

## RTP® Network

*Powering Smarter Payments*

***Driving revenue and efficiency for today's business's***

May , 2021



## The Clearing House

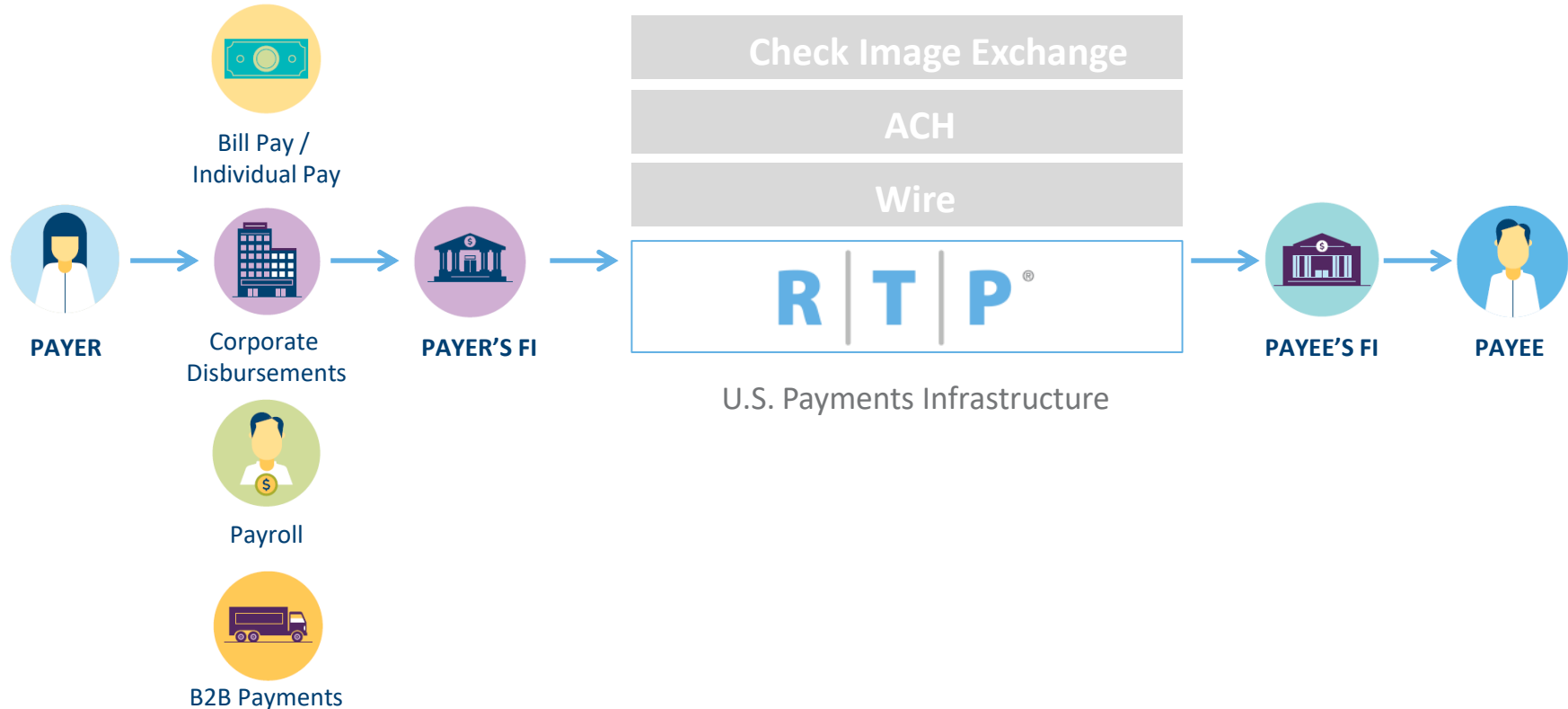
- Operates core U.S. payments system infrastructure including the RTP<sup>®</sup> network
- Clears and settles approximately \$2 trillion each day, representing half of all commercial ACH, wire and check image exchange volume
- Provides informed advocacy and thought leadership on critical payments-related issues

*Founded in 1853 to improve efficiency and remove risk from payments exchanges – and to be a place for collaboration and innovation*

