

**September 6, 2019**

**RE: Payroll ACH Reversals Caused by Payroll Provider and Cachet Banq ACH Processor**

To whom it may concern:

Our employees (your customer) are the victims of unauthorized ACH transactions on or around September 5 and September 6, 2019. On September 5, an ACH reversal was initiated by CACHET BANQ. On September 6, 2019, a second ACH reversal was initiated by CACHET BANQ, but with the Payee listed as “\_\_\_\_\_” to make it appear to be a direct reversal of the paycheck deposit that occurred on August 30, 2019.

**These ACH reversals are unauthorized ACH transactions. They should be reversed and the funds re-deposited into our employee’s accounts by the bank. In addition, due to the fraudulent nature of these reversals, any NSF or related fees should be reimbursed to our employees.**

An explanation of the timeline follows:

- On August 28, our payroll processor, MyPayrollHR, drafted our account to fund the payroll scheduled for deposit on August 30. The August 30 payroll was deposited as a valid paycheck.
- In the interim, Cachet Banq, the third party ACH processor for MyPayrollHR, was unable to draft funds from MyPayrollHR’s trust account at Pioneer Bank in New York.
- To recoup its funds, Cachet Banq initiated an ACH reversal on Thursday September 5, with the payee listed as CACHET BANQ.
- On Friday September 6, Cachet Banq initiated a second ACH reversal with the payee listed as “\_\_\_\_\_”

These transactions were initiated against the bank accounts of tens of thousands of employees at more than 4000 companies across the nation, as a result of a dispute between CACHET BANQ and MyPayrollHR. As such, they should be treated as unauthorized ACH transactions and refunded immediately.

Thank you for your consideration.