

ECCHO Rules Revision History

Overview of ECCHO Rules Changes Effective July 1, 2020

- One substantive change to the ECCHO Adjustment Matrix:
 - Adding ECI Indemnity Claim/Disclaimer use case to WIC (Warranty Indemnity Claim) in order to process ECI indemnity claims with entry within one year
- Other changes to the ECCHO Adjustment Matrix:
 - Correction to the documentation associated with Damages Due to Under encoding—changed from credit to debit. (A with entry claim for Damages Due to Underencoding is a debit)
 - Clarifying changes to the ECCHO Adjustments Matrix:
 - Added Regulation and ECCHO Rules citations
 - Added 'Savings Bond' to Pricing Error Adjustment
 - Added Use Case One and Use Case Two to Source of Receipt Item
 - Added words to headings: 'Financial', 'Amount' and 'Adjusting Bank Submits'
 - Bolded Adjustment Reason name to stand out
 - Spelled out 'Calendar' and 'Business' Days (formerly 'C' and 'B')
 - Spelled out 'Debit' and 'Credit' (formerly 'Dr' and 'Cr')
 - Brought Explanation up to the Adjustment Reason cell
 - Improved grammar

(Marked version of ECCHO Adjustment Matrix follows)

Changing Exhibit V XIX(N) Deadline Text to:

- Paying Bank's customer files a customer written statement under penalty of perjury (WSUPP) with the Paying Bank
- Paying Bank has 90 Calendar Days within which to file a breach of warranty claim with the Depositary Bank
- Depositary Bank that receives claim within the proper timeframe may:
- Pay the claim (if it was without entry); or
- Provide disclaimer notice back to the Paying Bank within 15 Business Days of the receipt of the breach of warranty claim if able to disclaim; or
- Request a copy of the Paying Bank customer's written statement within 15 Business Days of the receipt of the breach of warranty claim
- Should a copy of the customer written statement be requested, Paying Bank has 15 Business Days to provide
- Depositary Bank may extend disclaimer deadline by 5 Business Days if customer written statement is not received
- Depositary Bank cannot disclaim on the basis that the depositing customer has evidence that the Paying Bank's customer authorized the payment

In addition to the ECCHO Rules changes, a Sample ECI Indemnity Claim Letter and a Sample ECI Indemnity Disclaim Form have been created and are available at:
https://www.eccho.org/returns_adjustments_resources

- Can be used with adjustment system or in a direct manual claim

EXHIBIT I – ADJUSTMENT MATRIX

FINAL DRAFT FOR RECOMMENDATION BY OPERATIONS COMMITTEE

See ECCHO Adjustments Rules, in Section XII of the ECCHO Rules for the complete provisions for handling Adjustments. Provisions for rejection of adjustment claims are listed in Section XII(E) as follows:

- For an Adjustment Claim that is “with entry,” the receiving Member may either reject the request for settlement for an Adjustment Claim or initiate a second timely Adjustment Claim to reverse the settlement on the first Adjustment Claim in the following circumstances:
 - The sending Member did not comply with ECCHO Rules Section XII or the requirements of the Adjustment Matrix,
 - The Adjustment Claim does not relate to an item handled by the receiving Member,
 - The Adjustment Claim was a duplicate,
 - The receiving Member had itself previously initiated an Adjustment Claim relating to the same matter, or
 - The receiving Member has reasonable basis for concluding that the sending Member has not established the factual basis for the claim, except in situations when the Adjustment Claim relates to an RCC warranty.
- For an Adjustment Claim that is “without entry”:
 - The Members shall settle for the Adjustment Claim only upon the agreement of the Members as to the resolution of the Adjustment Claim, or the time period for settlement of the Adjustment Claim as established by the Adjustment Provider, if applicable; and
 - The receiving Member may reject a request for settlement for the Adjustment Claim for any of the reasons specified above for rejection of “with entry” claims.
- For an Adjustment Claim that is an informational Adjustment Claim, the receiving Member shall respond to the informational Adjustment Claim within the number of Calendar/Business Days from the date of the request specified in the Adjustment Matrix.

Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Adjustment Reversal Explanation: <u>Reversal of an incorrect adjustment of an item that was incorrectly adjusted.</u> Reversal must be for a valid reason. Note: Can only be used when <u>Party Making Claim</u> has reference number for adjustment to reverse.	90 <u>Calendar Days</u>	None	<u>With Entry</u>	<u>Debit/Credit</u>	<u>Either Party</u>	<u>Either Party</u>	Copy of Item Previous reference # Previous date charged	No
Adjustment Reversal Explanation: Request for <u>reversal of an incorrect adjustment of an item that was incorrectly adjusted.</u> Reversal must be for a valid reason. Note: Can only be used when <u>Party Making Claim</u> has reference number for adjustment to reverse.	91 <u>Calendar Days</u> – 1 year	None	<u>Without Entry</u>	<u>Debit/Credit</u>	<u>Either Party</u>	<u>Either Party</u>	Copy of Item Previous reference # Previous date charged	No

Commented [j1]: Changes made to introductory text to note the differences between with entry, without entry and informational adjustment claims.

Commented [j2]: Added word ‘Amount’ to column heading to expand description

Commented [j3]: Added word ‘Financial’ to column heading

Commented [j4]: Changed from ‘DR/CR’ column heading to ‘Adjusting Bank Submits’

Commented [j5]: Spell out Adjustment

Commented [j6]: Spell out Adjustment

Commented [j8]: Changed from ‘C’ to ‘Calendar Days’ or ‘B’ to ‘Business Days’ throughout Adjustment Matrix

Commented [j9]: Changed from ‘Dr’ and/or ‘Cr’ to ‘Debit’ and/or ‘Credit’ throughout Adjustment Matrix

Commented [j7]: Moved Explanation of each adjustment reason into the Adjustment Reason cell

The explanations of adjustment reasons serve as an informational guide to assist adjustment processing. These explanations do not represent a complete summary of all legal rights or claims that may arise under applicable law or the ECCHO Rules and for which a Member may seek an adjustment under the ECCHO Rules.

* For a Group Adjustment Claim, the bank making the Group Adjustment Claim may, at its option, provide the range of sequence numbers (first and last sequence number) of the items subject to the Group Adjustment Claim. All items in the range of sequence numbers must be subject to the Group Adjustment Claim. If the bank is using an Adjustment Provider, the Adjustment Provider must allow for this option.

** Sample optional letters and forms can be found on www.eccho.org.

Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Amount Error – Legal amount - Encoding Error - Misread Explanation: An item was encoded for an amount different than the legal (written) amount or the written amount differs from the stated amount in the ANSI X9.100-187 image cash/return letter. Only applies to amount encoding errors.	180 Calendar Days	Federal Reserve minimum	With Entry	Debit/ Credit	Either Party	Either Party	MICR Code Line Sequence # Item Date Amt Difference	No
Amount Error – Legal amount - Encoding Error - Misread Explanation: Request for compensation for an item was encoded for an amount different than the legal (written) amount or the written amount differs from the stated amount in the ANSI X9.100-187 image cash/return letter. Only applies to amount encoding errors.	181 Calendar Days - 1 year	Federal Reserve minimum	Without Entry	Debit/ Credit	Either Party	Either Party	MICR Code Line Sequence # Item Date Amt Difference	No
Claim of Damage due to Under-encoding ** Explanation: Compensation for an item that was under-encoded by the Depository Bank for which the Paying Bank is unable to collect the funds.	20 Business Days	Federal Reserve minimum	With Entry	Debit	Receiving Party	Sending Party or by Agreement	Information from encoding error MICR Code line Original Reference # Sequence # Item Date CL date Entry date	No
Claim of Damage due to Under-encoding ** Explanation: Request for compensation for an item that was under-encoded by the Depository Bank for which the Paying Bank is unable to collect the funds.	21 Business Days – 1 year	Federal Reserve minimum	Without Entry	Debit	Receiving Party	Sending Party or by Agreement	Information from encoding error MICR Code line Original Reference # Sequence # Item Date CL date Entry date	No

Commented [j10]: Changed terminology to 'Request for compensation' on all applicable Without Entry claims

Commented [j11]: Corrected to show that adjusting bank submits a Debit when submitting Damage Due to Under-encoding adjustment claim

