DEFINITIONS

WHAT IS THE ACH NETWORK?

The Automated Clearing House (ACH) Network is the backbone for the electronic movement of money and other related data, providing a safe, secure, reliable network for direct consumer, business and government payments. The ACH Network is governed by fair and equitable *Rules* that guide risk management and create certainty for all participants. As the migration from paper to electronic payment continues, the cost-effective ACH Network grows and enables innovation that strengthens the industry with creative payments solutions.

WHO ARE THE ACH PARTICIPANTS?

- The Receiver can be either an individual or a company that has authorized the Originator (your company) to credit or debit their account. An employee is the Receiver if their company is initiating a payroll credit. A business partner is the Receiver if the Originator is sending a credit to pay for goods or services.
- The Originator is the company or business that has been authorized by the Receiver to either credit or debit their account. Your company is the Originator when you are initiating credit transactions to an employee's account for payroll or when you are initiating debit transactions to a consumer or business account for payment of goods or services.
- The Originating Depository Financial Institution (ODFI) is the financial institution with which your company has a contractual relationship for ACH Services.
- The ACH Operator is the central clearing facility for ACH transactions.
- The Receiving Depository Financial Institution (RDFI) is a financial institution with which the Receiver has an account relationship.

WHAT IS THE PRENOTIFICATION (PRENOTE)?

Prenotifications (prenotes) are non-monetary entries used by your company to verify that the account number on an entry is for a valid account at an RDFI. Prenotes are optional and can be sent with any ACH application. If your company chooses to send prenotes, you are required to do so **at least 3 banking days before** sending the first live dollar entry.

If there are any errors in a prenote entry or it cannot be processed, a Notification of Change (NOC) or return will be sent by the RDFI to notify your company of the necessary corrections to be made.

TRANSACTION CODES

ACH entries may be directed to a variety of account types. Both credit and debit entries may be transmitted to checking accounts and savings accounts.

DEMAND (Checking) CREDITS	
CODE	DESCRIPTION
21	Notification of Change or Return
22	Deposit
23	Prenotification
24	Zero Dollar with Remittance Data

SAVINGS CREDITS	
CODE	DESCRIPTION
31	Notification of Change or Return
32	Deposit
33	Prenotification
34	Zero Dollar with Remittance Data

ACH APPLICATIONS

WHAT ARE ACH APPLICATIONS?

ACH applications are payment types used by Originators, such as your company, to identify ACH debit and/or credit entries transmitted to a corporate or consumer account at the RDFI. Each ACH application is identified and recognized by a specific Standard Entry Class (SEC) code. The SEC code also identifies the specific record layout that will be used to carry the payment and payment-related information. Refer to Appendix 3 of the *ACH Rules* for specific formatting requirements.

ACH APPLICATION	SEC CODE	APPLICATION USE	DEBIT/ CREDIT	CONSUMER/ CORPORATE	AUTHORIZATION REQUIREMENT
CORPORATE CREDIT OR DEBIT	**CCD**	MAKE REGULAR PAYMENTS OR DISTRIBUTE OR CONSOLIDATE FUNDS BETWEEN CORPORATE ENTITIES	CREDIT OR DEBIT	CORPORATE	AGREEMENT
DIRECT DEPOSIT	**PPD**	PAYROLL, EXPENSE REIMBURSEMENT, ETC.	CREDIT	CONSUMER	ORAL OR NON-WRITTEN MEANS
DIRECT PAYMENT	**PPD**	PREAUTHORIZED BILL PAYMENT	DEBIT	CONSUMER	WRITTEN

- Written authorizations may be in accordance with the Electronic Signatures in Global and National Commerce (E-Sign) Act. Electronic signatures include, but are not limited to, digital signatures and security codes.
- An RDFI may request, in writing, proof of authorization for consumer and corporate entries. For **consumer** entries, your company must provide a copy of the authorization to your ODFI so that it may be provided to the RDFI within 10 banking days of the RDFI's request. For **corporate** entries, you are required to provide your ODFI with either a copy of the authorization or contact information, including a contact name and phone number or email address for inquiries. Your ODFI must be able to provide this proof to the RDFI within 10 banking days of the RDFI's request.

ACH REVERSALS

WHAT IS AN ACH REVERSAL?

An ACH reversal is a specific transaction used to correct an erroneous or unauthorized payment. Nacha maintains strict rules regarding how and when reversals can be performed.

