

# STOP PAYMENT REQUEST ORDER FOR CHECKS AND ACH ENTRIES

TRANSACTION TYPE:  ACH/ELECTRONIC CHECK  CHECK/SHARE DRAFT  PAPER DRAFT

WRITTEN REQUEST - ORIGINAL  WRITTEN REQUEST - RENEWAL  VERBAL REQUEST\*

Today's Date: \_\_\_\_\_ Time:  a.m.  p.m.

Account No.: \_\_\_\_\_ Account Type:  Checking/Share Draft  Savings/Share

Account Name: \_\_\_\_\_ Expected Clearing Date: \_\_\_\_\_

Payable To: \_\_\_\_\_ Transaction Amount: \_\_\_\_\_

Check Serial Number(s) \_\_\_\_\_

*For POP, RCK, and ARC ACH Debits, and Check/Share Drafts or Paper Drafts*

Reason for Stop Payment: \_\_\_\_\_

\*For verbal requests of stop payments, the financial institution will provide this form to the account holder for signature. The signed form must be returned to the financial institution by the date specified by the financial institution. The verbal stop payment order will cease to be binding after 14 calendar days.

## STOP PAYMENT TERMS AND CONDITIONS

On the terms hereinafter set out, the undersigned account holder hereby instructs \_\_\_\_\_ (financial institution name), hereinafter called "the Financial Institution", to stop payment on the above transaction(s). The stop payment order shall remain in effect for a) six months; b) until written notice is received from the account holder to revoke the stop payment order; or c) until payment of the entry has been stopped, whichever occurs first. The account holder may renew this request when the six-month period has expired by completing a new Stop Payment Request Order. For recurring ACH debits, this order is effective for a one-time stop payment only, and is only stopping one transaction. This order will NOT stop future recurring debits.

By directing the financial institution to stop payment on the above transaction(s), the account holder agrees to hold the financial institution harmless against any and all loss, claims, damages, and costs, including court costs and attorney's fees, that the financial institution may suffer or incur by reason of non-payment of the above transaction if presented prior to withdrawal of these instructions or expiration thereof.

The account holder understands that the stop payment request must be received in time to give the financial institution reasonable time to act upon it. **Check one of the following boxes:**

**For PPD entries and recurring WEB entries:**

Three banking days advance notice prior to the expected transfer date of the debit entry is required to implement the stop payment request. If the stop payment order is received **within three banking days** of the expected transfer date, the financial institution will attempt to satisfy the request of the account holder, but will not be held liable if sufficient time was not provided. \_\_\_\_\_ (Account Holder initial here.)

**For all other transaction types:**

Check/Share Draft    ARC Entry    CTX Entry    TEL Entry    WEB Entry (Single entry only)  
Paper Draft    CCD Entry    RCK Entry    POP Entry

The stop payment request must be provided to the financial institution in such a time and in such a manner as to allow the financial institution reasonable time to act on the request prior to acting on the paper item or ACH entry. \_\_\_\_\_ (Account Holder initial here.)

The account holder also understands that it is necessary to provide the correct information related to the transaction, and that a failure to do so may result in the payment of the above item. The account holder agrees to hold harmless and indemnify the financial institution for all expenses, costs, and damages incurred by payment of the above item if such payment is the result of failure of the account holder to meet the time requirements noted above, or if such payment is the result of failure of the account holder to furnish any item of information requested above completely, accurately, and correctly.

A charge, as reflected below, will be assessed to the account holder as payment for implementing this order.

**FEE ASSESSED:** \$ \_\_\_\_\_

I FURTHER DEPOSE AND SAY THAT THE DEBIT TRANSACTION DESCRIBED ABOVE WAS NOT ORIGINATED WITH FRAUDULENT INTENT BY ME OR ANY PERSON ACTING IN CONCERT WITH ME, AND THAT THE SIGNATURE BELOW IS MY OWN PROPER SIGNATURE. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Date \_\_\_\_\_ Account Holder Signature \_\_\_\_\_ Print Name \_\_\_\_\_

Date \_\_\_\_\_ Financial Institution Representative \_\_\_\_\_ Print Name \_\_\_\_\_

**Note:** Stop payment requests should not be placed on entries that have already posted. Refer to Article Seven of the current ACH Rules book for the rules surrounding stop payments of ACH and Electronic Check items.

