



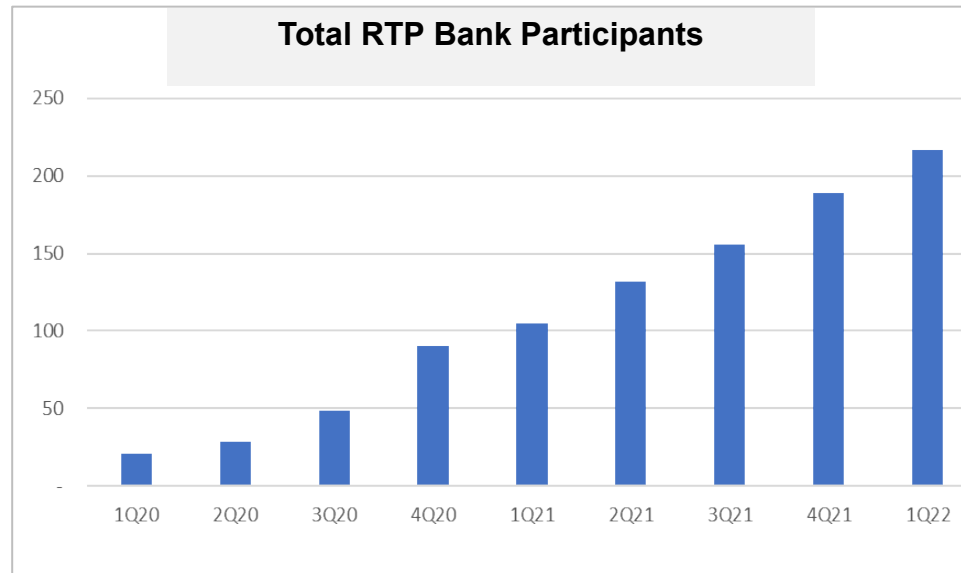
# Real-Time Payments

# Real-Time Payments, the first new U.S. payment rail in decades, has unique features, spurring rapid adoption.

## Benefits:

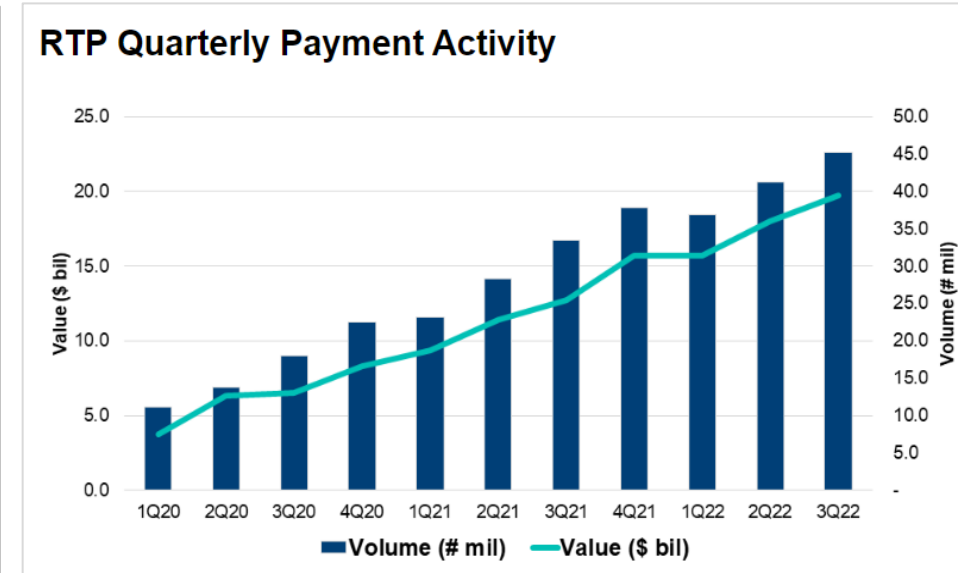
- ✓ Pay immediately
- ✓ Pay whenever
- ✓ Settlement finality
- ✓ Instant Confirmation
- ✓ Rich data capable
  - Invoice info (ex. RfP)
  - Remittance info

## Volume and Participation:



### Key Stats:

- 281 Banks
- 5% offer send and receive
- 61% of US DDAs have access to RTP








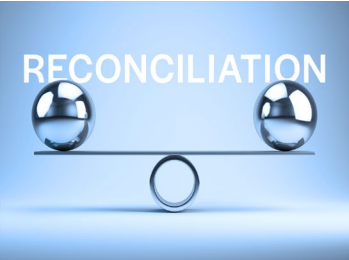


### For Q3 2022:

- 45 MM transactions for \$19.7B
- 10% volume growth since Q2 '22

## Real-Time Payments v. Key Payment Types:

	ACH	Wires	RTP®	FedNow®
<b>Sent via:</b>	ACH Network Operators (Federal Reserve Bank or The Clearing House)	Fedwire	RTP® Network Operator, The Clearing House	FedNow
<b>Ruled issues by:</b>	National Automated Clearing House Association (Nacha)	Federal Reserve	The Clearing House (TCH)	Federal Reserve
<b>Funds availability</b>	1-3 days	Within hours	Real-time	Real-time
<b>Finality:</b>	Agreed-upon process for correcting erroneous transactions (reversal requests)	Funds are irrevocable*	Funds are irrevocable*	Funds are irrevocable*
<b>Transaction limit:</b>	\$1MM for Same Day ACH; Others determined by FI	Dependent on the financial institution	\$1MM/push (credit)	\$500K/push (credit)
<b>Supports:</b>	Push & Pull (Credit/Debit)	Push (Credit) only	Push (Credit) only	Push (Credit) only
<b>Batching:</b>	Batched	Clear and settle individually	Clear and settle individually	Clear and settle individually