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Disposition of Item (where the item was sent) Information Adjustment Claim – Receiving Party must respond within 45 calendar days from date of request. See ECCHO Rules Section XII(E)(5). Explanation: Information request to identify where an item was presented/returned, including the routing number; and the associated cash/return letter information (date, total, bundle and sequence number).	1 year	None	Without Entry	N/A	Either Party	Either Party	MICR Code line Sequence # Item Date Copy of Item	No
Duplicate Presentment– Item (single or multiple) Explanation: An institution received an item which it was asked to pay based on an item that it already had paid. This is for a claim arising under duplicate warranty provision. under applicable law and the ECCHO Rules <i>For more information on duplicate warranty, see Regulation CC 229.34(a)(ii)</i>	180 Calendar Days	None	With Entry	Debit/ Credit	Either Party	Either Party	For Both items MICR Code Line Sequence # Date of indorsement Cash letter totals Case # (if notified) If originally received from FRB can include only information received from FRB plus FRB reference number or copy of FRB adjustment form or advice.	Yes*
Duplicate Presentment – Item (single or multiple) Explanation: An institution received an item which it was asked to pay based on an item that it already had paid. This is a request for compensation for a claim arising under duplicate warranty provision. under applicable law and the ECCHO Rules <i>For more information on duplicate warranty, see Regulation CC 229.34(a)(ii)</i>	181 Calendar Days - 1 year	None	Without Entry	Debit/ Credit	Either Party	Either Party	For Both items MICR Code Line Sequence # Date of indorsement Cash letter totals Case # (if notified) If originally received from FRB can include only information received from FRB plus FRB reference number or copy of FRB adjustment form or advice.	Yes*

Commented [j12]: Corrected citation to Reg CC for duplicate warranty

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Entry in Error Adjusting Errors Settlement Explanation: A settlement accounting entry was incorrectly made, either for the wrong amount or to the wrong party.	20 Business Days	Federal Reserve minimum	With Entry	Debit/ Credit	Either Party	Either Party	Previous reference # in error	No
Entry in Error Adjusting Errors Settlement Explanation: Request for compensation for a settlement accounting entry which was incorrectly made, either for the wrong amount or to the wrong party.	21 Business Days - 1 year	Federal Reserve minimum	Without Entry	Debit/ Credit	Either Party	Either Party	Previous reference # in error	No
Expedited Recredit Explanation: Request for compensation for a Check 21 expedited recredit claim (see Reg CC). Note: Limited to Substitute Checks only	120 Calendar Days	None	Without Entry	Debit/ Credit	Either Party	Either Party	Follow requirements in Reg CC 229.55	No

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Late Return Claim <u>Explanation:</u> Item was returned outside applicable return time frames.	60 <i>Calendar Days</i>	<i>Federal Reserve minimum</i>	<i>With Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	<i>MICR Code line Sequence # Item Date Copy of Item</i>	<i>No</i>
Late Return Claim <u>Explanation:</u> Request for compensation for an item returned outside applicable return time frames.	61 <i>Calendar Days – 1 year</i>	<i>Federal Reserve minimum</i>	<i>Without Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	<i>MICR Code line Sequence # Item Date Copy of Item</i>	<i>No</i>
Late Return Disclaimer <u>Explanation:</u> For disclaimer of a late return claim adjustment. (A disclaimer is a rejection of the original adjustment/warranty claim and not itself a new adjustment that can also be rejected).	20 <i>Business Days</i>	<i>Federal Reserve minimum</i>	<i>With Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	<i>MICR Code line Sequence # Item Date Copy of Item</i>	<i>No</i>
Late Return Disclaimer <u>Explanation:</u> Request for compensation for disclaimer of a late return claim adjustment. (A disclaimer is a rejection of the original adjustment/warranty claim and not itself a new adjustment that can also be rejected).	21 <i>Business Days – 1 year</i>	<i>Federal Reserve minimum</i>	<i>Without Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	<i>MICR Code line Sequence # Item Date Copy of Item</i>	<i>No</i>

Commented [j13]: Added text to clarify that a disclaimer is not a new adjustment that can be rejected

