

AAP Rules Review – Answers

Instructions – please fill in the blank with the appropriate word or words.

1. The beneficiaries of the *NACHA Operating Rules* are **Each Participating DFI, ACH Operator, Association, and the National Association**. Article 1.9
2. Any agreement, authorization, Written Statement of Unauthorized Debit or other record that is required to be signed or similarly authenticated may be signed with an electronic signature in conformity with the terms of the **Electronic Signatures in Global and National Commerce Act**. Article 1.4.4
3. Authorization of an ACH consumer debit Entry must be in writing and signed or **similarly authenticated** by the Receiver. Article 2.3.2.2
4. At the time an Entry is processed by an RDFI, the authorization has not been terminated, in whole or in part, by **operation of law**. Article 2.4.1.1
5. The Originator must provide **a notice** to the Receiver prior to originating an ARC Entry. Article 2.5.1.2
6. There are a minimum of **seven** pieces of information that must be included as part of a TEL authorization. Article 2.5.15.2
7. If a personal identification number (PIN) is required, it must comply with the American National Standards Institute's (ANSI) Accredited Standards Committee (ASC) **X9.8** standards. Article 2.5.9.2
8. Prior to the initiation of the first credit or debit Entry to a Receiver's account with an RDFI, an Originator may originate a **Prenotification Entry** to the RDFI. Article 2.6.1
9. A Reversing File must be made available to the ACH Operator within **24 hours** of the discovery of the Erroneous File. Article 2.8.3
10. An ODFI that initiates a Reversing or Correcting File shall **indemnify** each participating DFI and ACH Operator. Article 2.8.4
11. An Originator or ODFI must originate a Reclamation Entry or written demand for payment within **five Banking Days** after the Originator receives notice of the death of the Receiver. Article 2.10.4

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12. The **ODFI** warrants that the signature is genuine on all XCK Entries. Article 2.5.18.5
13. An Originator must retain a copy of the front and back of the item to which the RCK Entry relates for **seven years** from the Settlement Date of the RCK Entry. Article 2.5.13.5
14. The Check, relative to an initiated ARC must be delivered via **US mail, drop box, or in person for a payment of a bill at a manned bill payment location.** Article 2.5.1.1
15. A copy of the source document for an ARC Entry must be kept for **two** years from the Settlement Date of the ARC Entry. Article 2.5.1.5
16. The Originator of an ARC Entry must employ commercially reasonable methods to **securely store** (1) all Eligible Source Documents until **destruction**, and (2) all banking **information** related to the ARC Entry. Article 2.5.1.5
17. During the initial capture of MICR information for a BOC Entry, the Originator must initially use a **reading device** to capture the Receiver's routing number, **account number**, and Check Serial Number from the MICR line of the Receiver's Eligible Source Document. Article 2.5.2.4
18. ODIs warrant that they have established procedures to maintain **documentation** on each Originator of BOC Entries. This includes: company name; address; telephone number; contact person; taxpayer identification; and description of the nature of the business. Article 2.5.2.5
19. Originators of BOC Entries must maintain a working **Customer Service Telephone Number.** This must also be displayed in the notice provided to the Receiver. Article 2.5.2.5
20. Each originator of WEB Entries must have employed a commercially reasonable **fraudulent transaction detection system** to screen each WEB Entry. Article 2.5.17.4
21. Each Originator that originates WEB Entries must verify the Receiver's **routing number** used in the WEB Entry is valid. Article 2.5.17.4
22. Originators of POP Entries must capture from the MICR line of the Receiver's Eligible Source Document: **routing number, account number, and Check Serial Number.** Article 2.5.10.4

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23. Upon written request by the National Association, an ODFI must provide within ***ten Banking Days*** detailed information for each Originator or Third Party Sender regarding NACHA's claim that the Originator's or Third-Party Sender's return rate for unauthorized Entries has exceeded one half of one percent. Article 2.17.2
24. If an Originator changes the payment date of a scheduled debit to a consumer's account, they must provide notice within ***seven calendar*** days of the affected Entry. Article 2.3.2.6
25. An Originator of BOC Entries must employ commercially reasonable methods to ***verify*** the ***identity*** of the Receiver. Article 2.5.2.5
26. Each Originator that initiates TEL Entries must employ ***commercially reasonable*** procedures to verify the identity of the Receiver. Article 2.5.15.4
27. When the RDFI requests a copy of a Receiver's authorization in writing, the ODFI must provide it to the RDFI within ***ten Banking*** Days. Article 2.3.2.5
28. An RDFI may rely solely on the Account Number contained in an Entry for the purpose of posting the Entry to a Receiver's account. Article 3.1.2
29. A PPD credit Entry that is made available to the RDFI by 5:00pm local time on the Banking Day prior to the Settlement Date shall be made available to the Receiver for withdrawal at the ***opening of business*** on the Settlement Day. Article 3.3.1.2
30. If requested by the Receiver, the RDFI must provide all information contained within the ***Payment-related Information Field of an Addenda Record***, Transmitted with CCD, CTX, CIE or IAT Entry to a non-consumer account to the Receiver by the opening of business on the second Banking Day following the Settlement Date of the Entry. Article 3.1.5.3
31. Third-Party Senders must provide, upon the ODFI's request, information related to each ***Originator*** for which it transmits Entries. Article 2.15.1
32. All Entries, except RCK, that are returned as R01 & R09 can be reinitiated no more than ***two*** times after the return of the original Entry. Article 2.12.4
33. An RDFI may contest or correct a dishonored Return Entry as long as it is Transmitted within ***two*** Banking Days of the Settlement Date of the dishonored Return Entry. Articles 3.8.5.1 & 3.8.5.2
34. Each Participating DFI must maintain, or have the use through a correspondent of, an account with a Federal Reserve Bank. Article 7.1
35. An ODFI may, ***orally*** or in writing, request an RDFI to return or adjust an Erroneous Entry that was sent by the ODFI. Article 2.12.2

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36. An RDFI must have a Written Statement of Unauthorized Debit signed by the ***Receiver***, prior to returning an ACH debit Entry as unauthorized. Article 3.13.2
37. An RCK Entry that has been determined to be ineligible must be returned so as to be made available to the ODFI no later than the opening of business on the ***Banking Day*** following the sixtieth calendar day after Settlement. OR 151 Code: R51
38. An ACH Operator acting as a Gateway must not process ***debit*** Inbound IAT Entries, except for Reversing Entries. Article 5.1.7
39. The Gateway (Operator) will comply with all applicable U.S. Laws including requirements administered by ***OFAC and FinCEN***. Article 5.1.2
40. An ACH Operator must total the ***debit and credit*** activity received from and Transmitted to each other ACH Operator and Participating DFI during each Banking Day. Article 4.2.7