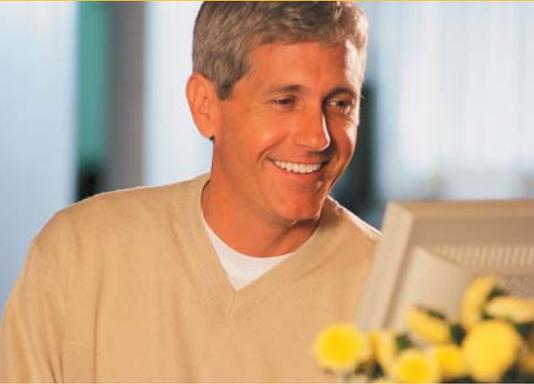


PPD-Debit Entries



Prearranged Payment Or Deposit Entries (PPD) - Debit Entries

What Is PPD?

A PPD Entry is a credit or debit initiated by an organization after receipt of an authorization from a consumer to transfer funds to or from their account.

How Do PPD Debits Works?

A company (also called the originator) receives a written, signed (or similarly authenticated) authorization from a consumer (also called the receiver) which gives the originator permission to send a debit entry to their account.

What Types Of Businesses Can Use PPD Debits?

Almost any type of business can use PPD Debit entries. Following are some examples of uses:

- Regular monthly payments (same amount each month)
 - Insurance premiums
 - Gym memberships
 - Loan payments (mortgage, auto, etc.)
 - Internet service
 - E-giving

- Regular monthly payments (variable amount each month)
 - Utility or cable bills



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Although PPD Debits usually refer to recurring transactions, they may be used to initiate a single entry as well. For example, a general purchase, a one-time donation or even paying a bill at the last minute to avoid being late.

Benefits Of Using PPD Debits To The Company

- Eliminate check-handling procedures (i.e. opening mail, recording checks, going to bank to make deposits, etc.)
- Faster settlement
- Earlier notification of returned items

Additional PPD Facts

- Research shows that direct payment can save companies and non-profits an average of 11.5 cents per payment (versus checks) in reduced processing costs.

Interested in learning how PPD Debits can help your company? Contact ACH Direct at sales@achdirect.com or call 866.290.5400. For compliance requirement information on PPD, please consult the *NACHA Operating Rules and Guidelines*.



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