

YOUR ACH NETWORK: ONE OF THE LARGEST, SAFEST & MOST RELIABLE PAYMENTS SYSTEMS IN THE WORLD

How the ACH Network Electronically Moves Money & Data

1

An individual, business, or government agency initiates a Direct Deposit or Direct Payment transaction, such as payroll direct deposits, online bill payments, or government benefits.



ACH entries are entered and transmitted electronically, making transactions **FASTER, EASIER, SAFER, and MORE COST-EFFECTIVE** than paper checks.

UNIVERSAL

- The ACH Network connects virtually all 12,000 financial institutions in the U.S.
- Ubiquity allows consumers and businesses to confidently send and receive payments to one another.



2

The Originating Depository Financial Institution (ODFI) enters the ACH entry. The ODFI aggregates payments from all their customers, and sends them to the ACH Operator.

3

The two ACH Operators (The U.S. Federal Reserve and The Clearing House) receive batches of ACH entries from ODFIs around the country. All ACH transactions are sorted and sent.



EFFICIENT

- The ACH Network offers the unique ability to send meaningful data with payments for straight-through processing.
- The ACH Network provides businesses, government agencies and individuals a cost-effective way to make payments and get paid electronically.

SECURE

- ACH credit payments – like Direct Deposit – are one of the safest electronic payment types.
- ACH payments have a lower unauthorized return rate than credit cards and signature debit cards.



4

The Receiving Depository Financial Institution (RDFI) receives the payment entry from the ACH Operator and applies it to the appropriate account.

5

An individual, business or other entity's account is debited or credited, according to the type of ACH entry. ACH payments are completed within 1 – 2 days.

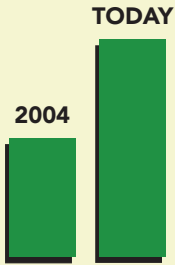


INNOVATIVE

- The ACH Network has continuously evolved since its inception.
- Over the past 25 years, NACHA has facilitated the adoption of more than 275 rules, creating new value for users.

THIRD-PARTY SERVICE PROVIDERS also perform a vital role by enabling many financial institutions, businesses and government agencies to use the ACH Network in a safe, secure and efficient way.

ACH Network Facts



2X the
B2B PAYMENTS

via the ACH Network over the last 10 years.

> 2.9 BILLION

addenda records accompany ACH payments, enabling straight-through processing.



> 9 OF 10

payroll professionals say

SAME-DAY ACH

would help them meet payroll needs.



\$885M

is saved for U.S. taxpayers each year because the Federal government spends only \$0.09 per ACH payment versus \$1.25 for each paper check.

U.S. GOVERNMENT
is the
LARGEST USER

of the ACH Network with a vast majority of federal payments and collections made through it.



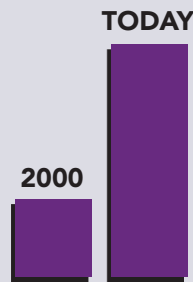
90%

of the total dollar value of all non-wire electronic payments in the U.S. are supported by the ACH Network.

23 BILLION

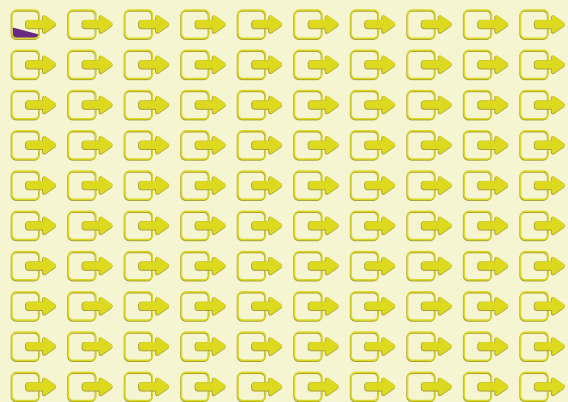
ACH payments made each year totaling

\$40 TRILLION



3X

the number of ACH transactions have been processed since 2000.



< 3 IN 10,000

ACH debits are returned by consumers claiming they are unauthorized.