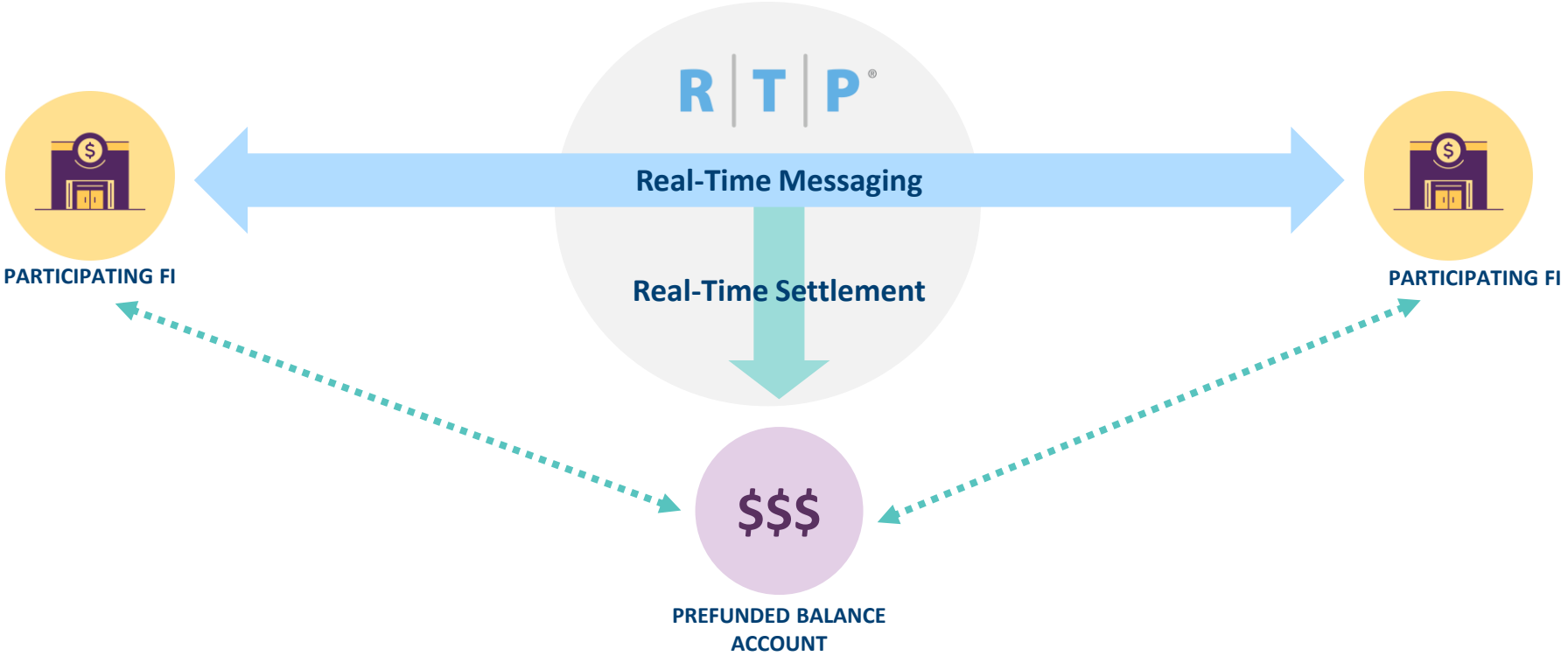
*Same mission as today. . .*



# The RTP<sup>®</sup> network is U.S. payments infrastructure for all financial institutions

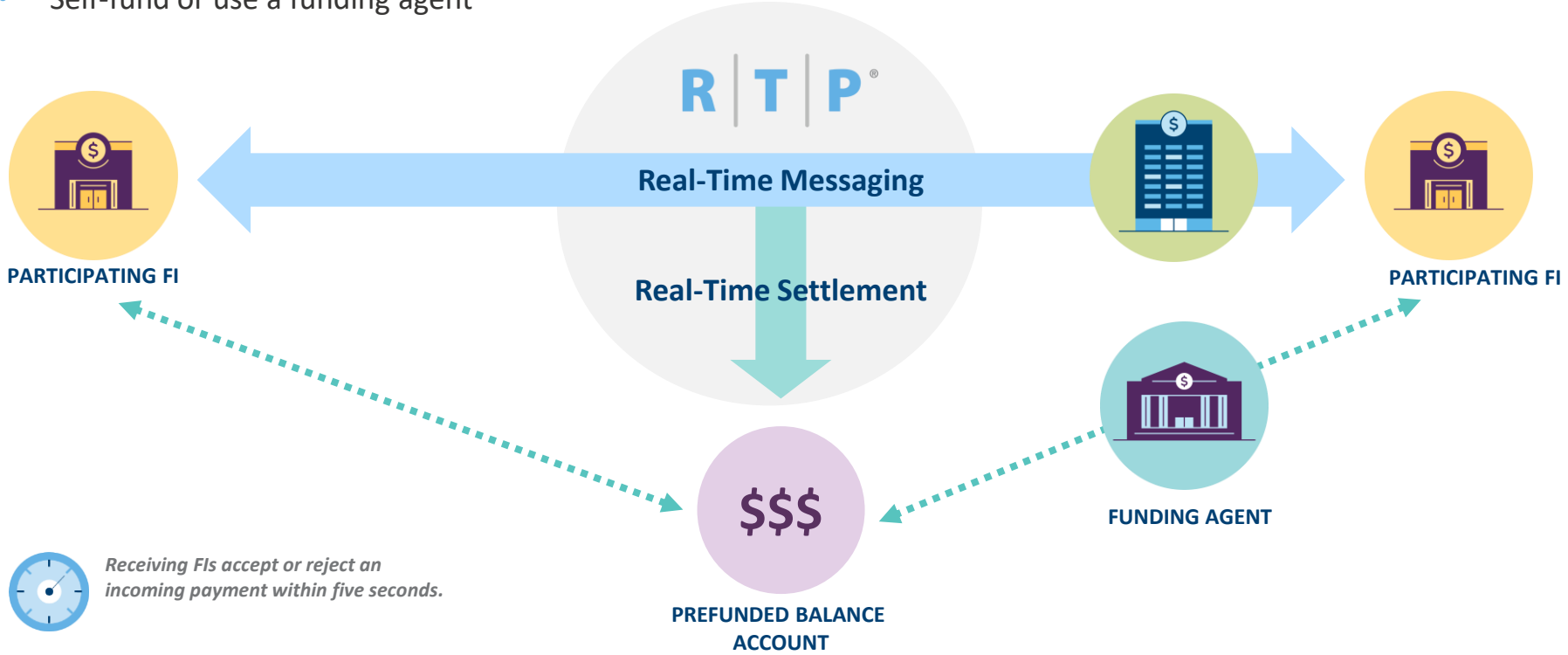


# RTP<sup>®</sup> 24/7 two-way messaging with real-time settlement



# RTP<sup>®</sup> connecting and funding options

- Connect directly or through a third party (TPSP) which is a core processor, gateway or bank
- Self-fund or use a funding agent