PERMITTED REASONS	DEFINITION
DUPLICATE ENTRY	AN EXACT DUPLICATE OF A PREVIOULY INITIATED ENTRY.
INCORRECT AMOUNT	A DOLLAR AMOUNT DIFFERENT THAN INTENDED.
INCORRECT RECEIVER	THE WRONG ACCOUNT WAS CREDITED OR DEBITED.
INCORRECT DATE	A DEBIT OCCURRED EARLIER, OR A CREDIT OCCURRED LATER, THAN INTENDED.
EMPLOYEE SEPARATION	PERMITTED FOR A PPD CREDIT REVERSAL IF THE AUTOMATED PAYMENT WAS A DUPLICATE OF A PHYSICAL FINAL CHECK DELIVERED TO THE EMPLOYEE AT OR BEFORE TERMINATION. REVERSALS FOR THIS PURPOSE ARE PERMISSIBLE SPECIFICALLY WHEN THE ELECTRONIC PPD CREDIT WAS TRANSMITTED PRIOR TO THE PHYSICAL CHECK'S DELIVERY, PREVENTING DOUBLE PAYMENT.

- Timeframe: The reversal must reach the RDFI within 5 banking days of the original erroneous settlement date.
- File Level: Reversing files must be transmitted within 24 hours of discovering the error.
- Receiver Notification: The Originator is required to make a reasonable effort to notify the Receiver of the reversal and the reason for it by the settlement date of the reversing entry.
- Formatting Standards: To ensure proper identification, the term "REVERSAL" must be entered in the *Company Entry Description* field, with other payment details mirroring the original entry.
- No Guarantee of Funds: A reversal is an *attempt* to recover funds. If the receiver's account is closed, frozen, or does not have enough money to cover the reversal, the transaction will fail, and it will return to you as an NSF (Non-Sufficient Funds) or closed account code.
- Unauthorized Reversals: If a client initiates a reversal outside of the three permitted reasons, the receiver has the right to dispute it. The receiver can file a Written Statement of Unauthorized Debits (WSUD), forcing the bank to immediately return the funds to them.
- Reversals are deemed improper and strictly prohibited if they are used for reasons outside the allowed scope, such as for funding issues (e.g., lack of corporate funds), or if they fall outside the mandated timeframes. In such cases, the RDFI may return the reversal.

ACH RETURNS

WHAT IS AN ACH RETURN?

An ACH Return is an ACH entry that the RDFI is unable to post for reasons defined by the return codes listed in the table below. An RDFI may use the return process for valued ACH entries as well as prenotifications (non-monetary entries). The RDFI must transmit the return in time for your ODFI to receive it by opening of business on the second banking day following the Settlement Date of the original entry. Some return reasons allow extended deadlines. Your company should receive prompt advice of ALL return entries from your ODFI with a code that describes the reason for the return. The table below indicates the appropriate action that should be taken depending upon the reason for each ACH return.

