

# Nacha Compliant Bank Account Validation Solutions

Account Validation Service

## Executive Summary

Nacha will implement its Enhanced ACH Risk Management and Fraud Prevention Requirements on March 20, 2026, requiring real time validation of bank accounts before initiating ACH transactions

To support this requirement and strengthen billing reliability, ABC Fitness validates every new bank account added across all supported channels, including:

- Online Join
- Ignite Engagement App
- In-club workflows
- Any custom integration that submits bank account information through the eAPI

Where a user adds a new bank account, ABC Fitness validates it immediately using **Account Validation Service (AVS)** and for all eAPI submissions.

These capabilities strengthen fraud prevention, reduce payment failures, improve revenue predictability and maintain a consistent validation process across all systems and channels.

## Value Proposition, Why Bank Account Validation Matters

- Reduces failed debits by preventing invalid or closed accounts.
- Increases operational efficiency with fewer billing exceptions.
- Lowers fraud and unauthorized debit risks.
- Ensures compliance with Nacha requirements.
- Improves revenue predictability with more successful first attempt debits.
- Provides consistent validation across all channels.
- Enhances member experience by identifying bank connection issues immediately.

## Bank Account Validation Pathways

ABC Fitness provides a validation method available across the platform:

### What is Account Validation Service (AVS)?

Server-side validation used for manual entry in the Online Join and for all eAPI submissions.

This method ensures compliant real-time validation for every new bank account added.

### What is its purpose?

The Account Validation Service is the required validation method for all bank accounts submitted through the eAPI

If a client system sends routing and account numbers through the eAPI, the Account Validation Service is always used.

## How These Validation Service Works

- The client system collects routing and account numbers.
- The client submits these values to ABC Fitness through the eAPI.
- If the account result is Closed or Invalid, the client receives the standardized error: `bankPaymentToken.accountValidation.failed`
- The Account Validation Service performs real-time validation.

The code eAPI will return in the case of

- Validation failure: API - MEM - DT - 0256
- Success: API - MEM - DT - 0000

## How These Validation Methods Support Client Workflows

ABC Fitness provides two validation methods that work across platform experiences to ensure all new bank accounts are validated consistently and in real time.

## Account Validation Service Capabilities

The Account Validation Service supports:

- All eAPI based integrations.
- Custom built user interfaces and join experiences.
- Real time server-side validation of routing and account numbers.
- A unified compliance layer for all systems

## Summary of Validation Across Channels

Channel or Experience	How Bank Info Is Provided	Validation Method	Fee
Online Join	eAPI	AVS	Yes
Ignite Engagement App	Custom UI	AVS	Yes
In-club	eAPI	AVS	Yes
Custom Integration	eAPI submission	AVS	Yes

All new bank accounts are validated across all channels, and all validations incur an additional fee.

### Cost

- Each validation attempt incurs a validation fee.
- Fees apply to Account Validation Service validations.
- Fees apply across all channels regardless of workflow completion.
- A unified compliance layer for all systems.

### Reporting

The Account Validation Service supports:

- Total validation attempts.
- Associated validation fees.
- Count of rejected validations.

Additional reporting can be provided based on client needs.

## What Is Changing and What Is Not

Staying the Same

- Client branding and join flow structure.
- Card processing workflows.
- User experience changes only when validation fails

Enhanced

- All new bank accounts undergo real-time validation.
- Invalid accounts are stopped immediately.
- Stronger fraud prevention and payment reliability.
- Full alignment with Nacha requirements.

## FAQ

### eAPI and Integration Questions

**Does the Account Validation Service validate all bank accounts submitted through the eAPI?**

Yes, the Account Validation Service is always used for eAPI based submissions.

**Are internal validation codes provided to clients?**

No, only the standardized error is returned.

**Can users retry after a failed validation?**

Yes, revised information can be submitted.

**Do validation fees apply to all workflows?**

Yes

**When do Nachas's requirements take effect?**

March 20, 2026.