



Prearranged Payment and Deposit (PPD) Guidelines

A PPD transaction is a payment entry originated by the agent from the consumer's account based on single-entry authorization from that consumer. PPD transactions should only be used when the consumer is physically present in the agent's office.

Initiating a PPD Entry – Overview:

- An agent obtains authorization from the bank account holder to originate an entry to the account holder's account. For PPD payment transactions, the authorization must be in writing and signed or similarly authenticated by the account holder.
- The agent initiates PPD debits to the consumer's account, based on the terms of the authorization.

Authorization Requirements:

The agent must obtain the account holder's authorization to initiate PPD payments from the account holder's account. For these payments, the authorization must:

- Be in writing;
- Be readily identifiable as an ACH authorization;
- Have clear and readily understandable terms;
- Provide that the account holder may revoke the authorization only by notifying TWIA in the manner specified in the authorization; and
- Be either signed or similarly authenticated by the consumer.

The required form to document this authorization is the 'Consumer Authorization for ACH Debit' available in TWIA's Agent Portal.

The agent must provide the account holder a copy of the authorization for all payment transactions.

The agent must retain the original or a reproducible copy of the account holder's authorization for two years, and must be able to provide TWIA with an accurate copy within the time period required by the Financial Institution, typically within three days.

For additional assistance, refer to the eCheck Payment Processing Guide available in TWIA's Agent Portal.