



Summary of Changes to the Image Exchange Network Operating Rules

The SVPCO Business Committee has approved changes to the Image Exchange Network Operating Rules, which are summarized below.

- The ECCHO Business Committee approved changes to ECCHO Rules II(B) and XIX(O). Among other things, these changes provide that the “Rule 9” warranty is made directly by an ECCHO Member that is a Depository Bank to the Paying Bank that is also a Member. The path and manner in which the item is collected are irrelevant so long as both the Depository Bank and Paying Bank are ECCHO Members that have not opted out of Rule 9.
- The SVPCO Business Committee approved related modifications to the Image Exchange Network Operating Rules (Network Rules). The changes address technical provisions about the relationship between the Network Rules and the ECCHO Rules. The purpose is to ensure that the new ECCHO Rule 9 provisions apply to Image Exchange Network Participants and their exchanges with other ECCHO Members as intended. More specifically, these changes:
 - modify existing section II(A-1(a))(Application of the Image Exchange Network Rules) to provide that the Network Rules establish requirements for Participants with respect to Electronic Checks exchanged, directly or indirectly, with another ECCHO Member where the exchange does not occur pursuant to the Network Rules;
 - add new section II(A-1(b)) (Exchanges Pursuant to the Network Rules) to provide that a Participant is considered an ECCHO Member for purposes of the application of Section XIX(O) of the ECCHO Rules; and
 - add new section II(A-1(c)) (Exchanges Not Pursuant to the ECCHO Rules) to provide that a Participant is considered an ECCHO Member for purposes of the application of Section XIX(O) of the ECCHO Rules; and Sections II(B) and XIX(O) of the ECCHO Rules apply to the Participant.
- The changes also eliminate superfluous provisions of the Network Rules (XIX(O)(2) and XIX(O)(12) that are no longer needed.
- The changes take effect on March 1, 2024 to align with the effective date of the ECCHO Rule change.