Electronic Check Applications Exercise
Use the *NACHA Operating Rules* as a resource.

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

2. The Point-of-Purchase Entry requires that the Receiver's Check be _Voided_ and returned to the consumer at the checkout.

3. Receipts issued at the checkout for a Point-of-Purchase Entry 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 _Terminal City/State location._

4. The dollar limit for a Point-of-Purchase Entry is _$25,000 or less_.

5. For a Point of Purchase Entry, the MICR information must be _electronically_ 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: _Receiver Advises Unauthorized_.

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

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 _Two Banking Days_.

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

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

11. The dollar limitation on RCK Entries is _$ 2500_.

12. _Notification_ 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 _cannot_ be added to the face amount of the Check.

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

15. The Originator must retain a copy of the front and back of the item related to an RCK Entry for _7 years_.

16. ARC is the Standard Entry Class Code for _Accounts Receivable Entries._

17. ARC is a one-time ACH debit Entry used by an Originator to convert Checks received via *US Mail* , placed in a *drop box* **or** *an in person payment of a bill at a manned location.*

18. The Originator of an ARC Entry must retain a copy of the front of the source document for *2 years* 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 *securely stored* until destruction.

20. The provision of a notice that informs the Receiver that the Originator will use the source document to initiate an ARC Entry and the receipt of the Check by the Originator together constitutes *authorization* 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 *Pre-printed Check Serial Number.*

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

23. The Originator of a BOC Entry must establish a working *telephone number* 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 *two (2) years* 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 *Check Serial Number* of the converted Entry onto the Receiver's Statement.