

F E D E R A L R E S E R V E  F I N A N C I A L S E R V I C E S

FedACH[®] Participation Agreement

Part 8: ACH Security Procedure Agreement

*Required Fields

Section 1: Service Description and Form Instructions

We agree to the provisions of the Reserve Banks' Operating Circular 4, entitled "Automated Clearing House Items," and its appendices ("Circular"), as amended from time to time, and to the Reserve Bank's Operating Circular 5, entitled "Electronic Access," and the Certification Practice Statement incorporated in Operating Circular 5, as amended from time to time.

If we use an encrypted communications line with access controls for the transmission of ACH Items to a Reserve Bank, we will choose one of the Level One Security Procedures as generally described in Appendix A to the Circular, as such security procedure may be modified from time to time by the Reserve Banks. If you offer more than one Level One Security Procedure, when we use one of the Level One Security Procedures, we reject the other Level One Security Procedure(s) offered by you. We also agree that this procedure will be used if we receive ACH items by means of an encrypted electronic communications line with access controls. The chosen Level One Security Procedure will be used for the purpose of verifying that ACH items were sent or received by us.

If we use a method other than an encrypted communications line with access controls for the transmission of ACH items, we reject the Level One Security Procedures and choose the Level Two Security Procedure generally described in Appendix A to the Circular, as such security procedure may be modified from time to time by the Reserve Banks. This security procedure will be used for the purpose of verifying that ACH items were sent or received by us.

We understand that the Level Two Security Procedure as well as any of the Level One Security Procedures may be deemed commercially reasonable pursuant to Section 4A-202(c) of Article 4A of the Uniform Commercial Code.

Whenever we choose to use one of the Level One Security Procedures or the Level Two Security Procedure, we agree to be bound by any ACH item, whether or not authorized, sent in our name and accepted by a Reserve Bank in compliance with such procedure.

We understand that the Level One and Level Two Security Procedures will not be used to detect any error in the transmission or content of ACH items.

We also understand and agree that the security procedures established by this Agreement may be changed only by an amendment to Appendix A or other written agreement. The Agreement may not be changed by an oral agreement or by a course of dealing or custom.

For additional assistance completing and/or submitting this form, please contact Federal Reserve Bank Sales Support at 800-257-6701.

Send completed forms to Customer Contact Center at:
ccc.bankservices@kc.frb.org.

Section 2: Customer Information

Participating Institution Name*			
Identification Number (RTN/ETI)*			
Contact Name*	<i>First</i>	<i>MI</i>	<i>Last</i>
Contact Phone Number*	<i>Country Code</i>	<i>Phone</i>	<i>Extension</i>
Contact Email Address*			

Section 3: Authorized Approval

Authorized Signer Name*	<i>First</i>	<i>MI</i>	<i>Last</i>
Authorized Signature* (Authorized ACH signer on Official Authorization List)			
Date Authorized*			

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