StratisAdvisory

RISK | STRATEGY | CYBER COMPLIANCE MANAGEMENT

How Third-Party Senders and Nested Third-Party Senders Can Maintain Compliance with Nacha Operating Rules?

Nacha oversees the Automated Clearing House (ACH) Network and issues annual Operating Rules and Guidelines (Rules) requiring all Third-Party Senders (TPS)[1] and Nested Third-Party Senders (NTPS)[2] to perform an ACH risk assessment, maintain a risk-based ACH risk management program, and complete an annual Rules Audit. An NTPS is a TPS that originates ACH transactions through another TPS rather than directly with the Originating Depository Financial Institution (ODFI).

Roles and Responsibilities

ODFI: A regulated bank or financial institution that accepts and processes the ACH entry on behalf of the Originator.

TPS: Originates ACH transactions on behalf of an Originator through its contractual relationship with an ODFI.

NTPS: A type of TPS that originates ACH transactions through another TPS rather than directly with an ODFI.

Nacha Compliance Requirements

Annual Risk Assessment

Conduct a comprehensive review of ACH activities annually. The assessment should identify potential risks such as fraud exposure, operational weaknesses, regulatory gaps, and reputational concerns.

Risk Management Program

Establish and maintain a documented risk management program that includes internal controls, transaction monitoring, fraud detection measures, and sanctions screening.

Annual Nacha Rules Audit

Undergo a formal audit of compliance with the Rules no later than December 31, annually. Audit documentation must be retained and made available to regulators, ODFIs, or Nacha.

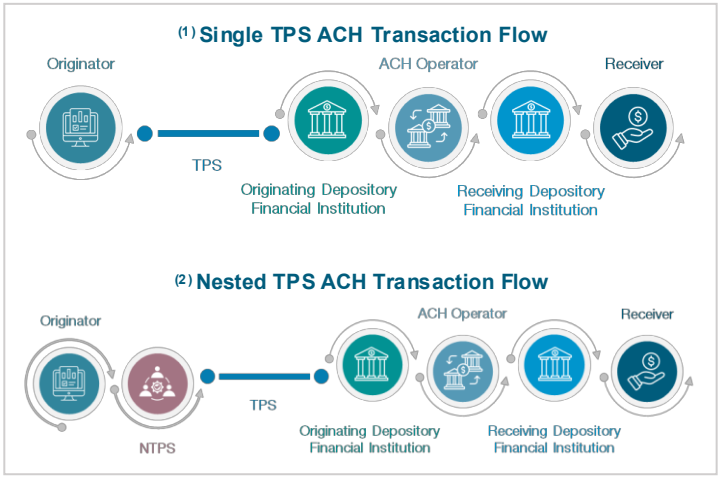
Upcoming Rules Amendments

2027

- Registration of International ACH Transaction (IAT) Contacts in the ACH Contact Registry
- Optional Date of Birth Field for IAT Entries
- Non-Bank Foreign Financial Agencies in IAT Entries
- Same Day ACH Dollar Limit Increased to $10 Million

2028

- Sanctions Compliance Obligations New Return Reason Code



Compliance Support is Ready and Available:

Stratis Advisory (Stratis) connects the dots between companies, payment partners and banks by integrating deep regulatory risk domain expertise into the broad context of business strategy, risk management, and compliance operations at the appropriate size for growth stage and business scale.

Stratis' Rules and compliance expertise streamlines any engagement to assess, implement, and/or audit your compliance with the Rules and ability to meet Rules, ODFI, and partner requirements.

Stratis can:

- Assess and document ACH risks, mitigating controls, and residual risks in an ACH Risk Assessment
- Implement and document risk- and scale-appropriate ACH Program
- Conduct Nacha Operating Rules Audit, annually
- Fraud risk management and monitoring
- Risk assessments for AML, sanctions, cyber, vendor, privacy, etc.
- Implement and validate third-party systems
- Bank, partner, and/or regulatory independent reviews
- Platform, funds flow, and customer journey design
- AI governance programs, agent deployment and audits

For more information contact:

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