

Reports ACH Debit Eligibility of a Checking or Savings Account & History of Stopped, Revoked and Disputed ACH debits.

Helps with decisions of whether or not to offer ACH payment terms.

* Federal Regulation E prohibits conditions of required Preauthorized ACH repayment for extension of credit. *See Section 205.10 (c), Compulsory use.*

Reports real-time if account will accept ACH debit.

VeriTrac data of ACH eligibility comes from several sources, including the account institution. Some accounts will accept ACH deposits, but not debits, which may be due to the account service terms, or due to a severe number of NSF's or other derogatory conditions. About 75% of all standard checking accounts are included in the real-time ACH eligibility reports. For the other 25% of checking accounts, at credit union and non-direct reporting banks, we obtain ACH debit eligibility information by check clearing centers.

12 month history for accounts of ALL types includes:

- Closed Account
- Payment Stopped or ACH Authorization Revoked
- Claims of Debits Not Authorized
- Frozen Account Unpaid Return by the Financial Institution
- Non-ACH Transaction Account
- Business Account, Not Eligible or Claims of Debits Not Authorized
- PLUS: Claims that the signed authorization was not a signer on the account

Payday loan type stores average "Match" ratio is ½ to 1% of new applicants. Internet lenders average "Match" ratio is 3% to 5% of new applicants & when re-qualifying.



REPLY DISPLAYED	DEFINITION
MATCH	<ul style="list-style-type: none"> • Account holder has stopped payment or Disputed ACH debits.
POSITIVE (000, or 1000)	<ul style="list-style-type: none"> • Accepted = Transaction passed all validations requested. • Available balance may be less than zero, but is "debit eligible."
ROUTING IS ACH - No Account Info (001 or 1001)	<ul style="list-style-type: none"> • Routing number passed all validations. Institution does not report or is unable to validate account.
INVALID or NON-ACH ROUTING (002 or 1002)	<ul style="list-style-type: none"> • Invalid routing number or data entry error • Routing Number will not accept ACH items. • Credit card account check, line of credit, or participant suppressed
NEGATIVE (401 or 1003)	<ul style="list-style-type: none"> • Outgoing transactions are not being accepted. • Account valid, but not "standard" ACH eligible checking or savings. • Post no debits = Account will not accept any debit activity. • Post no checks = Account will not accept any check activity. • Attached = Subject to levy, garnishment or lien. • Closed = Account Closed.

Inquiry Sequence

Inquiries are conducted by entering a routing and account number. Inquiries are directed first to the stopped payment history database. If a "Match" is found, "Match Found" will be displayed and the inquiry ends. If no stopped payment history is found, then the inquiry proceeds to the real-time account ACH debit eligibility report.