NACHA Rule Updates:
Upcoming Changes

Micro-Entries
Phase 1: Effective September 16, 2022
Phase 2: Effective March 17, 2023

Phase 1 will define and standardize practices and formatting of Micro-Entries, which are used by some ACH Originators as a method of account validation. A micro entry is an ACH credit of less than $1 and any offsetting ACH debit, used for the purpose of verifying a Receiver's account

The standardized formatting will require Originators to utilize 'ACCTENTRY' in the Company Entry Description field to make Micro-Entries more easily identifiable and include Company Name. Like other rules for the standardized use of the Company Entry Description, ODFIs are not required to review, validate or correct an Originator's formatting.

Phase 2 will require use of commercially reasonable fraud detection, including monitoring of micro-entry forward and return volumes.

CNB ACH Origination customers utilize a Prenotification Entry method to validate account details. A prenote is a $0 entry, submitted at least (3) days prior to the first live dollar entry.

Prenotes are not impacted by this NACHA rule change. Prenotification Entries can be easily identified by a unique transaction code and a dollar amount of zero. For these entries, a specific company entry description is not needed to identify them as an account validation tool, and Originators have discretion over the content of the company entry description field.

Third-Party Sender (TPS) Roles and Responsibilities
Effective September 30, 2022

These two Rules further clarify the roles and responsibilities of Third-Party Senders (TPS) in the ACH Network.

1. Addresses the existing practice of Nested Third-Party Sender relationships
2. Clarifies the requirement that a TPS conduct a risk assessment

If you are a Third-Party Sender and have any questions or are considering a Nested relationship, please contact a CNB Cash Management Technical Specialist to discuss.

Please visit www.NACHA.org for more information concerning NACHA rules.