# The RTP<sup>®</sup> system has the capabilities you would expect in a 21st century platform

Credit  
Push Only



Payment  
Status

Payment  
Certainty

Immediate  
Availability  
of Funds

Complete  
AR/AP  
Messaging

Fulfillment  
Messaging

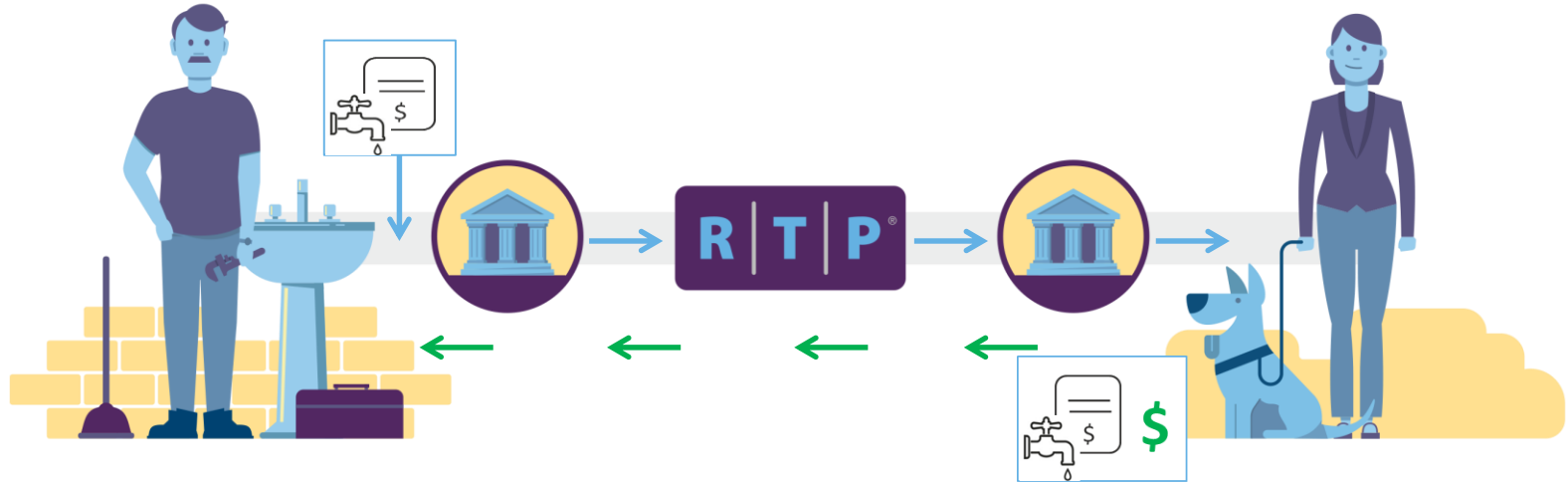
Always on  
24x7



Global  
Ready



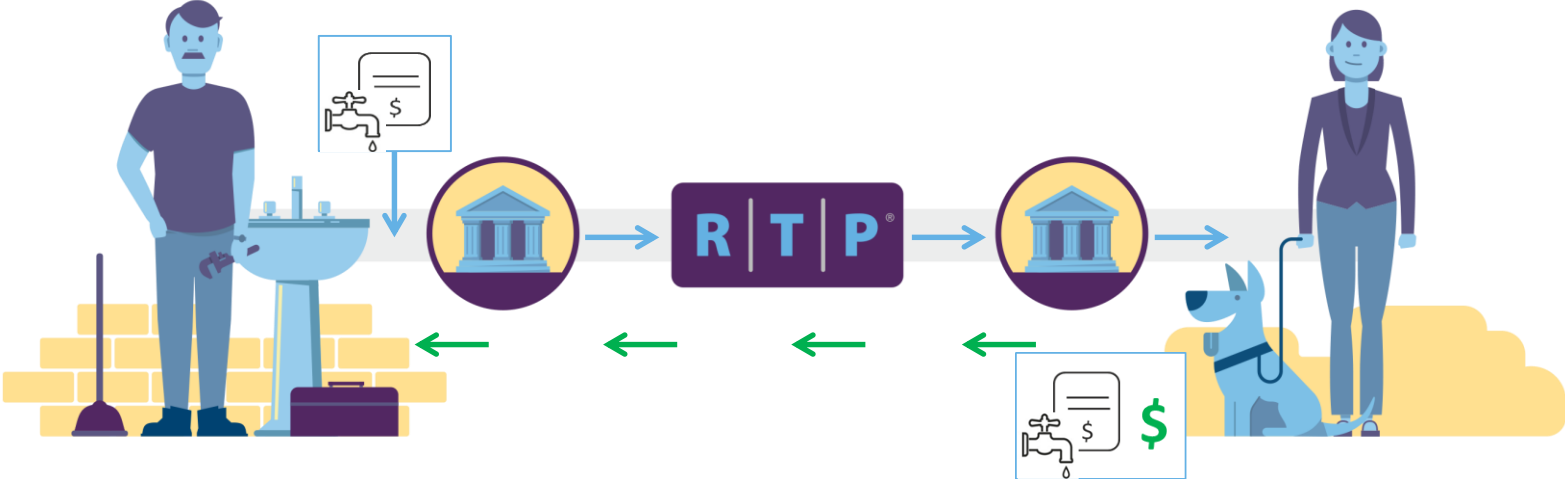
# Precision Payments



© 2020 The Clearing House Payments Company L.L.C.

- Real-time improves cash flow and predictability
- Pay exactly when and how much you want to, knowing that the payment is posted now

# Conversational Commerce



© 2020 The Clearing House Payments Company L.L.C.