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Mis-matched MICR Explanation: Item for which the MICR information associated with the item does not match the MICR information reflected on the image of the item. The traditional example is where the full MICR line of one item has been misaligned with the image of another item rather than a misread of a character or characters on the same item. For an encoding error of amount only use Amount Error adjustment reason. This reason can be used when the code line in the Check Detail Record (Type 25) does not exactly match the code line on the original check. This reason is used for any encoding errors other than an error in amount.	90 <i>Calendar Days</i>	None	<i>With Entry</i>	<i>Debit/ Credit</i>	<i>Either Party</i>	<i>Either Party</i>	MICR Code line Sequence # Item Date Copy of Item	Yes*
Mis-matched MICR Explanation: Request for compensation for an item for which the MICR information associated with the item does not match the MICR information reflected on the image of the item. The traditional example is where the full MICR line of one item has been misaligned with the image of another item rather than a misread of a character or characters on the same item. For an encoding error of amount only use Amount Error adjustment reason. This reason can be used when the code line in the Check Detail Record (Type 25) does not exactly match the code line on the original check. This reason is used for any encoding errors other than an error in amount.	91 <i>Calendar Days</i> - 1 year	None	<i>Without Entry</i>	<i>Debit/ Credit</i>	<i>Either Party</i>	<i>Either Party</i>	MICR Code line Sequence # Item Date Copy of Item	Yes*

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Non Conforming Image (NCI) Image Missing Ineligible item Invalid RT Explanation: Item fails to meet image quality standards, image of item is missing, item contains an invalid or undefined routing number (i.e. routing number not eligible for image exchange) or invalid data for specific file type, or the item is ineligible for image exchange.	20 Business Days	None	With Entry	Debit/ Credit	Either Party	Either Party	MICR Code line Sequence # Item Date CL Date Type of NCI	Yes*
Non Conforming Image (NCI) Image Missing Ineligible item Invalid RT Explanation: Request for compensation for an item which fails to meet image quality standards, image of item is missing, item contains an invalid or undefined routing number (i.e. routing number not eligible for image exchange) or invalid data for specific file type, or the item is ineligible for image exchange.	21 Business Days – 1 year	None	Without Entry	Debit/ Credit	Either Party	Either Party	MICR Code line Sequence # Item Date CL Date Type of NCI	Yes*

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Non-negotiable item/Non Cash Item Explanation: "Negotiability" is defined in the UCC (see UCC) and "Non-Cash Item" is defined in Reg CC (See Reg CC). Examples of non-cash items include items that enter collection stream in error such as empty carrier, control document, deposit/withdrawal ticket, pay stub or mutilated item, piggyback and item not encoded with magnetic ink.	90 <i>Calendar Days</i>	None	<i>With Entry</i>	<i>Debit/ Credit</i>	<i>Either Party</i>	<i>Either Party</i>	<i>MICR Code line Sequence # Item Date</i>	Yes*
Non-negotiable item/Non Cash Item Explanation: Request for compensation for a non-negotiable item or non-cash item. "Negotiability" is defined in the UCC (see UCC) and "Non-Cash Item" is defined in Reg CC (See Reg CC). Examples of non-cash items include items that enter collection stream in error such as empty carrier, control document, deposit/withdrawal ticket, pay stub or mutilated item, piggyback and item not encoded with magnetic ink.	91 <i>Calendar Days</i> - 1 year	None	<i>Without Entry</i>	<i>Debit/ Credit</i>	<i>Either Party</i>	<i>Either Party</i>	<i>MICR Code line Sequence # Item Date</i>	Yes*

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Not our Item Explanation: In forward collection process, an item that contains routing transit number that does not belong to the institution that receives item or the institution authorized to process the item. In return collection process, an item that was not indorsed/handled, either physically or electronically, by the institution that receives the return item.	20 Business Days	None	With Entry	Debit/ Credit	Either Party	Either Party	MICR Code line Sequence # Item Date	Yes*
Not our Item Explanation: Request for compensation for an item in forward collection process that contains routing transit number that does not belong to the institution that receives item or the institution authorized to process the item. Request for compensation for an item in return collection process that was not indorsed/handled, either physically or electronically, by the institution that receives the return item.	21 Business Days - 1 year	None	Without Entry	Debit/ Credit	Either Party	Either Party	MICR Code line Sequence # Item Date	Yes*
Other Explanation: Request for compensation for an Adjustment reason not otherwise specifically identified in this Adjustment Matrix.	1 year	Federal Reserve minimum	Without Entry	Debit	Receiving Party	Sending Party	MICR Code line Sequence # Item Date Copy of Item	No
Pricing Error Adjustment For Savings Bonds Explanation: Initiated by Federal Reserve at request of Bureau of Fiscal Services (BFS) when it determines savings bond was redeemed for incorrect amount or was processed for incorrect amount.	N/A** * **Deadline not applicable since ECCHO Member did not receive forward or return item.	Federal Reserve Minimum	With Entry	Debit/ Credit	Either Party	Either Party	Same as Federal Reserve	No

