sent to the Federal Reserve for final processing. If an entry triggers a fraud concern, a member of the Treasury Management Support

Team will place a call to the file submitter for verification of the new or edited routing and account information. This is a fraud mitigation step.

- ✓ Any file submitted after 5:00 PM CST will be processed on the next banking day.

- ✓ When sending an ACH file or a transfer request through ACH Manager, please call us if you receive a message that you do not understand, if the system is acting unusual, or if you experience a time out during the submittal. We can quickly show you how to check the status of a file or transfer to confirm the transaction will be processed successfully.

- ✓ When an ACH item you sent is returned to Nicolet National Bank, or if the information you used is not correct, we receive either an ACH Notice of Return (NOR) or an ACH Notification of Correction (NOC). When we receive these notices, they are made available to your identified users within the "ACH Reporting Files" section of the Positive Pay area of online banking.

- ✓ When your Company receives ACH Notifications, it is imperative the notice be acted upon timely. The Bank and your Company could be subject to ACH Rule violations and fines if the entry continues to be sent using incorrect information when the receiving financial institution has notified us of the needed change. When the receiving financial institution sends these Notifications of Correction, they warrant the information they are providing is true and correct.

- ✓ Fraud continues to happen. There is an increase in email account takeover for both consumer email accounts as well as business email systems where fraudsters are communicating routing and account number changes purportedly for employees to the HR department or to accounts payable areas of a business, but the email is being sent from a fraudster on behalf of the employee or company.

- ✓ We strongly encourage a multi-step process in changing routing and account information for your Receivers. A phone call to verbally speak with the employee, vendor, etc. is always best. Call a number on file and not the phone number contained in the change request as this may be to the fraudster. Consider requiring an updated signed form acknowledging the change(s) in addition to the phone call.

If you have questions about ACH Origination, our ACH fraud detection software, or daily ACH cutoff times, please feel free to call the Treasury Management Support Team at 855.451.4793 or email treasurymanagement@nicoletbank.com.

As always, we appreciate your continued trust and business and are here to support you and your payment processing needs.