

Everything You Need to Know About

BANK ACCOUNT VALIDATION

Account validation is used to determine if a bank account is open, valid and ACH capable enabling faster access to funds. Depending on the use case, organizations may need a mix of non-credentialed and credentialed tools. Nacha requires payment originators to validate an account prior to sending ACH transactions, but there are many ways to do so.

Commonly Used Validation Methods:

Method	Manual Verification	Micro-Deposits	Instant Verification Services
How It Works	Process where account holder provides documents such as bank statements or voided checks	The bank deposits small amounts of money (usually less than \$1) into the account holder's bank account. The account holder then verifies the amounts deposited through online banking or by calling the bank.	Third-party provider services provide access to bank account insights for verification and ownership
What It Does	Proves ownership of the account	Verifies Routing and Account Number are valid, open and able to receive ACH and that the consumer has access.	Verifies Routing and Account Number are valid, open, ach capable. Also can provide details into account ownership and balance.
Friction	High, manual process	High-drop off	Non-credentialed and credentialed options available
Time	Depends on Customer	2-4 Days	Instant

ValidiFI's account validation solutions provide a predictive approach to verifying accounts. Quickly gain insight into:

- Whether an account is valid, open and ACH capable
- Determine legitimacy of the bank account
- Can the bank account be found at the provided institution
- Does the account structure match the account and routing number provided
- Is the account a push only account, or can it be debited?
- Signs of fraud prior to payment processing?
- History of past returns or payment issues?

We offer configurable, real-time solutions to meet your needs

vAccount

Validate an account is valid, open, and ACH capable

vFraud

Detect fraud by flagging incorrect contact details and suspicious activity

vConnect

Validate an account and user access by having a user sign in to their account using their login credentials

vAccount Plus

Unlock valuable insights into bank account stability, recency, and performance

vAuth

Use real-time microdeposits to verify accounts and user access



To learn more about our solutions, visit validifi.com

