

Stop Payments – Effective Period of Stop Payment to Non-Consumer Account

This rule amends the *NACHA Operating Rules* to incorporate two additional conditions under which a stop order on an Entry to a Non-Consumer account would lapse.

When is this Rule change effective?

The change to the *NACHA Operating Rules* will be effective September 20, 2013.

What are the two additional conditions that have been added to the *Rules* for removing the stop order?

The two additional conditions under which a stop order on an Entry to a Non-Consumer account may expire are: (1) the withdrawal of the stop payment order by the Receiver, or (2) the return of the debit Entry to which the stop payment order relates.

Why was this change made?

This Rule incorporates these additional conditions into the *Rules* to reflect current business practices. In doing so, these changes also result in greater uniformity between corporate and consumer stop payment rules.

Can I offer these services before the Rule become effective?

Yes. Most RDFIs already accommodate these additions as conditions under which a stop payment order would expire. RDFIs should not retain a stop payment order longer than desired by its customer.

What does my FI need to do to prepare for implementation?

For most RDFIs, this change will simply reflect current business practices regarding the handling of stop payment orders and no changes will be necessary to implement this Rule. However, in some cases, an RDFI may need to adjust its stop payment system settings to recognize that a stop order may expire sooner than six months in any case where the entry on which the stop order is placed is returned by the RDFI or if the Receiver instructs the RDFI to remove the stop order.

Is it possible that my FI already meets the requirements for this Rule?

Yes. Most RDFIs already accommodate these three conditions for removing a stop order on an Entry to a non-consumer account and already meet the requirements of the rule.

If my non-consumer customer wants more than one payment stopped, do I have to remove the stop order after the first payment is stopped?

No. RDFIs can always go above and beyond the minimum requirement of the Rules and apply a stop order to as many future transactions for as long as their customer wishes. This is not prohibited by the existing rules or the adopted rule.