



AUTOMATED CLEARING HOUSE ORIGATION ANNUAL CLIENT INFORMATION | 2026

Our top priority is the safety and security of your accounts and private information. We want you to be aware of the many ways that together, we can protect your information. Please review these important reminders regarding automated clearing house (ACH) originations. If you have any questions, please contact the Treasury Management Client Service Center.

**Treasury Management
Solutions Center**
800.279.3200, option 3
treasury@alerus.com

Important 2026 ACH Rule Changes

Several ACH rule changes issued by the National Automated Clearinghouse Association (NACHA) will roll out in 2026. These updates are intended to improve payment clarity and strengthen fraud prevention across the ACH network. Key milestones include:

- **March 20, 2026:** New standardized ACH descriptions for payroll (**PAYROLL**)
- **March 20, 2026:** New standardized ACH descriptions for purchase-related transactions (**PURCHASE**)
- **June 19, 2026:** Broader fraud-monitoring expectations apply to all ACH-originating businesses

Authorization Requirements

As an ACH originator, it is your responsibility to comply with the ACH rules designed by NACHA. If you are debiting a consumer you are **required** to have written authorization. It is encouraged to have written authorization for any ACH transaction you are originating. The authorization must include:

- Full name
- Routing number
- Account number
- Frequency
- Amount
- Manner of revocation

You should review your authorization forms annually. ACH authorization samples can be viewed here: [ACH Origination Resources – Alerus Financial](#).

Additional requirements:

- Signed authorizations must be securely retained for two years past revocation date.
- When no longer needed, signed authorizations should be shredded and properly disposed to ensure information is no longer readable or capable of being reconstructed.

Returns and Notifications of Change

A notification of return (NOR) is a transaction you originated which has been debited or credited to your account due to a return from the recipient bank.

A notification of change (NOC) is a transaction you originated that has been received and processed by the receiving bank, but corrective action needs to be taken before the next transaction can be originated.

You will receive email notifications when these types of transactions occur. Details are available for 60 days. Contact our Treasury Management Solutions Center if you need to make changes.

Refer to the [2026 ACH Quick Reference Card](#) for instructions to handle these types of transactions.

Pre-Notification (Prenote) Transactions

A pre-notification, or prenote, is a non-monetary entry (\$0.00) used to verify the receiver's account and routing number.

It is recommended to wait three days after sending a prenote to allow time for a return or notification of change before transmitting money.

Reversing Transactions (Reversals)

An ACH reversal is used to correct an error such as a duplicate payment, incorrect amount, or incorrect account, in a prior originated transaction.

- A reversal must be processed within five business days of the original transaction settlement.
- The reversal must include the company data description "REVERSAL" to ensure proper processing.
- A reversal is not a guarantee of returned funds; the receiving bank could reject the request for multiple reasons.

If you have originated a transaction that you believe is fraud, contact the Treasury Management Solutions Center for next steps.

Changes to Your Information

To make any changes to your information, including exposure limits, contact information, email notification, security officers, or billing accounts, please contact the Treasury Management Solutions Center.

What is the ACH Network?

The ACH network is a nationwide system that facilitates electronic funds transfers (EFTs) between financial institutions. The network is governed by NACHA, which sets the rules and regulations for ACH transactions.

Additional details are available in the [2026 ACH Quick Reference Card](#).

When are ACH Files Processed?

ACH files can be originated until 4 p.m., CT Monday through Friday, with a same-day cut-off time of 12:30 p.m., CT. Alerus follows the Federal Reserve holiday schedule and will process ACH files accordingly.¹

Daily processing times are available in the [Cutoff and Retention Quick Reference Guide](#).

ACH files originated through business banking can be cancelled based on payment date and the corresponding processing time. For example, future-dated ACH payments must be cancelled by 7:30 a.m., CT on the day before they are scheduled for payment. Same-day or next-day ACH payments must be cancelled by 12:30 p.m., CT on the day they are submitted.

What is Same-Day ACH?

Same-day ACH is the ability to originate an ACH file that will be received and processed by the end of the day of the receiving institution's local time. For a file or entry to qualify as same-day, it must meet the following criteria:

- File must be submitted by 12:30 p.m., CT
- Individual entries to the same payee cannot exceed \$1,000,000.00.
 - The file total can be greater than \$1,000,000.00.

¹ For holidays falling on Saturday, Federal Reserve banks and branches will be open the preceding Friday. For holidays falling on Sunday, all Federal Reserve banks and branches will be closed the following Monday. An expanded schedule can be found on the Board of Governors of the Federal Reserve System website: <https://www.federalreserve.gov/aboutthefed/k8.htm>

How Will My Company Be Notified of Returns or Corrections?

- You will designate one or more individuals to receive secure email notifications when you have a return item or correction. These emails will come from an encrypted email address and will include a .zip folder and a .pdf notification. Your IT department may need to review and allow the email from this recipient. For additional information, contact the Treasury Management Solutions Center.
- Notices of returns or corrections for entries that were being sent to another Alerus client will be distributed from our deposit operations or treasury management department, using an Alerus email address. The emails will be sent using Alerus' secure email and will require a log-in and password to view the contents.

ACH Rules

As an ACH originator, it is your responsibility to comply with the ACH rules designated by NACHA. The ACH rules book or online access is available upon request.

ACH Best Practice

As an ACH originator, it is your responsibility to safeguard any information related to the submission of ACH transactions.

Glossary of Terms

- **Originator.** Your company is the originator and has been given authorization by the receiver to either debit or credit their account.
- **Receiver.** The receiver is the individual or business that has authorized the originator to process a transaction on their account.
- **Originating depository financial institution (ODFI).** Originated transactions must begin processing through an ODFI, such as Alerus. We have a contractual relationship with your company for ACH services and will process your files to the ACH operator on your behalf.
- **Receiving depository financial institution (RDFI).** A financial institution identified by routing number in the originated transaction to receive the funds.
- **ACH operator.** The centralized clearing network for ACH transactions.
- **ACH company entry description.** A brief description of the transaction that appears on the client statement to help them understand *why* the ACH debit or credit occurred.