

FOR IMMEDIATE RELEASE

Media Contact:

Richard Virgilio
(732) 361-3823

Financial Groups Appeal to Americans to Increase Use of Electronic Payments *Direct Deposit and Direct Payment Month 2006 Emphasizes Greater Financial Security and Control Realized by Consumers Using Electronic Payments*

HERNDON, Va. – April 12, 2006 – When businesses, financial institutions and payments associations celebrate Direct Deposit and Direct Payment Month again this May, the focus will be on increasing consumers' use of electronic payments by highlighting the financial security and control benefits of these services.

“The primary reasons that consumers list for not using these services is control and security,” said Elliott C. McEntee, president and CEO of NACHA. “What they don't necessarily realize is that using electronic payments is a safer way to get paid and pay bills. Using Direct Deposit and Direct Payment makes consumers less vulnerable to theft of private information than when dealing with checks. An electronic payment is seen by far fewer people than is a check and contains less personal information about the payer. This is important, especially with today's concerns about identity theft.”

Most people that are offered Direct Deposit for their paychecks use it. However, many small and medium size businesses don't think that Direct Deposit is an efficient way to pay their employees. “During May, we encourage financial institutions to educate their small business clients about the convenience and financial benefits of Direct Deposit,” said McEntee. “Even small businesses can save more than \$5,000 per year by converting their payrolls to Direct Deposit. And large corporations need to move towards Direct Deposit for expense reimbursements, pension payment and bonuses.”

Consumers have not adapted to Direct Payment as quickly partially because of confusion about what it is. Simply, Direct Payment is an electronic transfer of an authorized payment from a consumer's checking or savings account into the account of a biller or investment company. It's not Internet banking and it's not the conversion of a check to an electronic payment. A Direct Payment travels on the ACH Network and is purely electronic.

Consumers can gain better control of their finances by paying bills electronically by using Direct Payment. With Direct Payment, bills are paid on time every month, eliminating late fees. By improving payment history, consumers will improve their credit ratings. By signing up for Direct Payment for investments, consumers can save almost \$140 more a month than those who save manually.

-more-

DDDP Month/Add One

“During May, we encourage businesses and financial institutions to educate their employees and customers about the convenience, security and financial benefits of Direct Deposit and Direct Payment,” said Mark Tizzard, Vice President of Strategic Migration, Wachovia Bank. “These services are no longer the wave of the future. They are already widely used by millions of Americans who understand that they can save valuable time and money by paying bills and getting paid electronically.”

Direct Deposit and Direct Payment Month is sponsored by many organizations that are committed to improving the efficiency and security of the nation’s payments system. The organizations include NACHA – The Electronic Payments Association, Electronic Payments Network (EPN) and the Federal Reserve Banks.

Additional information about Direct Deposit and Direct Payment, including sign-up information, can be found at www.electronicpayments.org.

About NACHA’s Marketing Management Group

The Marketing Management Group is an industry representative group appointed with the responsibility to develop and execute the long-term marketing strategy and annual tactical plans to promote electronic payments and build market awareness. The funding to implement the annual tactical plans is provided by the Electronic Payments Network and the Federal Reserve. NACHA is the leading organization in developing electronic solutions to improve the payments system. NACHA represents more than 11,000 financial institutions through direct memberships and a network of regional payments associations, and 650 organizations through its industry councils. More information can be found at the industry Web site, www.electronicpayments.org.

###