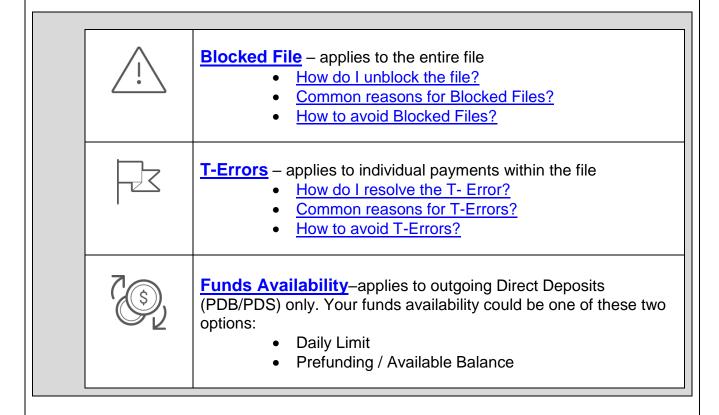


Common Errors to Avoid For ACH Direct Payments and Deposits

There are some instances in which RBC cannot process your ACH payments. There are three issues that could stop your payments from being processed:



If any of these issues occur you will be notified on the <u>Input Verification and Edit (IVE)</u>
<u>Report.</u> Each time you submit a file to RBC this report is generated to confirm that RBC has received your payment instructions; If there is any reason we cannot process the file or payments within the file it will be flagged on this report.



Part One: Blocked Files

What is a Blocked File?

There are some instances that the file uploaded to RBC does not meet all conditions necessary for processing, and as a result will "block" which means it has been stopped in our system.

How do I know if my file is blocked?



If your payment file has been blocked you will see an additional line on your <u>Input Verification</u> and <u>Edit Report telling</u> you the reason for the block.

How do I unblock the file?

When a file is blocked, an email is sent to the authorized contacts within your organization. Have the contact respond to the email with clear instructions to **DELETE** or **UNBLOCK** the file.

Please note: the authorized contacts were chosen by your organization when you were originally enrolled for the service and may be different from the Administrators of your RBC Express profile. Please let your RBC representative know if you need to update your authorized contacts.

How do I know when my file has been unblocked?

Once the file is unblocked, a new Input Verification and Edit Report will be generated. In the center there will be a message that this file was unblocked. The number of transactions blocked on this report will be zero.

Common reasons for Blocked files

The following is a list of the most common reasons for a file to be blocked. The reasons with a red asterisk apply only to clients who are uploading files from their 3rd party software and will not happen to files created on RBC Express using the ACH Record Manager.

	Acceptable Input Errors Percentage Limit Has Been Exceeded For
	This File.
*	All Detail Records have been rejected
	All Detail Records on this file contain errors
*	Amount of Credit transactions is not equal to total on trailer
*	Amount of Debit transactions is not equal to total on trailer
*	File Creation Date is future dated. Enter date within last 9 business
	days
	File Creation Date is too old. Enter date within last 9 business days
*	File Creation Number and Date already exist
*	File Creation Number duplicated within last 9 processed files
*	First Record ID is not a Header
	Funds not available
*	Invalid Record Type
	Potential Duplicate – File Totals match a previous file
	Total of all payments on file is over the client's File Limit

* Reasons with this red asterisk beside them will only apply to clients using File Transfer to upload files created by a 3rd party accounting software



Avoiding Blocked Files

For clients using RBC Express' **ACH Record Manager** the following will help you avoid the frequency of blocked files:

- The File Creation Date is too old Ensure the file is approved and released within 8 days of the creation date. Ensure any approvers are aware of the pending file. If the file is left pending approval it may result in a block. Note that the file creation date is not the same as the due date
- If your files are typically less than 5 transactions consider requesting the "acceptable input errors % limit" to be increased. The limit is typically set to 20% or 50%.
- The file limit is established at the time the ACH service was enrolled and can be increased by an authorized contact calling the support number at the bottom of this form
- Funds Not Available: if there have insufficient funds in the account, the file will unblock
 automatically once funds become available (no email is required) <u>Please note:</u> ACH
 cannot pull from a line of credit, funds must be available in the account itself.
- If a Daily Limit / Transactional Risk is in place on your ACH Service the "funds not available" reason will not apply to you, speak with your Account Manager to confirm if there's a Daily Limit in place.

For clients using RBC Express' **File Transfer** the following will help you avoid the frequency of blocked files:

- The file creation date (FCD) is the date you prepared the input file for upload and must be within the last 8 business days. It cannot be future-dated, nor is it necessarily the same as the due date of the payments
- The file creation number (FCN) is a unique number included within your file to assist you in identifying your input file. This number cannot be duplicated within the last 9 processed files. After upgrading your system please verify that the FCN is not a duplicate. If you reflect the time in your file creation number field, a minute/second combination may be more effective
- If your input files are typically very small (for example, less than 5 items) you may consider requesting the "acceptable input errors % limit" to be increased.
- The "File Creation Date is too old" message is often a result of a previous file being transmitted in error
- The file limit is established at the time the ACH service was enrolled and can be increased by an authorized contact calling the support number at the bottom of this page
- Funds Not Available: if there have insufficient funds in the account, the file will unblock automatically once funds become available (no email is required) <u>Please note:</u> ACH cannot pull from a line of credit, funds must be available in the account itself
- If a Daily Limit / Transactional Risk is in place on your ACH Service the "insufficient funds" reason will not apply to you, speak with your Account Manager to confirm if there's a Daily Limit.