Send invoices, receive payments, ask questions, receive confirmation in one bank-secure message flow



# RTP® Participating Banks

**57%**

*of DDA balances are live*

800+ RTNs are listed on the RTP Routing Table

Volumes have grown from a few hundred thousand to millions a month and continue to grow daily

The majority of the FIs on the network are community banks and credit unions

|                                  |
|----------------------------------|
| Anderson Brothers Bank           |
| Associated Credit Union of Texas |
| Avidia Bank                      |
| Bank of America N.A.             |
| Bank of Clarkson                 |
| Bank Independent                 |
| Bank of Lexington Inc.           |
| Bank of New York Mellon          |
| Bank of the West                 |
| Bank Champaign, N.A.             |
| BankNewport                      |
| Banner Bank                      |
| Bar Harbor Bank & Trust          |
| BayCoast Bank                    |
| Bridge Community Bank            |
| Black Hills Federal Credit Union |
| BMO Harris Bank                  |
| Bryant Bank                      |
| Cape Cod Five Cents Savings Bank |
| Carver Federal Savings Bank      |
| Century Bank & Trust             |
| Chain Bridge Bank. N.A.          |

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|                                    |
|------------------------------------|
| Chesapeake Bank                    |
| Chevron Federal Credit Union       |
| ChoiceOne Bank                     |
| CIBM Bank                          |
| Citibank N.A.                      |
| Citizens Bank N.A.                 |
| Century Bank & Trust               |
| Chain Bridge Bank. N.A.            |
| Chesapeake Bank                    |
| Citizen's Bank of Wisconsin        |
| CNB Bank                           |
| Comerica Bank                      |
| Community First Bank               |
| Corporate One Federal Credit Union |
| Crane Credit Union                 |
| Cross River Bank                   |
| Dogwood State Bank                 |
| Dow Chemical Employees' CU         |
| Edmonton State Bank                |

|                                      |
|--------------------------------------|
| ESL Federal Credit Union             |
| Essex Bank                           |
| Essex Savings Bank                   |
| Farmers & Merchants Bank (NC)        |
| Farmers & Merchants Bank (VA)        |
| Fifth Third Bank N.A.                |
| First American Bank & Trust Co       |
| First Bank                           |
| FirstBank                            |
| First Bank & Trust Co                |
| First Bank of Manhattan              |
| First Commonwealth Bank              |
| First Fidelity Bank                  |
| First National Bank of Coffee County |
| First State Bank & Trust Co          |
| First State Bank of Middlebury       |
| FirstBank of Nashville TN            |
| Flint Community Bank                 |
| Goldenwest Federal Credit Union      |
| Gorham Savings Bank                  |
| High Plains Bank                     |
| HSBC Bank USA N.A.                   |

|                                      |
|--------------------------------------|
| Huntington National Bank             |
| IncredibleBank                       |
| John Marshall                        |
| JPMorgan Chase Bank N.A.             |
| KeyBank N.A.                         |
| Kitsap Bank                          |
| Lakeside Bank                        |
| Liberty National Bank                |
| Logix Federal Credit Union           |
| M&T Bank                             |
| Macon Atlanta State Bank             |
| Marine Bank & Trust Co               |
| Meade County Bank                    |
| Meadows Bank                         |
| MidFirst Bank                        |
| Monticello Bank Co                   |
| MUFG Union Bank N.A.                 |
| MYB Bank, Inc                        |
| Nano Banc                            |
| National Bank of Texas at Fort Worth |
| Newtown Savings Bank                 |
| North State Bank                     |
| Northeast Bank (ME)                  |
| Northeast Bank (MN)                  |
| Ocean Bank                           |

|                                |
|--------------------------------|
| Origin Bank                    |
| Pacific National Bank          |
| Pegasus Bank                   |
| Peoples Bank                   |
| Peoples Bank of Alabama        |
| PNC Bank N.A.                  |
| Regions Bank                   |
| River City Bank Inc            |
| Royal Bank                     |
| Signature Bank                 |
| Southern Michigan Bank & Trust |
| TD Bank N.A.                   |
| The Village Bank               |
| Third Coast Bank, SSB          |
| Truist Bank                    |
| Truity FCU                     |
| West Point Bank                |
| U.S. Bank N.A.                 |
| VA Pacific Desert CU           |
| Ventura County Credit Union    |
| Winter Park National Bank      |
| Wells Fargo Bank N.A.          |



