**2023 ACH Rule Changes Resource**

**The Nacha Operating Rules are continuously changing. Due to the dynamic nature of the ACH Network and its rule-making process, it is extremely important that you keep up with these changes to ensure compliant ACH operations. The following are amendments to the Nacha Operating Rules that have been approved by the National Automated Clearing House Association (Nacha) membership and will be or has become effective during 2017-2023.**

**This resource includes the new 2023 ACH Rules and changes to existing Rules. It also includes Rules additions and updates for each year beginning in 2017.**

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**2023 Rules Additions and Changes**

**COVID-Related Relief from Certain Nacha Operating Rule Provisions Expire** - **Effective October 1, 2022**

Beginning in March 2020, Nacha provided relief from certain provisions of the Nacha Operating Rules due to impacts of the Coronavirus pandemic. In consultation with its Rules and Operations Committee and its Risk Management Advisory Group, Nacha has determined that these various reliefs now can be allowed to expire. As the relief generally took the form of non-enforcement, ACH participations can consider these Rule requirements to be enforceable again beginning after the expiration date of October 1, 2022.

Expiration of Relief:

 • The requirements for the delivery of a Record of Authorization, a Source Document/Item, and a

 Written Statement of Unauthorized Debit will return to the 10 banking-day timeframe. This will

 apply to requests for these documents made on or after Monday, October 3, 2022.

 • Required response times within Nacha’s Rules enforcement process will return to 10 banking

 days. This will apply to responses that are required for enforcement letters or other

 communications received on or after Monday, October 3, 2022.

 • Written Statements of Unauthorized Debits will return to having a signature or similar

 authentication requirement. (Note that the Nacha Rules allow for the electronic signature of a

 WSUD, and that a rule became effective in September 2021 that codified and encouraged RDFIs

 to provide for electronic signatures of WSUDs.)

 • The authorization of POP Entries will again require a signature.

 • The authorization of POS Entries will again have a signed or similarly authenticated requirement

 when Originators elect not to ask customers to enter a PIN.

 • Nacha will not automatically provide enforcement relief for elevated return rates and levels due to

 pandemic impacts. ODFIs will still be able to address factors contributing to elevated levels of

 administrative or overall returns in their responses to enforcement proceedings.

***Effective March 17, 2023***

**Article Two, Subsection 2.7.5 Commercially Reasonable Fraud Detection for Micro-Entries (New Subsection) - Micro-Entries, Phase 2**

**Micro-Entry Rule** - A new Nacha Rule defining and standardizing Micro-Entry formatting and practices will be effective in two phases. The new Rule is being implemented to improve the effectiveness of Micro-Entries as a means of account validation; to better enable Financial Institutions and other parties to identify and monitor Micro-Entries; and, to improve ACH Network quality.

Phase 1: Effective September 16, 2022:

1. "Micro-Entries" will be defined as ACH credits of less than $1, and any offsetting debits, for

account validation. Credit amounts must be equal to, or greater than, debit amounts, and must be transmitted to settle at the same time.

1. Originators must use "ACCTVERIFY" in the company entry description field. 3. Company name

must be easily recognizable to Receivers and the same or similar to what will be used in subsequent entries.

Phase 2: Effective March 17, 2023:

1. Originators must use commercially reasonable fraud detection. This includes monitoring forward

and return Micro-Entry volumes.

**2022 Rules Additions and Changes**

***Effective March 18, 2022***

**Same Day ACH Dollar Limit Increase**

The per transaction limit for Same Day ACH transactions will increase from $100,000 to $1,000,000

***Effective September 30, 2022***

**Third-Party Sender Roles and Responsibilities**

**Nested Third-Party Senders**

The Nested Third-Party Sender Rule amendment (the Rule) will define a Nested Third-Party Sender and will provide for the “chain of agreements” and responsibilities in Nested TPS arrangements. Specifically, the Rule will:

* Define a Nested Third-Party Sender as a Third-Party Sender that has an agreement with another Third-Party Sender to act on behalf of an Originator and does not have a direct agreement with the ODFI.
* Require that Nested TPSs be addressed in ACH Origination agreements. An ODFI’s Origination Agreement with a TPS must address whether the TPS can have Nested TPSs, and if so, “push down” the requirement for an Origination Agreement to exist between a TPS and a Nested TPS. A TPS must have an Origination Agreement with its Nested TPS(s).