REASON FOR RETURN	RETURN CODE	SEC CODE	RETURN TIMEFRAME	ACTION BY ORIGINATOR
INSUFFICIENT FUNDS – AVAILABLE BALANCE NOT SUFFICIENT TO COVER AMOUNT OF DEBIT ENTRY.	**R01**	ALL	2 BANKING DAYS	ORIGINATOR MAY INITIATE A NEW ACH ENTRY; MUST REMAIN WITHIN PREINITIATION LIMITS OUTLINED IN ARTICLE 2 OF THE *ACH RULES* AND BE REINITIATED WITHIN 180 DAYS OF THE SETTLEMENT DATE OF THE ORIGINAL ENTRY.
ACCOUNT CLOSED – PREVIOUSLY ACTIVE ACCOUNT HAS BEEN CLOSED.	**R02**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES. CONTACT CUSTOMER TO OBTAIN AUTHORIZATION FOR ANOTHER ACCOUNT.
NO ACCOUNT – ACCOUNT NUMBER STRUCTURE IS VALID, BUT DOESN'T MATCH INDIVIDUAL OR OPEN ACCOUNT.	**R03**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES. CUSTOMER SHOULD BE CONTACTED FOR CORRECT ACCOUNT INFORMATION.
INVALID ACCOUNT – ACCOUNT NUMBER STRUCTURE NOT VALID; EDIT OF CHECK DIGIT OR NUMBER FIELD.	**R04**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES UNTIL ACCOUNT NUMBER/STRUCTURE IS CORRECTED.
UNAUTHORIZED DEBIT TO CONSUMER ACCOUNT USING CORPORATE SEC CODE – A DEBIT ENTRY THAT USES A CORPORATE SEC CODE WAS TRANSMITTED TO A CONSUMER ACCOUNT BUT WAS NOT AUTHORIZED BY THE CONSUMER.	**R05**	CCD, CTX	60 CALENDAR DAYS	STOP INITIATION OF ENTRIES.
ODFI REQUEST FOR RETURN – ODFI REQUESTED THAT THE RDFI RETURN AN ENTRY.	**R06**	ALL	UNDEFINED	ACCEPT REQUESTED RETURN.
AUTHORIZATION REVOKED – CUSTOMER WHO PREVIOUSLY AUTHORIZED AN ENTRY CLAIMS AUTHORIZATION HAS BEEN REVOKED FROM THE ORIGINATOR.	**R07**	PPD, TEL, WEB	60 CALENDAR DAYS	STOP INITIATION OF ENTRIES UNTIL NEW CONSUMER AUTHORIZATION IS OBTAINED. DEPENDING UPON THE TERMS OF THE ORIGINAL AUTHORIZATION, THE ORIGINATOR MAY HAVE RECOURSE FOR COLLECTION OUTSIDE THE ACH NETWORK.
PAYMENT STOPPED – THE CUSTOMER HAS REQUESTED THE STOP PAYMENT OF A SPECIFIC ACH DEBIT ENTRY.	**R08**	ALL	2 BANKING DAYS	CONTACT THE CUSTOMER TO IDENTIFY THE REASON FOR THE STOP PAYMENT AND OBTAIN AUTHORIZATION BEFORE REINITIATING THE ENTRY.
UNCOLLECTED FUNDS – SUFFICIENT LEDGER BALANCE EXISTS, BUT VALUE OF UNCOLLECTED ITEMS BRING AVAILABLE BALANCE BELOW AMOUNT OF DEBIT ENTRY.	**R09**	ALL	2 BANKING DAYS	MAY INITIATE A NEW ACH ENTRY; MUST REMAIN WITHIN LIMITS FOR REINITIATING ENTRIES OUTLINED IN ARTICLE 2 OF THE *ACH RULES* AND BE REINITIATED WITHIN 180 DAYS OF THE SETTLEMENT DATE OF THE ORIGINAL ENTRY.
CUSTOMER ADVISES NOT AUTHORIZED, IMPROPER, INELIGIBLE, OR PART OF AN INCOMPLETE TRANSACTION – NOT AUTHORIZED, WRONG AMOUNT; DEBIT DATE BEFORE AUTHORIZED; INCOMPLETE TRANSACTION; OR IMPROPER SOURCE DOCUMENT.	**R10**	ARC, BOC, IAT, POP, POS, PPD, TEL, WEB	60 CALENDAR DAYS	STOP INITIATION OF ENTRIES.
CUSTOMER ADVISES ENTRY NOT IN ACCORDANCE WITH TERMS OF THE AUTHORIZATION – AUTHORIZATION OBTAINED, BUT ERROR IN PAYMENT (E.G. WRONG AMOUNT; DEBIT DATE BEFORE AUTHORIZED; INCOMPLETE TRANSACTION; IMPROPER SOURCE DOCUMENT OR EXCEEDS REINITIATION ATTEMPTS). REVERSING ENTRY WAS IMPROPERLY INITIATED BY ODFI/ ORIGINATOR, OR RECEIVER DID NOT AFFIRMATIVELY INITIATE A SUBSEQUENT ENTRY WITH ACCORDANCE WITH THE TERMS OF THE STANDING AUTHORIZATION.	**R11**	ARC, BOC, IAT, POP, POS, PPD, TEL, WEB	60 CALENDAR DAYS	YOUR COMPANY MAY INITIATE A NEW ENTRY TO CORRECT THE UNDERLYING ERROR WITHOUT OBTAINING A NEW AUTHORIZATION. CORRECTED ENTRY MUST BE ORIGINATED WITHIN 60 DAYS OF THE SETTLEMENT DATE OF THE R11 RETURN ENTRY.
ACCOUNT SOLD TO ANOTHER DFI – ACCOUNT HAS BEEN SOLD TO ANOTHER FINANCIAL INSTITUTION.	**R12**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES. CONTACT CUSTOMER TO OBTAIN CORRECT ROUTING NUMBER INFORMATION FOR INITIATION OF SUBSEQUENT ENTRIES.
ACCOUNT FROZEN/ENTRY RETURNED PER OFAC INSTRUCTION – ACCESS TO THE ACCOUNT IS RESTRICTED DUE TO ACTION BY RDFI OR BY LEGAL ACTION.	**R16**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES. TERMS OF AUTHORIZATION MAY OFFER RECOURSE OUTSIDE THE ACH NETWORK. OFAC MAY HAVE INSTRUCTED THE DEBIT BE RETURNED.

