



Same Day ACH: Moving Payments Faster

RDFIs – 5:00 pm Local Time Guidance **January 5, 2016**

Effective with Phase 3 of Same-Day ACH (on March 16, 2018), RDFIs must make funds available for withdrawal (including cash withdrawal at the teller or ATM as applicable) by 5:00 p.m. at the RDFI's local time. RDFIs may make funds available earlier; this time is a "no later than" deadline by which funds must be available. RDFIs always have discretion to make funds available earlier.

The Rule does not specify a required method of calculating "local time" in order to allow RDFIs flexibility in using a consistent standard that is most easily applied in an RDFI's specific processing environment. For many RDFIs, the determination of "local time" is straightforward; for example, cases in which the RDFI's geographic footprint is limited to a single time zone. In other cases, an RDFI can determine local time based on the branches in which specific accounts were opened (or otherwise are considered to be located), or are hosted on platforms corresponding to those branches. An RDFI also could utilize a customer's address (i.e., the Receiver of the Same-Day ACH credit) in determining local time for that customer's account. Other mechanisms for assigning "local time" may also be acceptable as long as they are consistent with the spirit of providing access to funds on a basis that reasonably associates accounts with location information that can be derived from RDFIs' systems.

As noted above, Phase 3 is distinct from the Phase 1 requirement in that funds must be "available for withdrawal" by the 5:00 p.m. local time cut-off, including for withdrawing cash from an ATM or teller window (if open) for accounts that generally have access to those services.

Nothing in the *NACHA Operating Rules* or the Same-Day ACH rule prohibits an RDFI from meeting the Phase 3 availability requirement prior to the Phase 3 effective date. The Phase 3 effective date is a "no later than" deadline by which time the requirement must be met.

The information contained within this document is an informal interpretation intended to provide general guidance by NACHA staff in interpreting the *NACHA Operating Rules*. The interpretation is not an official position of NACHA and is not binding on NACHA staff, the NACHA Board or any ACH Rules Enforcement Panel. All applications of the *NACHA Operating Rules* are subject to facts and circumstances of the specific case. Readers of this document should obtain their own legal advice regarding their obligations under the *NACHA Operating Rules* or applicable legal requirements.