Commented [j14]: Added 'For Savings Bonds' to explain that this adjustment reason is only for use with savings bonds and not for checks

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Request for Information Information Adjustment Claim – Receiving Party must respond within 45 calendar days from date of request. See ECCHO Rules Section XII(E)(5). Explanation: Request for information regarding a forward, return or adjustment item.	1 year	Federal Reserve minimum	Without Entry	Debit N/A	Receiving Party	Sending Party	MICR Code line Sequence # Item Date Copy of Item	No
Request for Original or Sufficient Copy Information Adjustment Claim – Receiving Party must respond within 45 calendar days from date of request. See ECCHO Rules Section XII(E)(5). Explanation: Request for information to assist in determining whether a Check 21 claim is valid.	1 year	None	Without Entry	Debit N/A	Receiving Party	Sending Party	MICR Code line Sequence # Item Date Copy of Item	No
Return Adjustment Explanation: Adjustment of a return item that was incorrectly returned.	60 Calendar Days	None	With Entry	Debit/ Credit	Either Party	Either Party	Reason for use Item sequence number Date of Deposit Copy of item that includes (RT, Acct #, Amount, Check #)	No
Return Adjustment Explanation: Request for compensation for a return item that was incorrectly returned.	61 Calendar Days – 1 year	None	Without Entry	Debit/ Credit	Either Party	Either Party	Reason for use Item sequence number Date of Deposit Copy of item that includes (RT, Acct #, Amount, Check #)	No
Rule 8 & 9 Claim Explanation: Adjustment of a warranty claim arising under either Rule 8 or Rule 9. See ECCHO Rules Section XIX(N) & (O) for explanation.	Follow ECCHO Rules in Section XIX(N) & (O)	None						No
Rule 8 & 9 - Disclaim Warranty Explanation: Disclaimer of a warranty claim arising under either Rule 8 or Rule 9. See ECCHO Rules Section XIX(N) & (O) for explanation. (A disclaimer is a rejection of the original adjustment/warranty claim and not itself a new adjustment that can also be rejected).	Follow ECCHO Rules in Section XIX(N) & (O)	None						No

Commented [j15]: Changed from 'Debit' to 'N/A' on informational adjustments because they do not have financial entry

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust
Source of Receipt Item Information Adjustment Claim <u>Use Case One Explanation:</u> A request to identify from whom an institution received an item, including the routing number and the associated cash/return letter information (date, total, bundle and sequence number) Note: Receiving Party must respond within 20 business days from date of request. See ECCHO Rules Section XII(E)(5).	1 year	N/A	Without Entry	N/A	Either Party	Either Party	MICR Code line Sequence # Item Date Copy of Item	No
	1 year	N/A	Without Entry	N/A	Paper Depository Bank	Paying Bank	Provide information requested within or complete & attach Sample Source of Item Identification Form	No

Commented [j16]: Use case one was the original use case for Source of Receipt Item adjustment reason. Use case two was added for use with RDC indemnity claims.

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Unauthorized RCC Warranty Claim Explanation: Adjustment of Remotely Created Check (RCC) warranty claim arising from an RCC that was not authorized by the Paying Bank's customer in the amount or to the payee stated on the RCC. Claims for unauthorized RCCs can be made as an adjustment using this adjustment reason or as a Rule 8 claim using the return mechanism (See ECCHO Rules Section XIX(N)). <i>For more information on RCC warranty breach claims, see Regulation CC 229.34(b)</i>	90 <i>Calendar Days</i>	None	<i>With Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	MICR Code line Sequence # Item Date Copy of Item Copy of Affidavit (see sample in ECCHO Rules Exhibit VIII)	No
Unauthorized RCC Warranty Claim Explanation: Request for compensation for a remotely created check (RCC) warranty claim arising from an RCC that was not authorized by the Paying Bank's customer in the amount or to the payee stated on the RCC. Claims for Unauthorized RCCs can be made as an adjustment using this adjustment reason or as a Rule 8 claim using the return mechanism (See ECCHO Rules Section XIX(N)). <i>For more information on RCC warranty breach claims, see Regulation CC 229.34(b)</i>	91 <i>Calendar Days</i> - 1 year	None	<i>Without Entry</i>	<i>Debit</i>	<i>Receiving Party</i>	<i>Sending Party</i>	MICR Code line Sequence # Item Date Copy of Item Copy of Affidavit (see sample in ECCHO Rules Exhibit VIII)	No