Refer to Appendix Five for explanation of the Return Reason Codes used in relation to stop payments. The stop payment return reason code for all ACH items is R08, except when the stop payment was placed on the source document (i.e. paper check) relating to an ARC item (R38) or RCK item (R52).

### Transaction Type Definitions

**ACH:**

An ACH debit is an electronic transaction to an account that has been preauthorized by the account holder. It may be a one-time debit or recurring. When placing a stop payment on a recurring ACH transaction, you are stopping one payment only, but future debits may continue to be posted. If you wish to stop payment on all future transactions, you must contact the Originator. A PPD is a consumer transaction, and CCD and CTX are corporate transactions.

**Electronic Check:**

**Point-of-Purchase (POP)** - This is an ACH debit that was authorized at the Point of Purchase when the account holder provided a check for the retailer to scan to obtain account information. The account holder signed an authorization, a copy of which was returned to the account holder with the voided check.

**Represented Checks (RCK)** - This is a paper check that has been returned for NSF or uncollected funds through regular check clearing channels. The check has now been re-presented as an ACH debit.

**Accounts Receivable Check (ARC)** - This is a paper check that was sent through the mail as payment for goods or services, which has now been converted to an ACH debit due to an agreement between the account holder and the originator of the ACH debit.

**Internet-Initiated Entries (WEB)** - This is an ACH debit that was authorized over the Internet. These can be single entries or recurring.

**Telephone (TEL)** - This is an ACH debit that was authorized over the telephone. This is a one-time (single) entry.

**Paper Check Items:**

These items clear through regular check processing channels.

**Check/Share Draft** - A draft for funds written by an account holder, drawn on a checking or share draft account. This item bears the account holder's signature.

**Paper Draft** - A paper check that was not written by the account holder but that was authorized by the account holder (e.g., over the phone). This item does not bear the account holder's signature.

# Written Statement Under Penalty of Perjury for Unauthorized/Improper ACH Debit Activity

In accordance with the ACH Rules and Operating Guidelines

STATE OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_ FINANCIAL INSTITUTION \_\_\_\_\_ BRANCH \_\_\_\_\_

I, \_\_\_\_\_, depose and say that I have examined the attached statement or other notification from my Financial Institution indicating that an ACH debit entry was charged to my Account No. \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_, in the amount of \$ \_\_\_\_\_, and that the debit entry was unauthorized, improper, or a prior authorization was revoked.

### FOR REVOKED AUTHORIZATION, I FURTHER DEPOSE AND SAY THAT:

- I authorized \_\_\_\_\_ ("the Company") to originate one or more ACH entries to debit funds from my account, but on \_\_\_\_\_, 20\_\_\_\_, I revoked that authorization by notifying the Company in the manner specified in the authorization.

### FOR UNAUTHORIZED ENTRIES, I FURTHER DEPOSE AND SAY THAT (check one):

- (A) I did not authorize, and have not ever authorized, in writing, or by similarly-authenticated means (for WEB, TEL, and POP), \_\_\_\_\_ to originate one or more ACH entries to debit funds from this account at my financial institution.
- (B) I authorized \_\_\_\_\_ to originate one or more ACH entries to debit funds from this account at my financial institution in writing or by similarly-authenticated means, but: \_\_\_\_\_ the amount debited exceeds the amount I authorized to be debited. The amount I authorized was \$ \_\_\_\_\_; OR \_\_\_\_\_ the debit was made to this account on a date earlier than the date on which I authorized the debit to occur. I authorized the debit to be made to this account no earlier than \_\_\_\_\_, 20\_\_\_\_.