ACH RETURNS – Continued

REASON FOR RETURN	RETURN CODE	SEC CODE	RETURN TIMEFRAME	ACTION BY ORIGINATOR
FILE EDIT RECORD CRITERIA – FIELDS EDITED BY THE RDFI CANNOT BE PROCESSED.	**R17**	ALL	2 BANKING DAYS	IDENTIFY AND CORRECT ERRORS PRIOR TO INITIATION OF FURTHER ENTRIES. ERRORS ARE IDENTIFIED IN THE ADDENDA RECORD.
NON-TRANSACTION ACCOUNT – RDFI POLICIES OR REGULATIONS RESTRICT ACTIVITY TO ACCOUNT INDICATED.	**R20**	ALL	2 BANKING DAYS	STOP INITIATION OF ENTRIES.
CREDIT ENTRY REFUSED BY RECEIVER – CUSTOMER REFUSES TRANSACTION BECAUSE AMOUNT IS INACCURATE, RESULTS IN OVERPAYMENT, ACCOUNT IS IN LITIGATION OR ORIGINATOR IS NOT KNOWN TO THE RECEIVER.	**R23**	ALL CREDIT ENTRIES	DEPENDENT UPON NOTIFICATION BY CUSTOMER	OBTAIN CUSTOMER AUTHORIZATION PRIOR TO REINITIATING THE ENTRY.
DUPLICATE ENTRY – ENTRY IS A DUPLICATION. THE TRACE NUMBER, DATE, DOLLAR AMOUNT, ETC. MATCH ANOTHER ENTRY.	**R24**	ALL	2 BANKING DAYS	IF ENTRY IS A DUPLICATION, ORIGINATOR SHOULD ACCEPT THE RETURN. IF THE ENTRY HAS ALREADY BEEN REVERSED, ORIGINATOR SHOULD WORK WITH ODFI TO CONTACT THE RDFI TO DETERMINE A SOLUTION.
CORPORATE CUSTOMER ADVISES NOT AUTHORIZED – CORPORATE CUSTOMER HAS NOTIFIED RDFI THAT A SPECIFIC ENTRY IS NOT AUTHORIZED.	**R29**	CCD, CTX	2 BANKING DAYS	STOP INITIATION OF ENTRIES UNTIL SUBSEQUENT AUTHORIZATION HAS BEEN OBTAINED. IF A VALID AUTHORIZATION EXISTS, THE ORIGINATOR MAY HAVE RECOURSE OUTSIDE THE ACH NETWORK.
PERMISSIBLE RETURN ENTRY – ODFI AGREES ON BEHALF OF THE ORIGINATOR TO ACCEPT A RETURN AFTER THE DEADLINE FOR AN UNAUTHORIZED CORPORATE ENTRY.	**R31**	CCD, CTX	UNDEFINED	ACCEPT RETURN AS AGREED UPON WITH RDFI. IF THE ORIGINATOR OR ODFI HAS NOT GIVEN PERMISSION FOR THE UNTIMELY RETURN, THE RETURN MAY BE DISHONORED AS R70.
SOURCE DOCUMENT PRESENTED FOR PAYMENT – THE SOURCE DOCUMENT TO WHICH AN ARC, BOC OR POP ENTRY RELATES HAS ALSO BEEN PRESENTED FOR PAYMENT.	**R37**	ARC, BOC, POP	60 CALENDAR DAYS	ACCEPT RETURN. THE SOURCE DOCUMENT (I.E. CHECK) MAY NOT BE PRESENTED FOR PAYMENT IF ACH DEBIT IS INITIATED.
STOP PAYMENT OF SOURCE DOCUMENT – A STOP PAYMENT HAS BEEN PLACED ON THE SOURCE DOCUMENT TO WHICH THE ARC OR BOC ENTRY RELATES.	**R38**	ARC, BOC	60 CALENDAR DAYS	CONTACT THE CUSTOMER TO IDENTIFY THE REASON FOR STOP PAYMENT AND OBTAIN AUTHORIZATION FROM THE CUSTOMER BEFORE REINITIATING THE ENTRY.
IMPROPER SOURCE DOCUMENT/SOURCE DOCUMENT PRESENTED FOR PAYMENT – THE RDFI DETERMINES THE SOURCE DOCUMENT USED FOR THE ARC, BOC OR POP ENTRY IS NOT AN ELIGIBLE ITEM OR WAS PRESENTED FOR PAYMENT.	**R39**	ARC, BOC, POP	2 BANKING DAYS	STOP INITIATION OF ENTRIES.
STATE LAW AFFECTING RCK ACCEPTANCE – RDFI IS LOCATED IN A STATE THAT HAS NOT ADOPTED REVISED ARTICLE 4 OF THE UCC OR RDFI IS LOCATED IN A STATE THAT REQUIRES ALL CANCELED CHECKS TO BE RETURNED TO THE RECEIVER.	**R50**	RCK	2 BANKING DAYS	STOP INITIATION OF ENTRIES.
ITEM IS INELIGIBLE, NOTICE NOT PROVIDED, SIGNATURES NOT GENUINE, ITEM ALTERED OR AMOUNT OF RCK NOT ACCURATELY OBTAINED FROM THE ITEM.	**R51**	RCK	60 CALENDAR DAYS	DO NOT REINITIATE THE ENTRY. ORIGINATOR MAY ATTEMPT COLLECTION OF ITEM OUTSIDE THE ACH NETWORK.
STOP PAYMENT ON ITEM – A STOP PAYMENT HAS BEEN PLACED ON THE ITEM TO WHICH THE RCK ENTRY RELATES.	**R52**	RCK	60 CALENDAR DAYS	CONTACT THE CUSTOMER TO IDENTIFY THE REASON FOR STOP PAYMENT BEFORE REINITIATING THE ENTRY.

