

Be Alert for Suspicious ACH Transactions

Lawyers should be aware that there is a far shorter period of time for lawyers and other business people to notify their financial institutions of suspicious ACH transactions in corporate accounts than there is for consumers to report such transactions in personal accounts.

According to Mary Gilmeister, President of the Wisconsin ACH Association (WACHA), businesses have only 24 hours to report unauthorized or suspicious transactions in corporate accounts to their financial institutions. On the other hand, under Regulation E, consumers have 60 days to report such transactions in a personal account. Ms. Gilmeister further indicates that accounts that are under the name of a business, regardless of whether the accounts are a law firm's business account, its trust account or any other account, are considered corporate accounts. Based upon the 24 hour deadline to provide notice to your financial institution of a suspicious ACH transaction, OLR strongly recommends that lawyers review the activity in their trust accounts on a daily basis. In addition, lawyers should consult with their financial institutions regarding other ways to protect their business accounts. See also, [Commercially Reasonable Security Measures](#) .