

# Fighting credit-push fraud

Preparing for Nacha's fraud monitoring rule changes



A woman in a light-colored blazer stands in a modern office with large windows, presenting to a group of people seated at a table. The office has a bright, airy feel with natural light coming through the windows. The woman is smiling and holding a small object in her hands. The seated individuals are looking towards her, and there are laptops and papers on the table.

# Agenda

- Introduction
- The rise of credit-push fraud and impact on Nacha rules
- 2026 fraud monitoring changes for originators
- Call to action
- Questions and resources



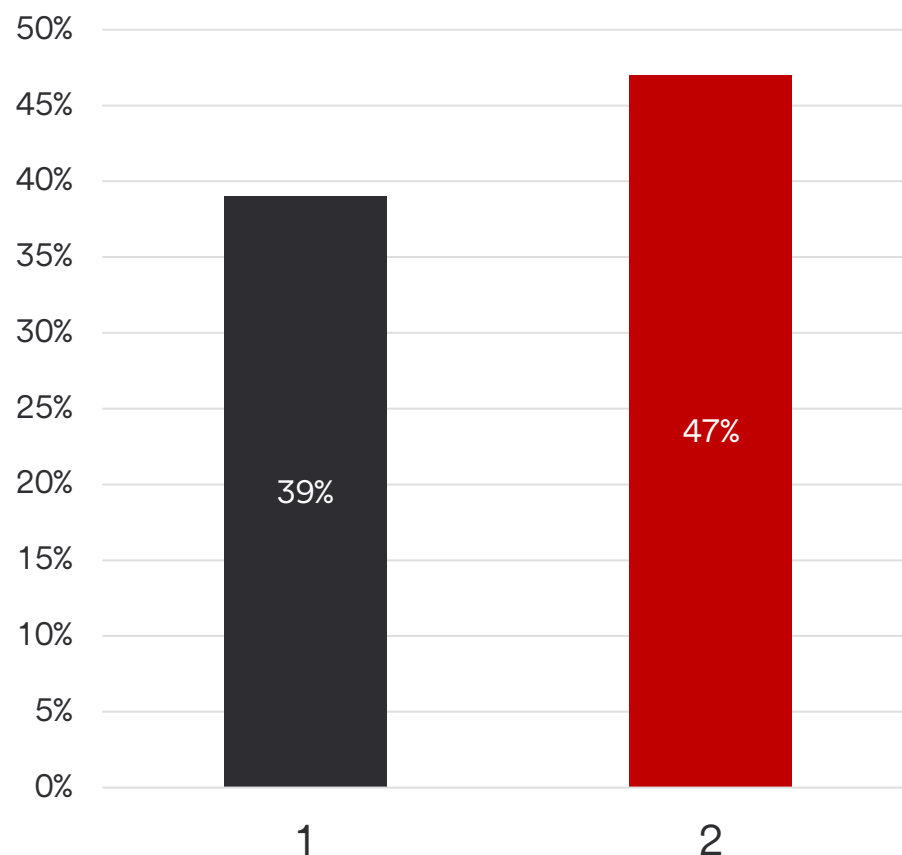
# The rise of credit-push fraud and impact on Nacha rules



# An explosion of credit-push fraud is here

- ACH fraud prevention has historically focused on unauthorized debits
- Criminals are shifting focus to exploit credit-push payments of all kinds