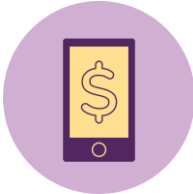
# How RTP<sup>®</sup> capabilities are being used today



**A2A**



**Payroll**



**Wallets**



**Loan  
Funding**



**Merchant  
Funding**



**Insurance  
Claims**



**Gig  
Economy**



**Title  
Companies**



**Cash  
Concentration**

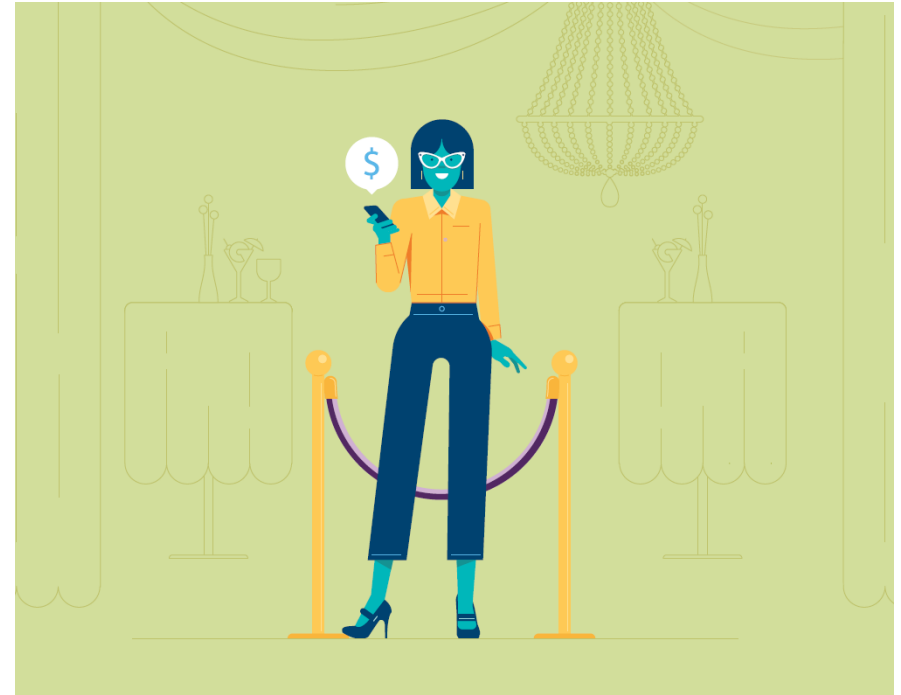


**B2B**



- Sometimes employees need to be paid *now*
  - Work today, pay today
  - Correcting mistakes
  - Terminated employees
- Real-time pay is a reality when the employee banks with a participating financial institution

**PAYCHEX**



**Payments  
Nerds**

***“Making Real-time Payments for Payroll”***

Season 2, Episode 3

<https://www.theclearinghouse.org/about/payments-nerds>

Paychex, Michigan State University, Digit and Elavon are examples of innovators that utilize RTP capabilities. The Clearing House does not endorse or make any representations or warranties of any kind with respect to these or other RTP innovators, or their products or services.





- For merchants, cash flow is king
- That means getting speedy funding for their sales receipts deposit is a big plus – especially on weekends
- Real-time is a reality with RTP<sup>®</sup> network participation