Commented [j17]: Added Reg CC citation for RCC warranty claim

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adj	Party to whom Adj Can be made	Information Needed	Group Adjust
Warranty Indemnity Claim (WIC) For Check 21 Warranty Breach Claim Explanation: For breach of Check 21 warranty claims <i>For more information on Check 21 warranty breach claims, see Regulation CC 229.52.</i>	1 year	Federal Reserve minimum	With Entry	Debit	Receiving Party	Sending Party	Description of Warranty Breach MICR Code line Copy of Item	No
Warranty Indemnity Claim (WIC) For Remote Deposit Capture (RDC) Indemnity Claim Explanation: For RDC indemnity claims <i>For more information on RDC indemnity see Regulation CC 229.34(f)</i>	1 year	Federal Reserve minimum	With Entry	Debit	Paper Deposit Bank	RDC Bank	Provide information requested within or complete and attach Sample RDC Indemnity Claim Letter** as appropriate	No
Warranty Indemnity Claim (WIC) For Remote Deposit Capture (RDC) Indemnity Disclaimer Explanation: For disclaimer of RDC indemnity claim. (A disclaimer is a rejection of the original adjustment/warranty claim and not itself a new adjustment that can also be rejected). <i>For more information on RDC indemnity see Regulation CC 229.34(f)</i>	20 Business Days	Federal Reserve minimum	With Entry	Debit	RDC Bank	Paper Deposit Bank	Provide information requested within or complete and attach Sample RDC Indemnity Disclaim Letter** as appropriate	No

Commented [j18]: Added Reg CC citation

The explanations of adjustment reasons serve as an informational guide to assist adjustment processing. These explanations do not represent a complete summary of all legal rights or claims that may arise under applicable law or the ECCHO Rules and for which a Member may seek an adjustment under the ECCHO Rules.

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Adjustment Reason	Deadline (Ranges)	Min \$ Amount	With/ Without Financial Entry	Adjusting Bank Submits	Party who can Make Adjustment	Party to whom Adjustment Can be made	Information Needed	Group Adjust Allowed
Warranty Indemnity Claim (WIC) For Electronically Created Item (ECI) Indemnity Claim Explanation: For ECI Indemnity claims For more information on ECI indemnity see Regulation CC 229.34(g)	1 year	Federal Reserve minimum	With Entry	Debit	ECI Receiving Party	ECI Sending Party	Provide information requested within or complete and attach Sample ECI Indemnity Claim Letter** as appropriate	No
Warranty Indemnity Claim (WIC) For Electronically Created Item (ECI) Indemnity Disclaimer Explanation: For disclaimer of ECI indemnity claim. (A disclaimer is a rejection of the original adjustment/indemnity claim and not itself a new adjustment that can also be rejected). For more information on ECI indemnity see Regulation CC 229.34(g)	20 business days	Federal Reserve minimum	With Entry	Debit	Party that Received ECI Indemnity Claim	Party that Made ECI Indemnity Claim	Provide information requested within or complete and attach Sample ECI Indemnity Disclaim Form** as appropriate	No
Wrong Payee Credit Explanation: Depository Bank seeks to pass credit to maker's account at Paying Bank to correct error in payee processing/credit of the item. An example would be lockbox bank posts check utility payment to entity other than the utility company payee and subsequently identifies the processing error.	180 Calendar Days	None	With Entry	Credit	N/A	N/A	Copy of check Maker name Check number Account on Check	No
Wrong Payee Credit Explanation: Request for compensation for Depository Bank to pass credit to maker's account at Paying Bank to correct error in payee processing/credit of the item. An example would be lockbox bank posts check utility payment to entity other than the utility company payee and subsequently identifies the processing error.	181 Calendar Days – 1 year	None	Without Entry	Credit	N/A	N/A	Copy of check, Maker name, Check number, Account on Check	No

Commented [j19]: Added new use case to WIC adjustment reason for ECI Indemnity claims

Commented [j20]: Replaced 'BOFD' with 'Depository Bank' throughout Adjustment Matrix

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