## Key data from 2024 AFP survey

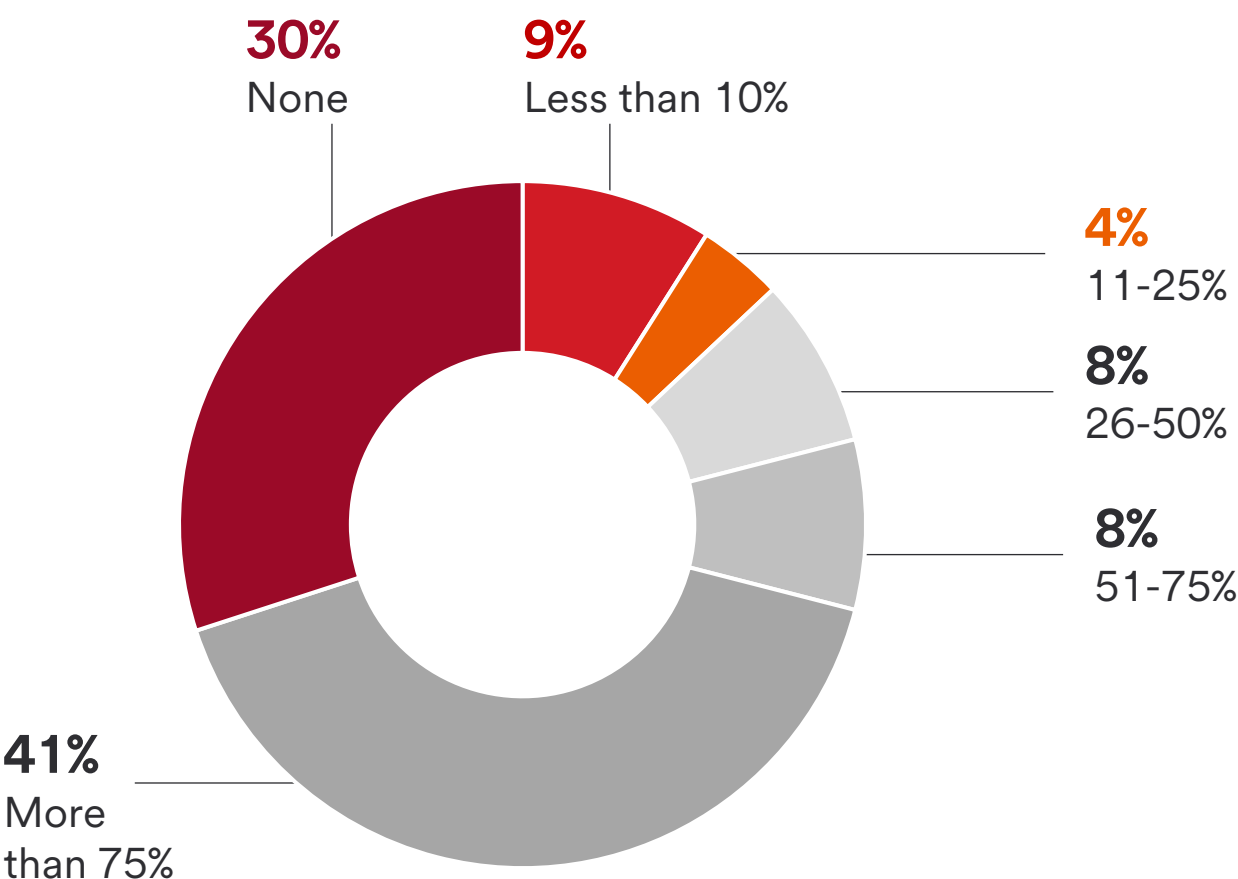


ACH credit payments surpassed wires in vulnerability to Business Email Compromise (BEC)

Source: 2024 AFP Payment Fraud and Control Survey.

# Originators typically bear the loss of funds

Percentage of lost funds recovered (percentage distribution of organizations experiencing payments fraud)