These modifications will be required for agreements entered into or renewed on or after the effective date of the rule, September 30, 2022. Agreements in place prior to the effective date of the Rule are not required to be modified. However, as a sound business practice, ODFIs should regularly review and update their Origination Agreements to include Nacha Operating Rules changes that impact Originator or Third-Party Sender obligations.

* Update other TPS obligations and warranties to identify and cover Nested TPSs.

The Rule will further provide that an ODFI must identify all Third-Party Senders that have Nested TPS relationships in Nacha’s Risk Management Portal and must provide Nacha with the Nested TPS relationships for any of its TPSs upon request. The time frame for identifying TPSs with Nested TPSs in the Risk Management Portal will follow the same time frames as registering a TPS in the Portal. A TPS with Nested TPSs must be registered as such within the later of 30 days of transmitting the first entry, or within 10 days of the ODFI becoming aware of the Nested TPS. Upon request, an ODFI must provide Nacha with the Nested TPS relationships for any of its TPSs. The ODFI must update registration information within 45 days of any change to the information previously provided.

The Nested Third-Party Sender Rule will become effective on September 30, 2022. A six-month grace period to March 31, 2023, will be provided to allow ODFIs to update TPS registrations to denote whether or not a TPS has Nested TPSs.

**Third-Party Sender and Risk Assessments**

Risk Assessments are defined and required in the Nacha Operating Rules for Financial Institutions and, by extension, for Third-Party Senders under their obligations to perform and warrant ODFI obligations. However, the Rules do not currently expressly state the Risk Assessment obligation for TPSs. The Third-Party Senders and Risk Assessments rule (the Rule) will require that a Third-Party Sender, whether or not it is Nested, conduct a Risk Assessment. Under the Rule, a TPS must implement, or have implemented, a risk management program based on its Risk Assessment. The Rules will clearly state that the obligation for the TPS to perform a Risk Assessment, as with the required Rules Compliance audit, cannot be passed on to another party. Each TPS must conduct or have conducted its own Risk Assessment.

The Third-Party Senders and Risk Assessments Rule will become effective on September 30, 2022. A six-month grace period to March 31, 2023, will be provided to allow TPSs that have not conducted a Risk Assessment time to do so.

**2021 Rules Additions and Changes**

***Effective January 1, 2021***

**Enforcement**

The Enforcement rule change defines an egregious violation within the context of rules enforcement as:

1. A willful or reckless action by a Participating DFI, Originator, Third-Party Service Provider, or Third-party Sender, and
2. One that involves at least 500 Entries or involves multiple Entries in the aggregate amount of at least $500,000.

The Enforcement Rules allows the ACH Rules Enforcement Panel to determine whether a violation is egregious, and to classify whether an egregious violation is a Class 2 or Class 3 rules violation. The rule expressly authorizes Nacha to report Class 3 rules violations to the ACH Operations and the federal and state banking, consumer protection and other appropriate regulators and agencies.

***Effective March 19, 2021***

**New Same Day ACH Processing Window**

The New Same Day ACH Processing Window rule will create a new processing window that will enable ODFIs and their customers to originate same day transactions for an additional two hours each banking day. The new window will allow Same Day ACH files to be submitted to the ACH Operators until 4:45 p.m. ET (1:45 p.m. PT). RDFIs will receive files from this third window by 5:30 p.m. ET (2:30 p.m. PT), with interbank settlement occurring at 6:00 p.m. ET (3:00 p.m. PT). RDFIs will need to make funds available for credits processed in the new window by the end of their processing for that Settlement Date. All credits and debits, and all returns, will be eligible to be settled in the new Same Day ACH window, with the exception of IAT entries, ENR entries, and forward entries in excess of the per-transaction dollar limit.

