



April 5, 2010

Check 21 File Validation Changes in the Production Environment

The Federal Reserve Banks are pleased to announce Check 21 file validation changes to support industry adoption of the Universal Companion Document (UCD) will be implemented in the Production environment effective **Monday, September 27, 2010**.

The expanded file validation rules will align Federal Reserve Check 21 deposit requirements with practices outlined in the UCD developed by the CheckImage Collaborative (<http://www.checkimagecentral.org>) and the X9.100-187-2008 Image Exchange Standard. A reference guide showing the specific validation rules that will be implemented on **September 27** is located at FRBservices.org/files/servicesetup/check/pdf/ucd_implementation.pdf.

The Federal Reserve Banks have been working closely with our customers and the Check 21 vendor community to prepare for this Production implementation. Actions taken by the Federal Reserve to prepare for this transition include the following:

- New validation rules have been in place in our Pre-Production (Test) environment since May 11, 2009. All files sent to the Test system since that time have been tested against the new validation rules and results displayed immediately on File Acknowledgement Reports. The Test system remains available for customer use at any time.
- Parallel logging of all Production files against the new validation rules has taken place for the last 18 months. Error reports have been shared with industry vendors and specific customers experiencing the greatest numbers of errors.
- Through these efforts, we have seen a significant reduction in error rates against the new validation rules. The number of errors in Production files has decreased by 91% since September 2008 and critical rejects are less than 1% of all Production files deposited. We expect errors to be effectively eliminated before Production implementation.

These changes may require additional changes to software or operating practices so we encourage you to contact your software vendor or processor as soon as possible.

If you have questions regarding this implementation or utilizing our test system, please contact the Check 21 Customer Support Center at (800) 762-0713. We appreciate your cooperation and support of this initiative to enable the entire check clearing industry to become more efficient.