**43% of organizations recover less than 25% of original payment value**

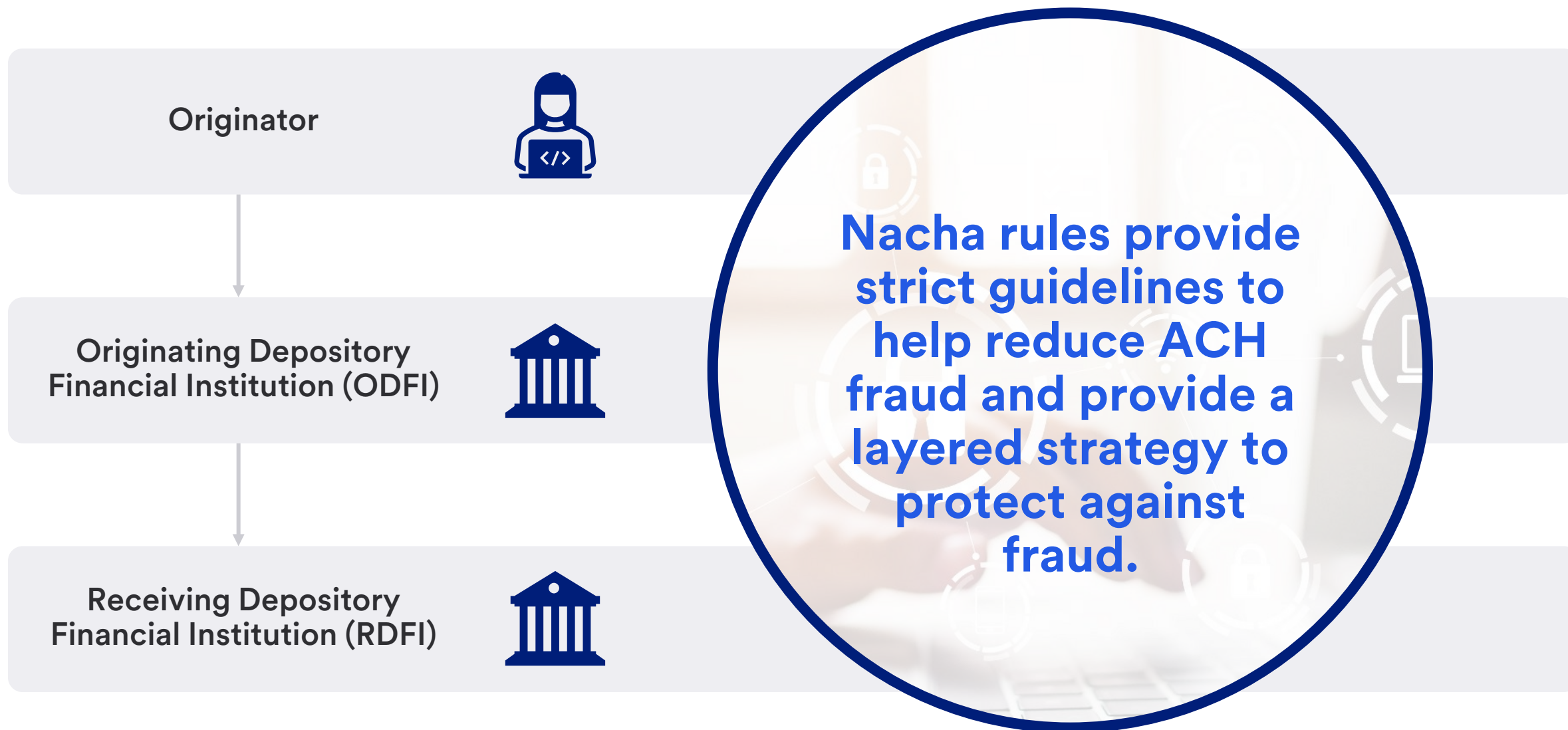
Transactions were an *authorized* credit push

Businesses and consumers take losses in majority of cases

Impacts all payment rails

Source: 2024 AFP Payment Fraud and Control Survey.