***Effective March 19, 2021***

**Supplementing Fraud Detection Standards for WEB Debits**

Currently, Originators of WEB debit entries must use a “commercially reasonable fraudulent transaction detection system” to screen WEB debits for fraud. Effective March 19, 2021, the implementation of Supplementing Fraud Detection Standards for WEB debit rule makes it explicit that “account validation” is part of a “commercially reasonable fraudulent transaction detection system.” This requirement will apply to the first use of an account number, or changes to the account number. For existing WEB debit authorizations, the rule will apply on a going forward basis. Originators will have to perform account validations as there are updates to account numbers in existing authorizations.

***Effective April 1, 2020 and Effective April 1, 2021 (two phases)***

**Differentiating Unauthorized Return Reasons**

Currently, Return Reason Code R10 is a catch-all for various types of underlying return reasons, including some for which a valid authorization exists, such as a debit on the wrong date or for the wrong amount. In these situations, there is an actual relationship and payment authorization between the Originator and its customer (the Receiver), but the Originator made an error regarding the payment. For these cases, a return of the debit still should be made, but the Originator and the Receiver might both benefit from a correction of the error rather than more significant action such as the termination of the origination authorization.

Under the Rule, Return Reason Code R11 will be re-purposed to be used for the return of a debit in which there is an error, but for which there is an authorization. The re-purposed description will be “Customer Advises Entry Not In Accordance with the Terms of the Authorization.” Return Reason Code R10 will continue to be used when a consumer claims he or she does not know the Originator, does not have a relationship with the Originator, or did not give authorization for the entry. The description will be “Customer Advises Originator is Not Known to Receiver and/or Is Not Authorized by Receiver to Debit Receiver’s Account”. R11 returns will have the same processing requirements and characteristics as R10 returns and are still considered unauthorized under the Rules.

• Incorrect EFTs are subject to the same error resolution procedures under Regulation E as unauthorized EFTs.

• The RDFI will be required to obtain the Receiver’s Written Statement of Unauthorized Debit.

• The return time frame will be 60 days.

• R11 returns will be included within the definition and calculation of the Unauthorized Entry Return Rate.

• R11 returns will be covered by the existing Unauthorized Entry Fee. (See Effective Date section)

• The new definition and use of R11 does not include disputes about goods and services, just as with the current definition and use of R10.

A key difference between R10 and R11 will be that an Originator will be permitted to correct the underlying error of an R11 return, if possible, and submit a new Entry without being required to obtain a new authorization. The new Entry must be originated within 60 days of the Settlement Date of the R11 Return Entry. In addition, any new Entry for which the underlying error is corrected is subject to the same ODFI warranties and indemnification made in Section 2.4 (e.g., the ODFI warrants that the corrected new Entry is in accordance with the terms of the authorization, it is timely, contains the correct amount, etc.).

Examples of correctable errors include a debit originated for settlement earlier than authorized; a debit for the wrong amount; a debit as part of an Incomplete Transaction; and some types of an improperly reinitiated Entry. Once the Originator has corrected the underlying issue, the Originator will be able to submit a new Entry. Some errors, however, cannot be corrected. Examples of uncorrectable errors include the Originator did not provide the required notice for ARC, BOC, or POP entries prior to accepting the check, or the notice did not conform to the requirements of the Rules; or the source document for an ARC, BOC or POP Entry was ineligible for conversion. In these cases, the Originator will not be able to submit a new Entry.

***Effective on April 1, 2020 – Phase One -*** the re-purposed return code will become effective, and financial institutions are to use it for its new purpose. Other provisions in the Rules that apply to unauthorized returns will become effective at this time with respect to R11s – i.e., Unauthorized Entry Return Rate and its relationship to ODFI Return Rate Reporting obligations.

***Effective on April 1, 2021 – Phase Two -*** the re-purposed return code will become covered by the existing Unauthorized Entry Fee. This part of the Rule will be implemented by the ACH Operators, and as with the current fee, will be billed/credited on their monthly statements of charges.