\* although not guaranteed, a request for return of funds may be issued

Feature:	24/7/365	Real-Time	Rich Data / Messaging	Good Funds
Use Case/ Benefits:	<p><b>Payroll</b></p>  <p><b>Disaster Relief</b></p> 	<p><b>Real Estate Closings</b></p>  <p><b>Distribution/Logistics</b></p> 	<p><b>RFP (Request for Payment)</b></p>  <p><b>RFP &lt;-&gt; RTP</b></p> 	<p><b>Earnest Money Deposits</b></p>  <p><b>Realtor Commissions</b></p> 

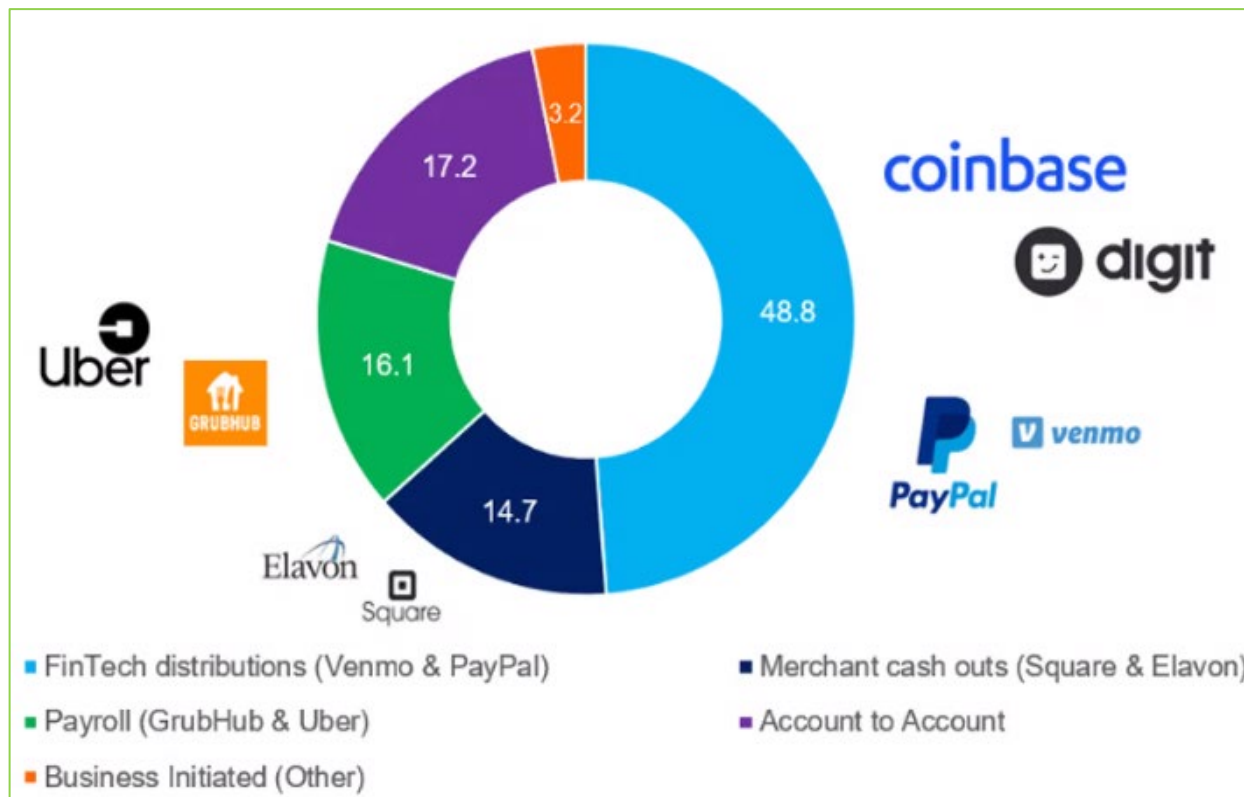
## Real-Time Payments: Usage Today v. Usage Tomorrow

Today:

- Fintech distributions
- Small Merchant cash outs
- Fintech payroll
- Account to Account Transfers

Gating factors:

- Historically lower limits
- Outdated regulations
- Lead time for ERP integrations
- Adapt Operational Changes



Tomorrow in Title Industry?

- ✓ Earnest Money deposits
- ✓ Table Funding
- ✓ Title Closings
- ✓ Title to Title Co transfers
- ✓ Commission payouts

## Real-Time Payments: 'Title Closing' Use Case

### Request for Payment (RfP):

1. Title Agency initiates a request for the balance (RfP) online
2. Title Agency's bank validates Buyer's bank accepts RTP
3. Title Agency's bank routes the RfP to Buyer's account over The Clearing House (RTP) network

### Real-Time Payment:

1. Buyer reviews request for accuracy and sends the payment
2. Buyer's bank completes fraud and OFAC screening
3. Buyer's bank routes the payment to Title Agency account over The Clearing House (RTP) network
4. Title Agency provides confirmation of receipt to the Buyer





## Real-Time Payments Adoption Considerations:



Weigh risks against benefits of changing existing processes



Important factors, like your client experience model



Define and prepare stakeholders for changes in payment management

# *Demonstration*