



**UNEMPLOYMENT BENEFITS  
RETURN OPT-IN PROGRAM  
ODFI AGREEMENT AND OPERATING RULES**

June 16, 2021

This Unemployment Benefits Return Opt-In Program ODFI Agreement (“Agreement”) is entered into as of the date last executed below (the “Effective Date”), by and between [Nacha] (“Nacha”) and \_\_\_\_\_ (the “Participating ODFI”).

**BACKGROUND**

In an effort to reduce unemployment program payment fraud, the participating state unemployment benefits programs listed on Schedule 1 hereto (each, a “Participating State”) would like to make it easier for RDFIs to return unemployment benefit funds in cases of suspected error or fraud, including where the amount available to be returned is less than the amount of the original credit Entry. Accordingly, the Unemployment Benefits Return Opt-In Program (the “Program”) has been developed whereby an RDFI can submit full and partial return entries to the State under operating rules adopted specifically for the Program (“Program Rules”).

The Program Rules permit an RDFI to return an unemployment credit that is questionable using a credit ACH Entry with the CCD Standard Entry Class Code for as long as this opt-in program remains in effect (each, a “Program Return”). Although the CCD is a code for a new forward credit Entry, Program Returns will be considered “Returns” under the Rules, except as specified in the Program Rules. The Program Rules allow such a return by an RDFI (i) in the case of a name mismatch between the credit Entry and the name associated with the account, (ii) for situations where the benefit recipient’s identity has been stolen, or (iii) for an unemployment program payment where there are indications that the original credit Entry is questionable, invalid, erroneous, or obtained through fraudulent filings. The Program Rules do not require an RDFI to perform name matching or to screen unemployment program credits for name matches before posting. RDFIs are not required to either notify or obtain permission from the State or Participating ODFI regarding each such return. The Participating ODFI receiving Program Returns must make the returns available to the Participating State as agreed between the Participating ODFI and the Participating State.

Nacha and the Participating ODFI therefore agree as follows:

## **AGREEMENT**

**1. Definitions.** Capitalized terms not otherwise defined in this Agreement, including the preamble and Background provisions, shall have the meanings given to such terms in the Nacha Operating Rules, as amended from time to time (the “Nacha Rules”).

**2. Incorporation by Reference.** This Agreement, together with the Nacha Rules and the Program Rules (Exhibit A) which are hereby incorporated by reference into this Agreement, constitutes the entire understanding of the parties, and supersedes any prior understandings, with respect to the subject matter of this Agreement. In the event of a conflict among this Agreement, the Program Rules and the Nacha Rules, the following order of precedence shall apply: first, this Agreement, then the Program Rules, then the Nacha Rules. Silence shall not constitute a conflict.

**3. Agreement to Participate under the Program Rules.** Participating ODFI hereby agrees to receive Program Returns, consisting of CCD Entries with “RCV” in the Identifier field of the Addenda Record, positions 04-06, on behalf of the Participating State set forth above and be bound by and comply with the Program Rules, as amended by Nacha from time to time in its sole discretion upon prior written notice to Participating ODFI. An RDFI may determine, in its sole discretion, whether to submit Program Returns.

**4. Sharing of Information.** The parties agree that the Participating ODFI, each RDFI that submits a Program Return, Nacha, and the Participating State may share information regarding the performance of the Program, including transaction volumes, for purposes of operating and improving the Program and general risk management.

**5. Term.** This Agreement shall commence as of the Effective Date and shall continue in effect until terminated by one party providing at least forty-five (45) days prior written notice to the other party.

**6. Counterparts.** This Agreement may be executed in multiple counterparts, which taken together shall constitute one instrument and each of which shall be considered an original for all purposes. In the event that any signature is delivered by facsimile transmission or email delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

\* \* \*

IN WITNESS OF THE FOREGOING, the Participating ODFI has caused this Agreement to be executed and delivered by its duly authorized officer on the date first set forth above.

**Name of Participating ODFI:** \_\_\_\_\_

By (please print person's name): \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Street Address, City, State, Zip  
\_\_\_\_\_  
\_\_\_\_\_

Telephone number (voice): \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

Date: \_\_\_\_\_

**This agreement has been accepted by Nacha:**

By (please print): \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone number (voice): \_\_\_\_\_ Fax: 703-787-0996

Email address: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE 1**  
**Participating States**

The following is a list of relevant state entities that have opted-in to the Unemployment Benefits Return Opt-In Program through their Participating ODFI, \_\_\_\_\_. If the Participating ODFI agrees to accept funds for Program Returns of Entries originated by another ODFI, that must be indicated below; otherwise, the Participating ODFI only agrees to accept Program Returns for Entries that the Participating ODFI originated.

