

# Wire vs. ACH

## Which method should I choose?

There are two things to consider when determining the best method for moving money into or out of your STAR Ohio account:

- Timing                                      How quickly do you need the funds?
- Bank Fees                                    Does your bank charge a fee to send or receive wires?

A general guideline when moving money into STAR Ohio:

- If depositing \$1MM or more into your STAR Ohio account, it will typically be more beneficial to transfer the funds from your bank via Wire.
  - Funds sent via wire will begin earning interest the same day when received prior to 2:00 pm. Funds sent via ACH will settle and begin earning interest the following business day.
  - The daily interest earned on the wire deposit may be equal to or greater than a bank fee charged for sending the wire.

Additional details highlighting some of the similarities and differences between wire and ACH transactions can be found on the following pages.



# Purchases - Wire vs. ACH

## Wire

- Wire purchases initiated at your bank and received by STAR Ohio prior to the 2:00 pm fund closing will be posted to your STAR Ohio account and begin to earn interest on the same day.
- Wire purchases initiated at your bank and received by STAR Ohio after the 2:00 pm fund closing will be returned to the originating financial institution.

➤ **Please Note:**

- Wire purchases into STAR Ohio must be initiated at your bank. STAR Ohio is not authorized to initiate a purchase to be pulled from your bank via wire.
- Depending on the dollar amount of a purchase into STAR Ohio, it may be more beneficial to initiate a wire purchase, as the daily interest earned for the investment may exceed the bank wire fee.

## ACH

- ACH purchases initiated at your bank will be credited to your STAR Ohio account and begin to earn interest on the next business day.
- ACH purchases initiated by STAR Ohio prior to the 2:00 pm fund closing will be credited to your STAR Ohio account and begin to earn interest on the next business day.
- ACH purchases initiated by STAR Ohio after the 2:00 pm fund closing will begin to earn interest in two business days.

➤ **Please Note:**

- A three-day hold is placed on ACH purchases initiated by STAR Ohio to ensure the settlement of funds.
- If initiating an ACH purchase through STAR Ohio, please update the ACH fraud prevention at your bank to allow STAR Ohio to conduct ACH transactions. If these preferences are not changed, the bank may decline the transaction request.



# Redemptions - Wire vs. ACH

## Wire

- All wire redemptions must be requested through STAR Ohio. Redemptions requested prior to the 2:00 pm fund close will be sent to the receiving bank by 4:30 pm on the same business day.
- Wire redemptions requested through STAR Ohio after the 2:00 pm fund close will be entered and sent to the receiving bank the next business day.
- **Please Note:**
  - Most wires are sent to the receiving bank within an hour. However, wires over \$15MM may require approximately one additional hour.
  - Please check with your bank to understand their wire fees.

## ACH

- ACH redemptions must be requested through STAR Ohio. Redemptions requested prior to the 2:00 pm fund close will be sent to the receiving bank the same business day.
- ACH redemptions requested through STAR Ohio after the 2:00 pm fund close will be sent to the receiving bank the next business day.
- **Please Note:**
  - Depending on the receiving bank's procedures, ACH redemptions may take 1 – 3 business days to settle.

