



SAME DAY ACH – FREQUENTLY ASKED QUESTIONS

Q. What is Same Day ACH?

A. The National Automated Clearinghouse Association (NACHA) adopted a rule to provide a new capability for moving ACH payments faster. This new rule will enable same day origination and processing of domestic ACH transactions initiated to accounts at any Receiving Depository Financial Institution (RDFI).

Q. When the rule be implemented?

A. Same Day ACH is being implemented in three phases beginning in September 2016 through March 2018:

Phase 1 - Same Day Credits became effective on September 23, 2016

- Includes credits (i.e. payroll and payables), with transactions posted to the recipient's account at the end of the receiving bank's processing day, which varies by institution.

Phase 2 - Same Day Debits are effective on September 15, 2017

- Adds debits (i.e. rent and dues collections, and receivables,) in addition to credits, with transactions posted to the recipient's account at end of the receiving bank's processing day.

Phase 3 – 5:00pm Posting Time will become effective on March 16, 2018

- Includes both credits and debits with transactions being posted to the recipient's account by the receiving bank by 5:00 p.m. local time.

Q. What types of ACH payments are eligible for same day processing?

A. Most types of ACH transactions will be eligible for same-day processing. International Transactions (IATs) and transactions above \$25,000 are not eligible.

Q. Will all financial institutions be required to receive Same Day ACH origination?

A. Receiving financial institutions are required to accept and process eligible same day ACH entries by the end of their processing day and by 5:00pm local time in March 2018.

Q. Will Same Day ACH items be available for all account types?

A. Any account that is able to receive ACH transactions is eligible for receipt of same day ACH entries.

Q. Will government payments be eligible for same day processing?

A. The U.S. Treasury intends to be ready to go live with Same Day ACH on Sept. 15, 2017, the same date as the Phase 2 effective date.

- As of this date, the U.S. Treasury's Bureau of Fiscal Services will be ready to receive Same Day ACH credits for tax and non-tax payments
- The Bureau will then roll out Same Day ACH origination capabilities, beginning with the IRS' Electronic Federal Tax Payment System (EFTPS) in October 2017
- Treasury's participation and go-live date are dependent on the publication of a final rule (31 CFR Part 210)

Some state and local government agencies may choose to participate in Same Day ACH processing.



Q. Will non-monetary ACH transactions be eligible for same day processing?

A. The following non-monetary ACH transactions will be eligible for same day processing if submitted within the processing windows:

- Pre-notifications for future credits were eligible in phase one; however, it is not likely a correction will be received back on the same day.
- Remittance information using Cash Concentration or Disbursement (CCD) and Corporate Trade Exchange (CTX.)

Q. How will returns be affected by Same Day ACH?

A. A receiving bank is not required to process returns on the same day an entry is received regardless of whether the entry is a same day entry. At this time Pacific Premier Bank will not be processing return items on the same day received, except under special circumstances.

Q. How will Same Day ACH processing affect me?

A. ACH credits can potentially credit your account throughout the business day. Both same day credit and debit entries will be posted by end of the processing day. Credits will be available funds and alternatively debits will reduce your available balance. We recommend reviewing your end of day balances for received credits and to ensure adequate available funds for incoming same day debits.

Q. Are banks required to Originate Same Day ACH payments under the rule?

A. The rule does not require banks to originate same-day payments. The ability to originate same day ACH payments is optional for banks.

Q. Does Pacific Premier Bank Originate Same Day ACH payments?

A. Pacific Premier Bank will be offering Same Day ACH Origination for qualified accounts in 2018. We will provide more information about this service when we get closer to making the service available to our clients.