Participating ODFI may add or delete states by providing a signed copy of the updated Schedule 1 to Nacha. The change will be effective as provided in a notice published by Nacha. Deletions will have longer effective dates to allow for RDFI implementation.

| Name of State | Relevant State Entity Responsible for Unemployment Benefits | Eligible Company IDs* | Accept Funds Without Account Number? (Yes/No)* | Accept Funds for State Entries from Other ODFI(s)? (Yes/No) | Accept Funds also via R06 Return ? (Yes/No) | Routing Number for Receiving Funds* | Account Number for Receiving Funds* |
|---------------|---|-----------------------|--|---|---|-------------------------------------|-------------------------------------|
|               |   |                       |  |   |   |                                     |                                     |
|               |   |                       |  |   |   |                                     |                                     |
|               |   |                       |  |   |   |                                     |                                     |
|               |   |                       |  |   |   |                                     |                                     |
|               |   |                       |  |   |   |                                     |                                     |

\*If Eligible Company IDs are listed, RDFIs may initiate a Program Return for the relevant state only if the original credit Entry contained that Company ID. If the Participating ODFI agrees to accept funds without account number, the Participating ODFI need not fill in the two rightmost columns. If the Participating ODFI does not agree to accept funds without account number, the Participating ODFI must fill in the two rightmost columns.

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**  
**UNEMPLOYMENT BENEFITS RETURN OPT-IN**  
**PROGRAM OPERATING RULES**

June 16, 2021

The following Operating Rules of the Unemployment Program Opt-In Program shall supersede conflicting provisions of the Nacha Rules.

- A. An RDFI may return up to the full amount of credit Entries received from each Participating State using a new forward credit Entry with the CCD Standard Entry Class Code and “RCV” in the Identifier field of the Addenda Record, positions 04-06. Each CCD Entry submitted in accordance with these Unemployment Program Opt-In Program Rules is referred to herein as a “Program Return,” and shall be treated as a “Return Entry” under the Rules, except as specified herein.
- B. A Program Return may be Transmitted by an RDFI to a Participating ODFI for up to two years following the Settlement Date of the original credit Entry.
- C. The Participating ODFI shall settle the Program Return to the respective Participating State in accordance with the Origination Agreement between the Participating ODFI and the respective Participating State.
- D. Additional exceptions to Return Rules:
  - 1. The amount of a Program Return may be less than or equal to the amount of the original credit Entry. If the Participating ODFI has agreed, the full amount of an original credit Entry for a questionable payment of unemployment benefits may also be returned in accordance with Section 3.8 of the Nacha Rules, except that the return may be Transmitted to a Participating ODFI for as long as this opt-in program remains in effect, using the Return Reason Code R06.
  - 2. A Participating ODFI may not dishonor or reject a Program Return that complies with these Program Rules. Any dispute regarding the validity of a Program Return must be addressed outside of the systemic return processes of the ACH system.
  - 3. Both a Program Return and an R06 return, if the Participating ODFI expressly agrees in its Schedule of Participating States, shall be treated as a “requested” Return pursuant to Section 2.12.3 of the Rules, and the Participating ODFI shall be subject to the indemnification requirements set forth therein. In addition, the Participating ODFI shall indemnify the RDFI submitting a Program Return from and against any and all claims, demands, losses, liabilities and expenses, including attorneys’ fees and costs, resulting directly or indirectly from the RDFI’s submission of a Program Return or an R06 return to the Participating ODFI.
  - 4. Because Program Returns are processed as new forward CCD Entries, Program Returns shall be settled on the Effective Entry Date.
- E. Because Program Returns are deemed to be Returns, the CCD Entry requirements, other than

with respect to formatting and settlement are inapplicable to Program Returns. Without limiting the foregoing:

1. A CCD Entry that is a Program Return that complies with these Program Rules cannot itself be returned by the Participating ODFI. A misrouted CCD Entry that is a Program Return can be returned by the RDFI of the misrouted CCD Entry.
  2. A CCD Entry that is a Program Return is not subject to the authorization, warranty and indemnity requirements of Article Two of the Nacha Rules.
  3. As the RDFI of the original credit Entry for an unemployment program payment, a Participating DFI that initiates a CCD Entry that is a Program Return shall be subject to the representations, warranties, and indemnities applicable to a Return under Article Three (RDFIs) of the Rules, not those applicable to a CCD Entry under Article Two (ODFIs) of the Rules.
  4. Program Returns processed as a CCD Entry shall be formatted in accordance with the specific ACH Record Format Specifications for Unemployment Entries.
  5. A Program Return may be Transmitted without the DFI Account Number only if permitted by the Participating ODFI.
- F. An RDFI makes no representation or warranty: (i) that it will Transmit any Program Returns; or (ii) that any Program Return is the result of breach of ODFI warranty, error, fraud or other unlawful activity. RDFIs shall have no liability for the Transmission of any Program Return in accordance with the Nacha Rules, as modified by these Program Rules.
- G. Nacha shall publish these Unemployment Program Opt-In Program Rules. An RDFI may elect whether or not to participate in the Unemployment Program Opt-In Program and whether or not to submit a Program Return in its sole discretion. Any RDFI submitting a Program Return agrees to be bound by these Unemployment Program Opt-In Program Rules.
- H. Any account information shared in Schedule 1 by a Participating ODFI is sensitive information. An RDFI may use that information solely for purposes of creating a Program Return, and shall safeguard such information with the same degree of care that it applies to the protection of its own sensitive account information.
- I. An RDFI may only initiate a Program Return to a Participating ODFI if the Participating ODFI was the ODFI of the original credit Entry unless the Participating ODFI expressly agrees in its Schedule of Participating States to accept Program Returns for credit Entries for the designated state that were originated by other ODFIs. The RDFI must use a CCD Entry, not an R06 return, to process any Program Return to a Participating ODFI that was not the ODFI for the original credit Entry.
- J. An RDFI may only initiate an R06 return to a Participating ODFI if the Participating ODFI expressly agrees in its Schedule of Participating States to accept these return entries. The RDFI must use a CCD Entry, not an R06 return, to process any Program Return to a Participating ODFI in this instance.

Unemployment Benefits Return Opt-In Program  
ODFI Agreement and Operating Rules – June 16, 2021

**EXHIBIT B**  
**UNEMPLOYMENT BENEFITS RETURN OPT-IN PROGRAM RETURN (CCD)**  
**FORMATTING**  
May 25, 2021

**Unemployment Batch Header Record Format**

| FIELD                              | 1                       | 2                         | 3                   | 4                                 | 5                             | 6                                | 7                                | 8                               | 9                           | 10                              | 11                            | 12                                    | 13                  |
|------------------------------------|-------------------------|---------------------------|---------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------------------|---------------------------------|-----------------------------|---------------------------------|-------------------------------|---------------------------------------|---------------------|
| <b>DATA ELEMENT NAME</b>           | <b>RECORD TYPE CODE</b> | <b>SERVICE CLASS CODE</b> | <b>COMPANY NAME</b> | <b>COMPANY DISCRETIONARY DATA</b> | <b>COMPANY IDENTIFICATION</b> | <b>STANDARD ENTRY CLASS CODE</b> | <b>COMPANY ENTRY DESCRIPTION</b> | <b>COMPANY DESCRIPTIVE DATE</b> | <b>EFFECTIVE ENTRY DATE</b> | <b>SETTLEMENT DATE (JULIAN)</b> | <b>ORIGINATOR STATUS CODE</b> | <b>ORIGINATING DFI IDENTIFICATION</b> | <b>BATCH NUMBER</b> |
| <i>Field Inclusion Requirement</i> | M                       | M                         | M                   | O                                 | M                             | M                                | M                                | O                               | R                           | Inserted by ACH Operator        | M                             | M                                     | M                   |
| <i>Contents</i>                    | '5'                     | Numeric                   | Alphameric          | Alphameric                        | Alphameric                    | Alphameric                       | Alphameric                       | Alphameric                      | YYMMDD                      | Numeric                         | Alphameric                    | TTTTAAAA                              | Numeric             |
|                                    | '5'                     | '220'                     |                     | 'PARTIAL FUNDS' or 'FULL AMOUNT'  |                               | CCD                              | 'RECOVERY'                       |                                 | (next day)                  |                                 | 1                             |                                       |                     |
| <i>Length</i>                      | 1                       | 3                         | 16                  | 20                                | 10                            | 3                                | 10                               | 6                               | 6                           | 3                               | 1                             | 8                                     | 7                   |
| <i>Position</i>                    | 01-01                   | 02-04                     | 05-20               | 21-40                             | 41-50                         | 51-53                            | 54-63                            | 64-69                           | 70-75                       | 76-78                           | 79-79                         | 80-87                                 | 88-94               |

Unemployment Benefits Return Opt-In Program  
ODFI Agreement and Operating Rules – June 16, 2021