# A layered approach helps reduce credit-push fraud



# Fraud monitoring amendments for originators





# Originator, TPSP, TPS, ODFI and RDFI amendment requirements



Originators, TPSPs, TPSs and ODFIs establish and implement risk-based processes to identify ACH Entries initiated under false pretenses



RDFIs establish and implement risk-based processes to identify ACH Credit Entries suspected of being unauthorized or authorized under false pretenses



An annual review of established processes to make updates as risks evolve

**The Fraud Monitoring amendments are part of a comprehensive approach to reduce fraud risks in the ACH network and to improve the chances of recovery when fraud has occurred.**





# Fraud monitoring amendments will be implemented over two phases

## Phase One: Effective March 20, 2026

- Applies to all originators, third-party senders, and third-party service providers that originated more than 6 million ACH transactions in 2023
- Also applies to all banks that received over 10 million ACH transactions in 2023

## Phase Two: Effective June 22, 2026

- Applies to all originators, third party senders, and third-party service providers that did not meet the threshold for Phase One
- As well as all banks that receive ACH transactions that did not meet the threshold for Phase One



# Navigating potential fraud with ACH origination payments

Identifying false pretense attempts is critical in protecting your organization

<b>CEO impersonation</b> Fraudster impersonates person of authority to demand authorization of ACH origination	<b>Vendor impersonation</b> Fraudster pretends to be a vendor that a company works with and requests payment to a fraudulent account	<b>Real estate impersonation</b> Fraudster acts as a real estate settlement agent or attorney to have funds transferred to a fraudulent account	<b>Employee impersonation</b> Fraudster claims to be an employee of an organizations and requests payment to a fraudulent account
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Examples of credit entries authorized by the originator under false pretenses



# Amendment for New Company Entry Descriptions

Effective March 20, 2026<sup>1</sup>

The Company Entry Description (CED) is a 10-character field the originator uses for purpose of a payment.

The new rule establishes a standard description for the CED Field for specific types of transactions.

These changes are part of a comprehensive approach to reduce fraud risks in the ACH network.

<b>Payroll</b>	PPD credits for the payment of wages, salaries, and similar compensation must use the value of PAYROLL in the Entry Description field for a batch containing those transactions. Originators should continue to use PENSION for retirement benefit payments.
<b>Purchase</b>	WEB debits for the online purchases of goods, including recurring purchases first authorized online must use the value of PURCHASE in the Entry Description field for a batch containing those transactions.
<b>Other Nacha specific Company Entry Descriptions</b>	<ul style="list-style-type: none"><li>• HCCLAIMPMT</li><li>• REVERSAL</li><li>• ACCTVERIFY</li><li>• RETRY PMT</li></ul>

1. March 20, 2026 is a "no later than" date, Originators may begin using the descriptions as soon as is practical for them.

# Call to action



# Use account validation and dual approvals

- Perform account validation for ALL new or changed receiver account numbers
  - Commercial account validation services
  - Micro Entry transactions (Requires additional business processes)
  - Prenotes do NOT establish account ownership
- Review account activity daily and report any suspicious transactions immediately
- Establish dual controls for ACH origination and account changes
- Make sure secondary approvers are taking the time to review carefully





# Create and document payment request and change procedures

Document procedures to validate payment requests from customers, company personnel and partners to change payment instructions.

Use known contact information (not any of the information provided in a change notification).

Remind your staff that criminals often create a sense of urgency to pressure them to make a quick decision.





# Establish a cadence of continual risk assessment



Conduct an annual risk assessment and remediate any items of concern



Adapt to evolving threats



Know your baseline of typical activity to help spot anomalies

This checklist does not constitute legal advice, nor is it exhaustive. You remain responsible for taking adequate measures to comply with the Nacha Rules.





# Resources

[Nacha Operating Rules - New Rules | Nacha](#)

[Nacha Resources for Treasury, Finance and Payroll Professionals | Nacha](#)

*“An ounce of prevention is worth a pound of cure”.*

**Benjamin Franklin - 1736**



# Thank you

This is intended for general information purposes only. It is not exhaustive or conclusive and is not intended to explore all the possible risks involved with using any of the services mentioned.

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