### FOR IMPROPER ENTRIES (RCK, ARC, and POP), I FURTHER DEPOSE AND SAY THAT (check one):

- (A) The item to which the represented check (RCK) entry relates was ineligible because (check one):  
\_\_\_\_ the item is drawn on a non-consumer account.  
\_\_\_\_ the item is not within the meaning of Revised Article 4 of the Uniform Commercial Code (1990 Official Text - ineligible items include non-cash items; drafts drawn on the U.S. Treasury, a Federal Reserve Bank, a Federal Home Loan Bank, or state or local government; U.S. Postal Service money orders; non-U.S. currency items; third-party items; demand drafts; and third-party drafts without Receiver's signature).  
\_\_\_\_ the item is not a negotiable demand draft drawn on, or payable through or at, a Participating Depository Financial Institution other than a Federal Reserve Bank or Federal Home Loan Bank.  
\_\_\_\_ the item is in an amount of \$2,500 or more.  
\_\_\_\_ the item does not indicate on the face of the document that it was returned due to Not Sufficient Funds, NSF, Uncollected Funds, or comparable language.  
\_\_\_\_ the item is dated more than 180 days from the date the entry was transmitted to the RDFI.  
\_\_\_\_ the item has been presented more than three times in any combination of paper and electronic means, including the original presentation.
- (B) The item to which the accounts receivable (ARC) entry relates was ineligible because (check one):  
\_\_\_\_ the item is not a consumer check or sharedraft.  
\_\_\_\_ the item was not completed and signed by the Receiver.  
\_\_\_\_ the item does not contain a pre-printed serial number.  
\_\_\_\_ the item is a third-party check; a demand draft or third-party draft that does not contain the signature of the Receiver; a credit card check; an obligation of a financial institution such as a traveler's check, money order, cashier's check, or official check; a check drawn on the Treasury of the United States, a Federal Reserve Bank, or a Federal Home Loan Bank; a check drawn on a state or local government; or a check payable in a medium other than United States currency.
- (C) The item to which the point-of-purchase (POP) entry relates was ineligible because (check one):  
\_\_\_\_ the item is not a consumer check or sharedraft.  
\_\_\_\_ the item does not contain a pre-printed serial number.  
\_\_\_\_ the item is a third-party check; a demand draft or third-party draft that does not contain the signature of the Receiver; a credit card check; an obligation of a financial institution such as a traveler's check, money order, cashier's check, or official check; a check drawn on the Treasury of the United States, a Federal Reserve Bank, or a Federal Home Loan Bank; a check drawn on a state or local government; or a check payable in a medium other than United States currency.
- (D) Both the electronic and paper items have been presented. (RCK, ARC, POP)
- (E) Amount was not accurately obtained from the source document. (RCK and ARC only)
- (F) The notice stating the terms of the policy was not provided to me in advance of receiving the item to which the represented check entry or accounts receivable entry relates. (RCK and ARC only)
- (G) All signatures on the original item are not authentic or authorized. (RCK only)
- (H) The original item has been altered. (RCK only)

I further depose and say that the debit transaction was not originated with fraudulent intent by me or any person acting in concert with me, and that the signature below is my own proper signature. I certify under penalty of perjury that the foregoing is true and correct.

DATE \_\_\_\_\_ SIGNATURE \_\_\_\_\_ PRINT NAME \_\_\_\_\_

DATE \_\_\_\_\_ SIGNATURE (WITNESS) \_\_\_\_\_ PRINT NAME \_\_\_\_\_

**A REVOCATION OF AUTHORIZATION** means that the written agreement with the originating company which was signed or similarly authenticated by an individual to allow payments processed through the ACH network to be deposited in or withdrawn from an account at a financial institution has been cancelled. The consumer must revoke authorization directly with the originating company prior to the return of the debit.

**ACH Operations Staff:** Use code R07 to return a debit where authorization was revoked. R07 cannot be used for TEL, POP, or single-entry WEB entries.

**AN UNAUTHORIZED DEBIT** means an electronic funds transfer from a consumer's account was never properly authorized by the consumer. An ACH debit in an amount greater than that authorized by the consumer, or that occurs on an earlier date than that authorized by the consumer, is also considered unauthorized. An unauthorized debit does not include an electronic funds transfer initiated with fraudulent intent by the consumer or any person acting in concert with the consumer.

**ACH Operations Staff:** Use code R10 to return an unauthorized debit.

**AN IMPROPER DEBIT** means an RCK, ARC, or POP entry where the item to which the entry relates is ineligible, or other criteria related to notice of policy, amount, or authenticity of signature as described to the left are not met. An RCK, ARC, or POP entry is also considered improper if both the electronic and paper items have been presented.

**ACH Operations Staff:** Use R10 for improper ARC or POP entries, and R51 for improper RCK entries. If the source document (paper item) has been presented for payment, use R37 for ARC or POP entries, and R53 for RCK entries. (Although outside the scope of this document, please note that if a stop payment was placed on the source document, use R38 to return an ARC entry, and R52 for an RCK entry.)