Part Two: T- Errors

RBC Royal Bank



RBC Express Training Program

What is a T-Error?

There may be some instances where individual payments in your payment file cannot be processed. As a result the payments will be "held for correction" these are called Transaction Errors or T-Errors. For example, if the account number provided is too short, that payment will be held until it is corrected or deleted.

How do I know if there is a T-Error?

If a payment within your file contains a T-Error you will see an additional line on your <u>Input Verification and Edit Report</u>. The Report will tell you which payment is being held for correction and the reason is it being held.

How do I resolve the T-error?

T-errors can be corrected using the ACH Payment Manager; Sign into RBC Express and locate the *Payment Manager* within the *ACH Direct Payments and Deposits* menu. Using the *Inquire/Modify* option search for the payment that is held due to errors. We recommend searching with the due date and amount. Once located the payment can be modified or deleted (note: this action may require further approval). Step by step instructions with screenshots can be found in the **Digital Training Centre** document: *ACH Payment Manager*.

Common reasons for Transaction Errors (T-Errors)

The following is a list of the most common reasons for a T-error. The reasons are equally likely to occur whether you are using File Transfer or Record Manager

ACCOUNT NUMBER FAILED MODULUS CHECK – INVALID ACCOUNT NUMBER
FORMAT
ACCOUNT NUMBER LENGTH IS INVALID- TOO LONG OR TOO SHORT
BANK NUMBER NOT FOUND ON FINANCIAL INSTITUTION FILE
BRANCH/TRANSIT NUMBER IS CLOSED OR DOES NOT EXIST
INVALID BRANCH/TRANSIT NUMBER
PAYMENT AMOUNT EXCEEDS THE CLIENT'S TRANSACTION LIMIT



Avoiding T-Errors

For clients using RBC Express' **ACH Record Manager** the following will help you avoid the frequency of T-Errors:

- Ensure the account numbers you have been provided are recent or up to date
- Ensure the account numbers have been entered accurately
- Be aware of any transaction limits that may apply to your accounts
- Be advised that this process does not verify the name on the account only the account number format. The ACH (Direct Deposit or Preauthorized Payment) will be completed based on the bank, branch, and account numbers
- If you have experienced a T-Error please ensure the banking information for your payee/payor is up to date in your Payment Records

For clients using RBC Express' **File Transfer** the following will help you avoid the frequency of T-Errors:

- Ensure the account numbers you have been provided are recent or up to date
- Ensure the account numbers have been entered accurately
- Be aware of any transaction limits that may apply to your accounts. The transaction limit is established at the time the ACH service was enrolled and can be increased by an authorized contact calling the support number at the bottom of this form
- Be advised that this process does not verify the name on the account only the account number format. The ACH (Direct Deposit or Preauthorized Payment) will be completed based on the bank, branch, and account numbers.
- If you have experienced a T-Error please ensure the banking information for your payee/payor is up to date in your software



Part Three: Funds Availability

Your ACH account will be set up with one of the following options:

1. Prefunding:

- Funds must be available in the account when you send the file
- Your account will be debited on the day the file is released to RBC
- If funds are not available: then the file will be blocked, the file can be unblocked by funding the account within 48 hours. After 48 hours the file will be dropped

2. Daily Limit:

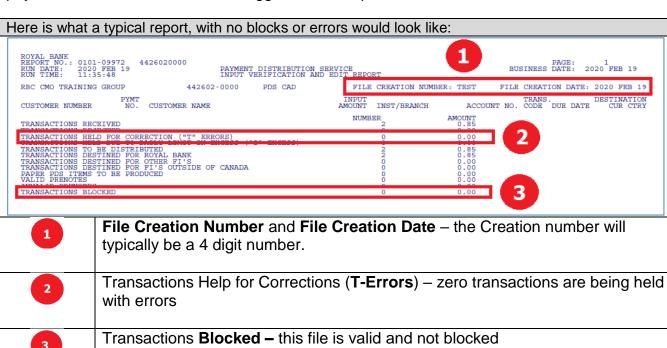
- Is the transactional risk that RBC has allotted you to use for ACH per day; you need to undergo credit assessments in order to obtain this.
- Your account will be debited on the value date of the payments
- The limit will be occupied by the payments that you send from the day they are released until the value date of the payments
- If your payments exceed the Daily limit they will be held until additional limit is available

If you are unsure of which funding option is available to you, or you would like to make changes, reach out to your RBC representative.

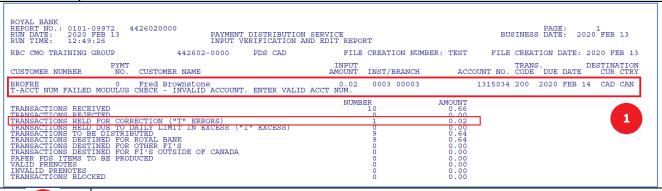


Input Verification and Edit Report

Each time you submit a file to RBC this IVE Report is generated to confirm that RBC has received your payment instructions; If there is any reason we cannot process the file or payments within the file it will be flagged on this report.



Here is a report with an error, note the additional line in the middle:



1

In this case there is a **T- Error** (caused by and invalid account number). The name of the payee/payor appears in the center of the report along with their account numbers and the reason for the Error.

You will also note that the error is flagged in the transactions list.

A **Blocked File** would be very similar; the reason for the block will be listed in the center and the **transactions blocked** at the bottom of the list would also flag that there are issues.

For further support contact the client support center:

4 1-800-769-2535

