Electronic Check Applications Exercise

Use the *NACHA Operating Rules* as a resource. Select the correct word or phrase from the list below. Some answers might be used more than once.

POP	**Terminal City & State**	**electronically**
securely store	**notification**	**destroyed**
Accounts Receivable Entries	**7 Years**	**$2500**
Re-presented Check Entries	**2 Years**	**Authorization**
cannot	**consumer statement**	**U.S. mail/drop box**
Receiver advises Unauthorized	**REDEPCHECK**	**identity**
Authorization Revoked	**voided**	
Two Banking Days	**Pre-printed Serial Number**	**$25,000 or less**
Check Serial Number	**no limit**	**telephone number**

1. The Standard Entry Class Code for a Point-of-Purchase Entry is _____.

2. The Point-of-Purchase application requires that the Receiver's Check be

   _____ and returned to the Receiver at the check out.

3. Receipts issued at the check out for a Point-of-Purchase transaction must include a

   description of the Entry, information about the merchant including a phone number, date

   and amount of the transaction, the source document Check Serial Number and the

   _____ _____ _____.

4. The dollar limit for a Point-of-Purchase Entry is $_____.

5. For a Point of Purchase Entry, the MICR information must be

   _____ captured by the merchant.

6. An RDFI may return a Point-of-Purchase Entry for up to 60 days from the Settlement Date

   for the following reason: _____

   _____ _____.

7. A Point-of-Purchase Entry may not be returned as _____.

8. If the consumer places a stop payment on the Check used for a Point-of-Purchase Entry, the

   RDFI must return the Entry as R08 Payment Stopped within _____

   _____ _____.

9. The application used by merchants/billers to collect funds on a Check returned NSF or Uncollected Funds is the

   _____.

10. The Company Entry Description on an RCK Entry is always _____.

11. The dollar limitation on RCK Entries is $_____.

12. _____ to the consumer prior to receipt of the Check is required by any merchant/biller wishing to use the RCK application.

13. An additional collection fee _____ be added to the face amount of the Check.

14. The Check Serial Number is required in the RCK transaction and on the

   _____ _____.

15. The Originator must retain a copy of the front and back of the item related to an RCK Entry for _____ _____.

16. ARC is the Standard Entry Class Code for _____

   _____ _____.

17. ARC is a one-time ACH debit Entry used by an Originator to convert Checks received via

   _____ _____ or placed in a _____.

18. The Originator of an ARC Entry must retain a copy of the front of the source document for _____ _____ from the Settlement Date.

19. The source document used for obtaining information for an ARC Entry may be retained by the Originator and must be _____ _____ until destruction.

20. The provision of a notice that informs the consumer that the Originator will use the source document to initiate an ARC Entry and the receipt of the Check by the Originator together constitutes _____ of the ARC Entry.

21. Back Office Conversion allows an Originator to convert the Receiver's source document into an ACH debit as long as the source document contains a _____ _____ _____.

22. The Originator of a BOC Entry must verify the Receiver's _____ using commercially reasonable procedures.

23. The Originator of a BOC Entry must establish a working _____ _____ that must be able to be answered during normal business hours. The BOC notice must also include this.

24. ODFIs must establish procedures for maintain documentation on each Originator of a BOC Entry. This information must be provided to the RDFI upon their written request within ___ _____ of the Settlement Date of the original Entry.

25. An RDFI receiving IAT transactions that contain a Transaction Type Code of ARC, BOC or POP must place the _____ _____ _____ of the converted Entry onto the Receiver's Statement.

Handout F