**Payments  
Nerds**

*“Get Funded the Way You Do Business”*

Season 2, Episode 7

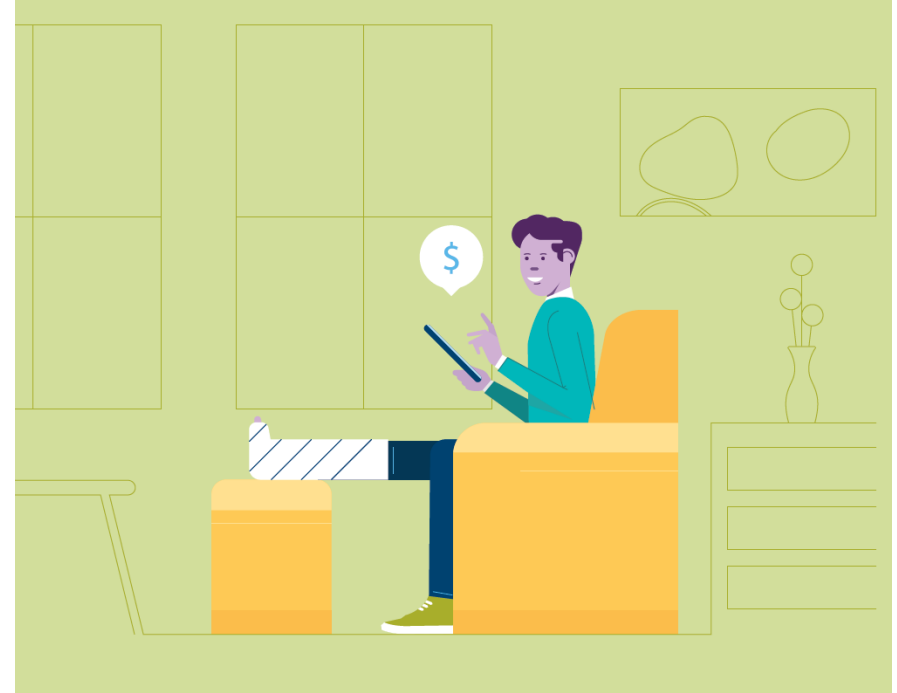
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- Facilitates automatic savings and on-demand withdrawals for a rainy day or emergency
- Paid more than \$7 million to date and saved its customers more than 31,000 years of waiting for ACH transactions

# digit



**Payments  
Nerds**

*“Evolution of Real-Time Payments”*

Season 2, Episode 8

<https://www.theclearinghouse.org/about/payments-nerds>

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# How do RTP® transactions affect your business?

*When you...*

## Receive RTP Credits

## Send RTP Credits

## Receive and Respond to RTP Request for Payments

- You will begin seeing a new payment credit into your bank checking account
- Your business has immediate access to these received funds
- These funds are irrevocable
  - no pull back of funds
- Funds are credited 24x7
- Type of payments you could receive:
  - Merchant settlements
  - Vendor payments

- Your bank will provide you a method (mobile, online, file, API, etc.) to generate real-time payments to your customers and vendors
- Your business can initiate these payments 24x 7, delivered as good funds
- Network payment transaction limit is \$100,000 (today)
- Type of payments you could send:
  - Payroll
  - Cash concentration
  - Vendor payments

- You will receive a message from your counterparty to send a payment
- You can send a message to your counterparties and request them to send a payment
- Upon receipt of the request for payment you can respond by sending an RTP credit
- Functions you could use:
  - Collections
  - Bill payments
  - Invoicing



# What are corporate clients saying about the RTP<sup>®</sup> network?



“This is the future. There’s never going to be a better and faster payment than RTP”

*“RTP gets our attention because it will change the customer experience”*

“We want to try RTP, learn from it, and then expand”

*“I have a whole list of use cases once we get through the pilot”*

“We have 3,700 returns a month. I’m ready to convert those to real-time payments”

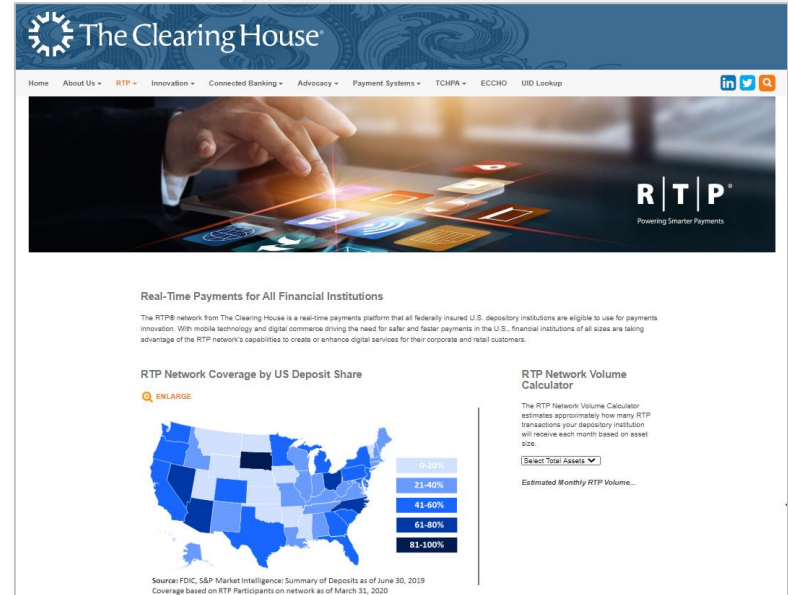


# RTP® resources

Visit The Clearing House website for:

- Videos and demos
- Documents
- Event schedule
- Podcasts
- Partners and participants
- Articles and press releases

and more. . .



