

Exchange Bank is upgrading our systems to better serve you. As an Automated Clearing House (ACH) originator, this will affect the way you send files to us and the date the funds are debited from your account.

As of March 20, 2023, the following changes will be in effect:

ACH Pass Thru Users (ACH customers who *currently upload* ACH files):

- Funds will be debited from your account at the time your ACH batch file is uploaded, so please make sure you review your cash flow carefully.
- ACH file formats will need to be modified. For any files submitted through a vendor or if you use outside software to submit ACH files, you will need to communicate to them that they will need to submit "unbalanced" files to us. Please work with your vendor or software support contact for this update. We are available to help with any questions. Please contact our Customer Care Center 707-524-3000, option 1, then 3.

Non-ACH Pass Thru Users (ACH customers who *do not upload* ACH files):

- ACH transaction funds will be debited from EB deposit accounts two days before the Effective Date in the ACH transaction, so please make sure you review your cash flow carefully.

Q:	Why is this change being made?
A:	Exchange Bank is in the process of upgrading our systems to better serve our customers. This change in particular will affect our business banking customers who use Automated Clearing House (ACH) files to upload files.
Q:	What will I need to do?
A:	Currently, when you upload a file to Exchange Bank, it is sent in a "balanced" format. (Total debits equal total credits.) As a result of this change, you will need to send the files in an "unbalanced" format. (A debit file without credit offset, or a credit file without debit offset.)
Q:	I use a vendor to send my ACH files to Exchange Bank. What do I need to do?
A:	Contact your vendor and let them know that this change will require them to send your ACH files in an "unbalanced" format. They should be familiar with this file type and approach.
Q:	I don't use a vendor and I am not familiar with balanced and unbalanced files. Where can I learn more?
A:	An unbalanced file is a file that does not have the offset account within the file. The offset account is managed by Exchange Bank. A balanced file is a file that has the offset account within the file. Example: If you are creating a payroll file and you are paying your employees or crediting an entity, the file

	would contain only credit entries with no offsetting debits. Exchange Bank would handle the processing of the debit entry.				
Q:	What if I want to continue using balanced files?				
A:	As of March 20, 2023, we will not be able to accept a balanced file.				
Q:	What will this change look like on the website?				
A:	<p>The website will look the same, however, you will see subsidiaries created that will represent the offset account of your transactions. The subsidiary will have the following naming convention: company name, last five digits of your account number, and CR for Credit or DR for Debit.</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid #ccc;">From Subsidiary</th> <th style="text-align: left; border-bottom: 1px solid #ccc;">Account</th> </tr> </thead> <tbody> <tr> <td style="border: 1px solid #ccc; padding: 5px;">CASH MANAGEMENT 51090 CR *****3333</td> <td style="border: 1px solid #ccc; padding: 5px;">EVERYDAY CKG XXXXXX1090 \$11.98</td> </tr> </tbody> </table> </div>	From Subsidiary	Account	CASH MANAGEMENT 51090 CR *****3333	EVERYDAY CKG XXXXXX1090 \$11.98
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Q:	Will there be any changes to the daily processing of Automated Clearing House (ACH)?				
A:	<p>Yes, these changes will support a new ACH module called Prefunding. Prefunding ensures that ACH transactions are processed by ensuring that sufficient funds are available in your account to fund the transactions.</p> <p>ACH Pass Thru Users (ACH customers who <i>currently upload</i> ACH files within Digital Banking):</p> <ul style="list-style-type: none"> Funds will be debited from your account at the time your ACH batch file is uploaded, so please make sure you review your cash flow carefully. ACH file formats will need to be modified. For any files submitted through a vendor or if you use outside software to submit ACH files, you will need to communicate to them that they will need to submit "unbalanced" files to us. Please work with your vendor or software support contact for this update. <p>Non-ACH Pass Thru Users (ACH customers who <i>do not upload</i> ACH files within Digital Banking):</p> <ul style="list-style-type: none"> ACH transaction funds will be debited from EB deposit accounts two days before the Effective Date in the ACH transaction, so please make sure you review your cash flow carefully. 				
Q:	Will there be a change in the daily file cutoff?				
A:	No, the file cutoff remains at 4:00 p.m.				
Q:	What happens if I accidentally upload a balanced ACH file to the online banking platform?				
A:	The ACH file will suspend, and you may be required to resend your file. This may delay the processing of your ACH file.				