***Effective June 30, 2021 and Effective June 30, 2022***

**Supplementing Data Security Requirements**

The existing ACH Security Framework requires financial institutions, Originators, Third-Party Service Providers, and Third-Party Senders to establish, implement, and update security policies, procedures, and systems related to the initiation, processing, and storage of ACH entries. These policies, procedures, and systems must protect the confidentiality and integrity of protected information; protect against anticipated threats or hazards to the security or integrity of protected information; and protect against unauthorized use of protected information that could result in substantial harm to a natural person. There are updates to these Rules which will be effective in two phases that expands the existing ACH Security Framework to explicitly require large, non-financial institution Originators, Third-Party Service Providers, and Third-Party Senders to protect account numbers used in the initiation of ACH entries by rendering them unreadable. The rule applies only to account numbers collected for or used in ACH transactions and does not apply to the storage of paper authorizations. The rule also does not apply to depository financial institution when acting as internal Originators, as they are covered by existing FFIEC and similar data security requirements and regulations.

The Rulewill be implemented in two phases: Phase 1: Rules language will become effective on June 30, 2021. Any Originator, Third-Party Service Provider, or Third-Party Sender that originates 6 million or more ACH transactions in calendar year 2019 will need to be compliant by June 30, 2021. Phase 2: Rules language will become effective on June 30, 2022. Any Originator, Third-Party Service Provider, or Third-Party Sender that originates 2 million or more ACH transactions in calendar year 2020 will need to be compliant by June 30, 2022.

***Effective June 30, 2021***

**Limitation on Warranty Claims**

Under the current Nacha Rules, an ODFI warrants that an ACH entry has been properly authorized by the Receiver. The Rules allow extended returns for unauthorized entries for limited periods, but do not establish a time limit on the ODFI’s warranties. That time limit is determined by statutes of limitations, which vary from state to state, and can be as long as ten years. The Limitation on Warranty Claims Rule (the Rule) will limit the length of time an RDFI is permitted to make a claim against the ODFI’s authorization warranty.

For an entry to a non-consumer account, an RDFI may make a claim for one year from the Settlement Date of the entry. This time frame is analogous to the one-year rule in UCC 4-406 that applies to checks and items charged to bank accounts.

For an entry to a consumer account, the limit will cover two time periods:

1. The RDFI may make a claim for two years from the Settlement Date of the Entry. This time period is longer than the one-year period in EFTA and allows for additional time for extenuating circumstances. (In other words, the RDFI can make a claim for unauthorized debits settling within the most recent two years from the date of the RDFI’s claim.)
2. Additionally, an RDFI may make a claim for entries settling within 95 calendar days from the Settlement Date of the first unauthorized debit to a consumer account. The 95-day time period is designed to allow RDFIs to make claims for all cases where they may be liable to their consumer customer under Regulation E, which requires a consumer to report unauthorized transfers within 60 days of the financial institution’s transmittal of a statement to avoid liability for subsequent transfers.

***Effective June 30, 2021***

**Reversals**

The Rules define a limited number of permissible reasons for Reversing Entries; however, they do not explicitly address improper uses of reversals. The Reversals Rule will specifically state that the initiation of Reversing Entries or Files for any reason other than those explicitly permissible under the Rules is prohibited. The Reversals Rule will also explicitly define within the Rules non-exclusive examples of circumstances in which the origination of Reversals is improper: Specifically:

* The initiation of Reversing Entries or Files because an Originator or Third-Party Sender failed to provide funding for the original Entry or File; and
* The initiation of a Reversing Entry or File beyond the time period permitted by the Rules.