The screenshot shows the homepage of The Clearing House RTP website. The header features the logo and navigation menu. The main content area includes a hero image with the RTP logo, a section titled "Real-Time Payments for All Financial Institutions" with a descriptive paragraph, and a "RTP Network Coverage by US Deposit Share" section. This section contains a map of the United States color-coded by RTP coverage percentage, with a legend on the right showing five categories: 0-20%, 21-40%, 41-60%, 61-80%, and 81-100%. Below the map is the source information: "Source: FDIC, S&P Market Intelligence: Summary of Deposits as of June 30, 2019. Coverage based on RTP Participants on network as of March 31, 2020." To the right of the map is the "RTP Network Volume Calculator" section, which includes a "Select Total Assets" dropdown menu and a label for "Estimated Monthly RTP Volume...".

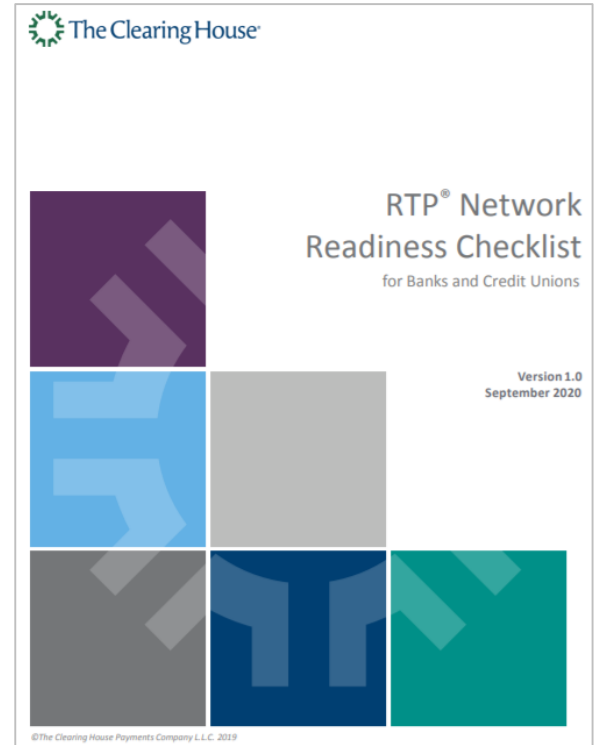
[theclearinghouse.org/payment-systems/rtp](https://theclearinghouse.org/payment-systems/rtp)





# A guided process (literally) makes it easy to participate

1. Educate your organization on the RTP<sup>®</sup> network capabilities
2. Define the value of the RTP network participation to your organization
3. Connect to the RTP network
4. Join the RTP network as a FI participant
5. Begin the RTP onboarding experience
6. Prepare your operational environment for real-time payments
7. Manage your RTP network liquidity
8. Prepare your customers/members to receive real-time payments
9. Understand your ongoing obligations as an RTP network participant



# RTP® milestones – 2020 & 2021

## 2020 — Expand the reach and use of the RTP® network

- Express Onboarding enables FIs to easily connect to the RTP® network
- Bankers banks & corporate credit unions act as funding agents to support community banks & credit unions
- RTP® Release 2.9 expands message capabilities to enable richer bill pay and other use case implementations
- Zelle enables RTP® clearing and settlement
- Request for Payment bill pay proof of concept
- Corporate Advisory Group members become influential RTP® originators

## 2021 — Promote RTP® network growth by expansion of use cases

- Migration of Zelle-initiated payments to RTP® clearing & settlement
- Production ramp-up of Request for Payment bill pay
- Document Services launch to support bill pay & B2B use cases
- RTP tokenization





Your customers  
are ready for  
real-time  
payments now.

So are we.

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**#RTPIISREADY**

## The RTP<sup>®</sup> network is ready now

- Millions of payments are clearing through the RTP network every month, with the volume doubling about every quarter
- If your financial institution were on the network now, your customers could be receiving payments now
- Companies like Paychex, PayPal, Digit and others want to send payments to your customers





Powering Smarter Payments

## Questions