- Your company should immediately stop initiation of entries returned using R07 or R10. Disagreements regarding authorization should be handled OUTSIDE the ACH Network.
- RDFIs must obtain a signed Written Statement from the Receiver that details the claim before returning the entry to your ODFI when using return reason codes R05, R07, R10, R37, R51 or R53. Your company may request a copy of this Statement for up to one year from the Settlement Date of the return. The RDFI has 10 banking days from the written request to provide a copy of the Written Statement.
- Originators must maintain a return rate below 0.50% for entries returned as unauthorized (R05, R07, R10, R29, R37, R51 and R53).
- An Originator may reverse an erroneous or duplicate ACH entry/file up to 5 banking days after the Settlement Date of the erroneous or duplicate entry/file.

DISHONORED ACH RETURNS

WHAT IS A DISHONORED ACH RETURN?

A dishonored return is an ACH return entry transmitted by your ODFI in response to a returned ACH entry that was mishandled by the RDFI.

Dishonored returns may either be initiated by your company or your ODFI. If your ODFI receives a misrouted return, they will initiate a dishonored return. However, if your ODFI receives an untimely return, the decision to dishonor the return may be made by your company. Depending on the software features of your ODFI's system, your company may be allowed to give prior instructions in regard to dishonoring returns.

To dishonor a return, your ODFI, on your company's behalf, must transmit a dishonored return within **5 banking days** of the Settlement Date of the return entry. For additional information regarding Dishonored Returns, refer to the *ACH Rules*.