The Reversals Rule will also:

* Establish additional formatting requirements for reversals in which the Company ID/Originator ID, SEC Code and Amount fields of the Reversing Entry must be identical to the original entry. The Rule will also require the name of the Originator to reflect the same Originator identified in the Erroneous Entry to which the Reversal relates. (Minor variations to the Originator’s name will be permissible for accounting or tracking purposes as long as the name remains readily recognizable to the Receiver.) The contents of other fields may be modified only to the extent necessary to facilitate proper processing of the reversal.
* Explicitly permit an RDFI to return an improper reversal. Upon receiving a consumer claim, an RDFI may return an improper Reversing Entry using Return Reason Code R11. The RDFI will need to obtain a Written Statement of Unauthorized Debit from the consumer Receiver and return the entry in such time that it is made available to the ODFI no later than the opening of business on the banking days following the sixtieth (60th) calendar day following the Settlement Date of the improper Reversing Entry.

An RDFI may return an improper Reversing Entry to a Non-Consumer account by using Return Reason Code R17. These returns will need to be made in such time as to be made available to the ODFI no later than the opening of business on the second Banking Day following the Settlement Date of the improper Reversing Entry. RDFIs will also be permitted to use R17 to return an improper reversal that it identifies without customer contact within the same 2-day return timeframe.

* Expand the permissible reasons for a Reversing Entry to include an error in the effective entry date. These will include the reversal of a debit entry that was for a date earlier than intended by the Originator and the reversal of a credit entry that was for a date later than intended by the Originator.

***Effective September 17, 2021***

***Meaningful Modernization***

These are five amendments designed to improve and simplify the ACH user experience by facilitating the adoption of new technologies and channels for the authorization and initiation of ACH payments; reducing barriers to use of the ACH Network; providing clarity and increasing consistency around certain ACH authorization processes and reducing certain administrative burdens related to ACH authorizations. Each topic within the group of rules comprising the Meaningful Modernization changes is listed separately below.

1. **Standing Authorizations –** The current authorization framework for consumer ACH debits encompass recurring and single payments. Recurring payments occur at regular intervals, with no additional action required by the consumer to initiate the payment, and are for the same or a similar among, for example, a monthly mortgage payment or utility bill. A single entry is a one-time payment and can be between parties that have no previous relationship, such as in a purchase; or between parties that can have a relationship, but the payment is not recurring, such as single payment on a credit card account. ACH Originators that have, or want to use, a different model for ongoing commerce do not have specific rules for payments that are a hybrid, falling somewhere in between recurring and single entries. By defining a Standing Authorization, the Rule will fill the gap between single and recurring payments and enable businesses and consumers to make more flexible payment arrangements for relationships that are ongoing in nature.

The Standing Authorization Rule (the Rule) will define a standing authorization as an advance authorization by a consumer of future debits at various intervals. Under a Standing Authorization, future debits would be initiated by the consumer through further actions. The Rule will allow for Originators to obtain Standing Authorizations in writing or orally. The Rule also defines Subsequent Entries, which will be individual payments initiated based on a Standing Authorization. Subsequent Entries will be able to be initiated in any manner identified in the Standing Authorization.

The Rule will allow Originators some flexibility in the sue of consumer Standard Entry Class (SEC) Codes for individual Subsequent Entries. Originators will be able to use the TEL or WEB SEC Codes for Subsequent Entries when initiated by either a telephone call or via the Internet/wireless network, respectively, regardless of how the Standing Authorization was obtained. In these cases, the Originator will not need to meet the authorization requirements of TEL or WEB but will need to meet the risk management and security requirements associated with those SEC Codes.

In addition, the Rule will allow for optional formatting so an Originator may, at its discretion, identify an entry as having been originated under the terms of a recurring, Single-Entry or Standing Authorization. The standard code values will be “R” for Recurring, “S” for Single-Entry, and “ST” for Standing Authorization. An Originator may choose to include these values in the Payment Type Code Field of a TEL or WEB entry or the Discretionary Data Field of a PPD entry. In order to accommodate this option, the Rule will remove the existing requirement that TEL and WEB entries must be identified as either Recurring or Single Entries and will designate the Payment Type Code as an optional field. However, Originators may continue to use the Payment Type Code fi9eld to include any codes that are meaningful to them, including “R”, “S” or “ST.”