**Unemployment Entry Detail Record Format**

| <b>FIELD</b>                       | <b>1</b>                | <b>2</b>                | <b>3</b>  | <b>4</b>                       | <b>5</b>                  | <b>6</b>        | <b>7</b>                                 | <b>8</b>                                  | <b>9</b>                  | <b>10</b>                       | <b>11</b>           |
|------------------------------------|-------------------------|-------------------------|---|--------------------------------|---------------------------|-----------------|--|---|---------------------------|---------------------------------|---------------------|
| <b>DATA ELEMENT NAME</b>           | <b>RECORD TYPE CODE</b> | <b>TRANSACTION CODE</b> | <b>RECEIVING DFI IDENTIFICATION<sup>1</sup></b> | <b>CHECK DIGIT<sup>2</sup></b> | <b>DFI ACCOUNT NUMBER</b> | <b>AMOUNT</b>   | <b>IDENTIFICATION NUMBER<sup>3</sup></b> | <b>RECEIVING COMPANY NAME<sup>4</sup></b> | <b>DISCRETIONARY DATA</b> | <b>ADDENDA RECORD INDICATOR</b> | <b>TRACE NUMBER</b> |
| <i>Field Inclusion Requirement</i> | M                       | M                       | M   | M                              | R                         | M               | O  | O   | O                         | M                               | M                   |
| <i>Contents</i>                    | '6'                     | Numeric                 | TTTTAAA   | Numeric                        | Alphameric                | \$\$\$\$\$\$\$¢ | Alphameric                               | Alphameric                                | Alphameric                | Numeric <sup>1</sup>            | Numeric             |
|                                    | '6'                     | '22'                    |   |                                | (blank)                   | (partial)       |  |   |                           | '1'                             |                     |
| <i>Length</i>                      | 1                       | 2                       | 8   | 1                              | 17                        | 10              | 15                                       | 22  | 2                         | 1                               | 15                  |
| <i>Position</i>                    | 01-01                   | 02-03                   | 04-11   | 12-12                          | 13-29                     | 30-39           | 40-54                                    | 55-76                                     | 77-78                     | 79-79                           | 80-94               |

<sup>1</sup> Routing and Transit Number of original Entry ODFI OR as designated on participation roster

<sup>2</sup> Routing and Transit Number of original Entry ODFI OR as designated on participation roster

<sup>3</sup> Copy from Identification Number Field of original Entry OR populate with Individual Name field contents

<sup>4</sup> Copy from Company Name Field of original Entry



Unemployment Benefits Return Opt-In Program  
ODFI Agreement and Operating Rules – June 16, 2021

| FIELD                              | 1                       | 2                        | 3                   | 4                               | 5  | 6                                      | 7                                      | 8   | 9               | 10                             | 11                                  |
|------------------------------------|-------------------------|--------------------------|---------------------|---------------------------------|--|--|--|---|-----------------|--------------------------------|-------------------------------------|
| <b>DATA ELEMENT NAME</b>           | <b>RECORD TYPE CODE</b> | <b>ADDENDA TYPE CODE</b> | <b>'IDENTIFIER'</b> | <b>ENTRY AMOUNT<sup>1</sup></b> | <b>ORIGINAL ENTRY TRACE NUMBER<sup>2</sup></b> | <b>ORIGINAL ENTRY DATE<sup>3</sup></b> | <b>ORIGINAL COMPANY IDENTIFICATION</b> | <b>ORIGINAL STANDARD ENTRY CLASS CODE<sup>4</sup></b> | <b>RESERVED</b> | <b>ADDENDA SEQUENCE NUMBER</b> | <b>ENTRY DETAIL SEQUENCE NUMBER</b> |
| <i>Field Inclusion Requirement</i> | M                       | M                        | M                   | R                               | R  | R                                      | R                                      | R   | N/A             | M                              | M                                   |
| <i>Contents</i>                    | '7'                     | Numeric                  | Alphameric          | \$\$\$\$\$\$\$¢                 | Numeric  | YYMMDD                                 | Alphameric                             | Alphameric  | Blank           | Numeric                        | Numeric                             |
|                                    | '7'                     | '05'                     | 'RCV'               |                                 |  |  |  |   | (blank)         | '0001'                         |                                     |
| <i>Length</i>                      | 1                       | 2                        | 3                   | 10                              | 15   | 6                                      | 10                                     | 3   | 33              | 4                              | 7                                   |
| <i>Position</i>                    | 01-01                   | 02-03                    | 04-06               | 07-16                           | 17-31  | 32-37                                  | 38-47                                  | 48-50   | 51-83           | 84-87                          | 88-94                               |

**Unemployment Addenda Record Format**

<sup>1</sup> Copied from the Amount field of the Entry Detail Record of the original Entry,

<sup>2</sup> Copied from the Trace Number field of the Entry Detail Record of the original Entry

<sup>3</sup> Copied from the Effective Entry Date field of the Entry Detail Record of the original Entry

<sup>4</sup> Copied from the Standard Entry Class Code field of the Batch Header Record of the original Entry