DISHONOR CODE	REASONS FOR DISHONORING A RETURN
R61	**MISROUTED RETURN** – RETURN WAS RECEIVED BY WRONG FINANCIAL INSTITUTION DUE TO INCORRECT ROUTING NUMBER.
R67	**DUPLICATE RETURN** – MORE THAN ONE RETURN ENTRY HAS BEEN SENT FOR THE SAME ENTRY.
R68	**UNTIMELY RETURN** – THE RETURN ENTRY WAS NOT SENT WITHIN THE APPROPRIATE RETURN TIMEFRAME.
R69	**FIELD ERRORS** – RETURN CONTAINED ONE OR MORE INPUT ERRORS. CODES WILL BE USED IN THE ADDENDA RECORD TO INDICATE THE FIELD(S) IN ERROR. CODES TO BE USED ARE: 01 – ACCOUNT NUMBER 02 – TRACE NUMBER 03 – AMOUNT 04 – INDIVIDUAL ID 05 – TRANSACTION CODE 06 – COMPANY ID 07 – INVALID EFFECTIVE ENTRY DATE
R70	**PERMISSIBLE RETURN NOT ACCEPTED/RETURN NOT REQUESTED BY THE ODFI** – RDFI INITIATED A RETURN AS "R31 – PERMISSIBLE RETURN ENTRY" WITHOUT ODFI PERMISSION OR "R06 – RETURNED PER ODFI'S REQUEST" WHEN THE ODFI DID NOT MAKE SUCH A REQUEST.

WHAT IS A CONTESTED DISHONORED RETURN?

A contested dishonored return is an ACH return entry transmitted by an RDFI to your ODFI in response to a dishonored return entry that the RDFI disputes. A contested dishonored/corrected return must be transmitted within **2 banking days** after the Settlement Date of the dishonored return entry.

Your ODFI must accept a contested dishonored/corrected return entry transmitted by the RDFI that complies with the *ACH Rules*. For additional information regarding Contested Dishonored Returns, refer to the *ACH Rules*.

CONTESTED DISHONOR CODE	REASONS DISHONORED RETURNS ARE CONTESTED
R71	**MISROUTED DISHONORED RETURN** – DISHONORED RETURN WAS RECEIVED BY WRONG FINANCIAL INSTITUTION DUE TO INCORRECT ROUTING NUMBER
R72	**UNTIMELY DISHONORED RETURN** – DISHONORED RETURN WAS SENT OUTSIDE OF THE 5 BANKING DAY RETURN TIME FRAME.
R73	**TIMELY ORIGINAL RETURN** – RETURN WAS SENT WITHIN THE PRESCRIBED RETURN TIMEFRAME, BUT ODFI ERRONEOUSLY DISHONORED IT.
R74	**CORRECTED RETURN** – RETURN WAS DISHONORED AS "R69 – FIELD ERRORS," AND RDFI CORRECTED THE ERRORS.
R75	**RETURN NOT A DUPLICATE** – RETURN WAS DISHONORED AS "R67 – DUPLICATE RETURN," BUT RETURN WAS NOT A DUPLICATE.
R76	**NO ERRORS FOUND** – RETURN WAS DISHONORED AS "R69 – FIELD ERRORS," BUT THE RDFI COULD NOT IDENTIFY NOTED ERRORS.

NOTIFICATION OF CHANGE

WHAT IS A NOTIFICATION OF CHANGE (NOC)?

An NOC is a non-monetary entry transmitted by an RDFI to notify your ODFI that previously valid information contained in a posted entry has become outdated or is erroneous and should be changed. NOCs allow the RDFI to return information to the ODFI and Originator without returning the value of the entry. Many NOCs are the result of a merger or consolidation at the RDFI, which requires changes in Receiver account information.

When the RDFI is able to recognize the intended account, NOCs provide a means for the RDFI to post the entry to the Receiver's account and to notify your company of necessary changes. Upon receipt of an NOC, your ODFI must report NOC information to you. You are required to make the changes noted in the NOC. For additional information regarding NOCs, refer to the *ACH Rules*.