1. **Oral Authorizations –** Currently, the authorization language in the Nacha Operating Rules does not provide for oral authorizations of an Ach payment outside of a telephone call. Only the Telephone-Initiated Entry (TEL) Standard Entry Class Code has requirements to address the risks specific to an oral authorization. The Oral Authorizations rule (the Rule) will define and allow Oral Authorizations as a valid authorization method for consumer debits distinct from a telephone call. Enabling the broader use of Oral Authorizations will allow businesses to adopt ACH payments in transactional settings that make use of verbal interactions and voice-related technologies. The Rules will not change how existing TEL transactions are used and authorized.

Under the Rule, any oral authorization obtained via any channel will need to meet the requirement of an Oral Authorization. An Oral Authorization obtained over the Internet that is not a telephone call also will need to meet the risk and security requirements that currently apply to Internet-Initiated/Mobile (WEB) Entries and will use the WEB Standard Entry Class Code. The Rule will allow for Standing Authorizations to be obtained orally. In addition, the Rule will allow for Subsequent Entries initiated under a Standing Authorization to be initiated through voice commands, instructions, or affirmations.

1. **Other Authorization Issues –** In conjunction with the rules of Standing Authorizations and Oral Authorizations, Meaningful Modernization includes the Other Authorization Issues rule (the Rule), which covers other modifications and re-organizations of the general authorization rules for clarity, flexibility, and consistency.

**Clarity:**

* + The Rule will re-organize the general authorization rules to better incorporate Standing Authorizations, Oral Authorizations, and other changes.
	+ The Rule will define “Recurring Entry” to complement the existing definition of Single Entry and the new definition of Subsequent Entry and to align with terms in Regulation E.

**Flexibility**

* + The Rule will explicitly state that authorization of any credit entry to a consumer account and any entry to a non-consumer account can be by any method allowed by law or regulation. Only consumer debit authorizations require a writing that is signed or similarly authenticated.

**Consistency**

* + The Rule will apply the standards of “readily identifiable” and “clear and readily understandable terms” to all authorizations.
	+ The Rule will apply the minimum data element standards that are currently stated only in the rules for Telephone-Initiated Entries for all consumer debit authorizations.
1. **Alternative to Proof of Authorization –** Under the current Rules, an Originator is required to provide proof of authorization to is ODFI in such time that the ODFI can respond to an RDFI request for proof of authorization within ten banking days. Some ODFIs and Originators report that a “pain point” occurs when they provide proofs of authorization, but then debits are returned as unauthorized. To avoid this issue, some ODFIs and Originators would prefer to agree to accept the return of the debit rather than expend the time and resources to provide proof of authorization.

The Alternative to Proof of Authorization rule (the Rule) will reduce an administrative burden on ODFIs and their Originators for providing proof of authorization every instance in which it is requested by an RDFI. By allowing an alternative, the Rule is intended to help reduce the costs and tie needed to resolve some exceptions in which proof of authorization is requested. However, if the RDFI still needs proof of authorization, the ODFI and its Originator must provide the proof of authorization within ten days of the RDFI’s subsequent request.

1. **Written Statement of Unauthorized Debit Via Electronic or Oral Methods –** Under the Rules, an RDFI is responsible for obtaining a consumer’s Written Statement of Unauthorized Debit (WSUD) prior to returning a debit as unauthorized. However, the current Rules do not explicitly address electronically or orally provided WSUDs. Instead, the Rules explicitly allow electronic records and electronic signatures generally which has resulted in confusion about the electronic or oral acceptance of WSUDs. Anecdotal evidence suggests that the significant majority of WSUDs are still being obtained via paper using a wet signature.

The Written Statement of Unauthorized Debit via Electronic or Oral Methods rule (the Rule) will reduce an administrative burden on RDFIs and their customers. The Rule clarifies and makes explicit that an RDFI may obtain a consumer’s WSUD as an Electronic Record, and an RDFI may accept a consumer’s Electronic Signature, regardless of its form or the method used to obtain it. These changes will emphasize that WSUDs may be obtained and signed electronically, which could include the same methods permissible for obtaining a consumer debit authorization.

**2017 – 2020 Rules Additions and Changes**

**2020 Rules Additions and Changes**

***Effective March 20, 2020***

**Same Day ACH Dollar Limit Increase**

The Same Day ACH Dollar Limit Increase Rule will increase the per-transaction dollar limit, for both debits and credits, from $25,000 to $100,000.

***Effective July 1, 2020***

**Nacha Contact Registry**

A new Nacha Operating Rule will become effective July 1, 2020, that requires each Participating Depository Financial Institution to register with Nacha specific information for personnel or departments responsible for: (a) ACH Operations; and (b) fraud and/or risk management. A participating DFI may register contacts for additional personnel or departments, at its discretion.

The Rule will become effective in two phases. The first is July 1, 2020, which is the date the registration portal becomes available for participating DFIs to begin to submit and query contact information. The registration must be completed by October 30, 2020. The second phase is effective August 1, 2021, and the Nacha enforcement authority for this Rule becomes effective. Once in effect, each participating DFI must update the registration information within 45 days following any change to the information previously provided and must verify all registration information at least annually.

**2019 Rules Additions and Changes**

***Effective January 1, 2019***

**Minor Rules Topics**

* **ACH Operator Edits –** This rule aligns the Rules with current ACH Operator file editing practices.
* **Clarification of TEL Authorization Requirements –** This amendment clarifies that the general Rules governing the form of authorization for all consumer debits apply to the authorization of TEL entries, including the obligation to include the revocation language.
* **Clarification of RDFI Obligation to Return Credit Entry Declined by Receiver** – This rule expressly identifies specific conditions under which the RDFI is excused from its obligation to return a credit: 1) there are insufficient funds available to satisfy the return, including due to any third-party lien or security interest; 2) the return is prohibited by legal requirements; and/or 3) the RDFI itself has a claim against the proceeds of the credit entry, including by offset, lien, or security interest.
* **Clarification on Reinitiation of Return Entries –** This amendment is an editorial change to the language of the general rule on Reinitiation Entries to clarify the existing intent of the Rulesthat reinitiation is limited to two times.
* **Clarification on RDFI Liability Upon Receipt of a Written Demand for Payment –** This amendment contains editorial changes regarding conditions under which an RDFI may return a Reclamation Entry or reject a Written Demand for Payment.

***Effective June 21, 2019***

**Return for Questionable Transaction**

RDFIs will be able to, but not required to, use the Return Reason Code R17 to indicate that the RDFI believes the entry containing invalid account information was initiated under questionable circumstances. RDFIs that elect to use R17 for this purpose will be required to use the description “QUESTIONABLE” in the Addenda Information field of the return entry. Other uses of the R17 will continue unchanged such as the opt-in program for return of questionable tax refund ACH Credits or that fields cannot be processed by the RDFI.

**2018 Rules Additions and Changes**

***Effective March 16, 2018***

**Same Day ACH: Moving Payments Faster – Phase 3 –** Phase 3 of The Same Day ACH: Moving Payments Faster

rule (Rule) builds upon the foundation established by the earlier phases of Same Day ACH. The implementation of

Same Day ACH will be complete with Phase 3, when most RDFIs will be required to provide funds availability for

same day credits by 5 p.m. RDFI local time in most cases.

**2017 Rules Additions and Changes**

***Effective September 15, 2017***

**Same Day ACH: Moving Payments Faster – Phase 2 –** Phase 2 and 3 of the Same Day ACH: Moving Payments Faster rule build upon the foundation established by the initial implementation of Same Day ACH. The Nacha Operating Rules will be amended to allow for same-day processing of debit entries in Phase 2. For Phase 2, same-day credit funds availability will continue to be required no later than the end of the RDFI’s processing day. Implementation of Same Day ACH will be complete with Phase 3, when RDFIs will be required to provide funds availability for same day credits by 5:00 pm RDFI local time.

***Effective September 29, 2017***

**Third-Party Sender Registration –** The Third-Party Sender Registration Rule requires every Originating Depository Financial Institution to either register its Third-Party Sender customer(s) with Nacha or provide Nacha a statement that it has no such customers.