CHANGE CODES USED BY RDFI	DESCRIPTION OF ERROR	ACTION REQUIRED BY ORIGINATOR
C01	**ACCOUNT NUMBER** – THE ACCOUNT NUMBER IS INCORRECT OR IS FORMATTED INCORRECTLY.	CHANGE THE RECEIVER'S ACCOUNT NUMBER RECORD SO THE CORRECT INFORMATION IS ENTERED.
C02	**ROUTING NUMBER** – A ONCE VALID ROUTING NUMBER MUST BE CHANGED.	CHANGE THE RECEIVER'S FINANCIAL INSTITUTION ROUTING NUMBER SO THE CORRECT INFORMATION IS ENTERED.
C03	**ROUTING NUMBER AND ACCOUNT NUMBER** – THE ROUTING NUMBER AND ACCOUNT NUMBER ARE INCORRECT.	CHANGE THE RECEIVER'S FINANCIAL INSTITUTION ROUTING NUMBER AND ACCOUNT NUMBER SO THE CORRECT INFORMATION IS ENTERED.
C04	**ACCOUNT NAME** – THE CUSTOMER HAS CHANGED THE NAME ON THE ACCOUNT OR THE ORIGINATOR HAS SUBMITTED THE NAME INCORRECTLY.	CHANGE THE RECEIVER'S INDIVIDUAL NAME OR RECEIVING COMPANY NAME SO THE CORRECT INFORMATION IS ENTERED.
C05	**TRANSACTION CODE** – AN INCORRECT TRANSACTION CODE IS CAUSING THE ENTRY TO BE ROUTED TO THE WRONG TYPE OF ACCOUNT.	CHANGE THE TYPE OF ACCOUNT. THE ACCOUNT TYPE IS INDICATED ON THE ODFI'S REPORT BY A TWO-DIGIT TRANSACTION CODE. CONTACT YOUR ODFI IF CLARIFICATION IS NEEDED.
C06	**ACCOUNT NUMBER AND TRANSACTION CODE** – THE ACCOUNT NUMBER IS INCORRECT AND THE TRANSACTION IS BEING ROUTED TO THE WRONG TYPE OF ACCOUNT.	CHANGE THE RECEIVER'S ACCOUNT NUMBER AND TYPE OF ACCOUNT SO THE CORRECT INFORMATION IS ENTERED.
C07	**ROUTING NUMBER, ACCOUNT NUMBER AND TRANSACTION CODE** – THE ROUTING NUMBER, ACCOUNT NUMBER AND ACCOUNT TYPE ARE INCORRECT.	CHANGE THE RECEIVER'S FINANCIAL INSTITUTION ROUTING NUMBER, ACCOUNT NUMBER AND TYPE OF ACCOUNT SO THE CORRECT INFORMATION IS ENTERED.
C08	**INCORRECT INDIVIDUAL ID NUMBER** – RECEIVING DFI ID IN AN IAT IS INCORRECT.	ENTER CORRECT RECEIVING DFI ID IN FIRST 34 POSITIONS OF THE CORRECTED DATA FIELD.
C09	**INDIVIDUAL ID NUMBER** – INDIVIDUAL ID NUMBER IS INCORRECT.	CHANGE THE INDIVIDUAL ID NUMBER SO THE CORRECT INFORMATION IS ENTERED.
C13	**ADDENDA FORMAT ERROR** – THE ENTRY DETAIL RECORD WAS CORRECT, BUT THE INFORMATION IN THE ADDENDA RECORD WAS UNCLEAR OR FORMATTED INCORRECTLY (I.E. NOT FORMATTED IN ANSI OR NACHA-ENDORSED BANKING CONVENTIONS).	REVIEW THE FORMATTING IN THE ADDENDA RECORD THAT ACCOMPANIED THE ORIGINAL ACH ENTRY TO DETERMINE ERRORS AND MAKE CORRECTIONS USING ONLY ANSI STANDARDS OR NACHA-ENDORSED BANKING CONVENTIONS.
C14	**INCORRECT SEC CODE FOR OUTBOUND IATS** – USED BY GATEWAY TO LET ODFI OF IAT KNOW THAT FUTURE ENTRIES SHOULD BE IDENTIFIED AS IAT.	IAT WILL BE IN THE FIRST THREE POSITIONS OF THE CORRECTED DATA FIELD.

- RDFIs choosing to send a NOC are required to do so within 2 banking days of the original ACH entry (except for mass changes). When an RDFI is faced with the need to make mass changes, they often will contact companies that initiate large volumes of ACH payments. Your company and the RDFI may negotiate an alternative method for the processing efficiencies that may be better facilitated outside the regular NOC process.
- An RDFI that transmits a NOC warrants that the information contained in the NOC is correct, and if the changes relate to the Receiver's account number, that the Receiver has authorized the change, if authorization is required. RDFIs are liable for the accuracy of account information indicated in the NOC.
- Your ODFI is required to report NOC information to your company no later than 2 banking days from the Settlement Date of the NOC and are required to report minimum NOC information as outlined in Article 2 of the *ACH Rules*.
- For recurring payments, the *ACH Rules* require your company to make the requested changes within 6 banking days of the receipt of the NOC or prior to the initiation of another ACH entry. Changes related to one-time payments may be made at your company's discretion.