

# RTP® Network Biller Playbook

**Version 2.0**  
**November 2021**



# What is the Biller Playbook?

## Objectives

The **Biller Playbook** describes **RTP capabilities** from a biller's perspective and outlines a tactical approach for operationalizing real-time capabilities **as an additional payment method**.

Billers may leverage this document to prepare for RTP payments by understanding business considerations and how they can enable Request for Payment in their existing technology and operational processes.

The following pages provide recommendations for best practices, guidelines, FAQs, examples, and easy-to-use checklists and templates to assist the biller in enabling RTP capabilities.

## Audience

**Billers** - Entity that bills consumers or small businesses directly or through bank's bill pay application, e.g., credit card company, utility company, insurance company etc. and seeks to offer a faster, efficient medium to make payments

## Purpose

This document can be used for one or more of the following purposes:



Understand the RTP network and its important characteristics

Get an overview of Request for Payment, RfP prototype screens, RfP messaging flow, and a typical use case scenario



Provide guidance for billers about working with their financial institutions that may help accelerate the implementation of RTP payments

Highlight how Billers can build their technology and operational readiness to enable RfPs in their current process



Leverage checklists, templates, sample FAQs, RTP documentation links to enable RTP capabilities

**Note:** The information provided in this document is a set of general guidelines and considerations for billers that may implement RTP capabilities. As with any new product or service, billers should consult with their own legal and compliance representatives to review the risks and legal issues that RTP may implicate.

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# 01: Understanding RTP Payments and Request for Payment (RfP)

## What are RTP Payments? (1/2)

With RTP payments, consumers and businesses can **send and receive funds immediately** from their bank accounts, **24/7/365**.

The RTP network is a **credit push system**, with no direct debits allowed. This ensures certainty of funds and **reduces the risk of unauthorized transactions** associated with traditional payment methods.

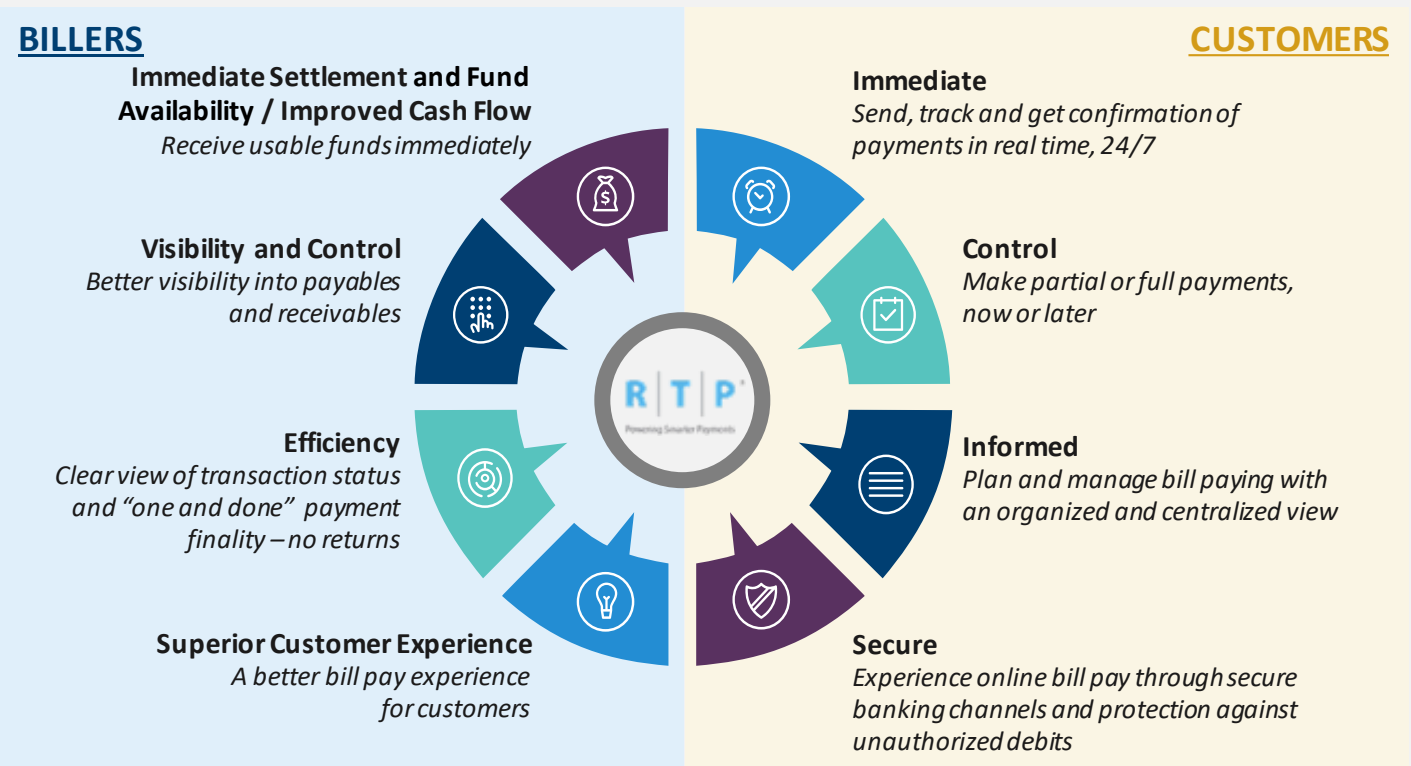
The network is **accessible to all federally insured financial institutions**, regardless of size or type, and reaches most U.S. account holders. Users of the RTP network can initiate payments using a **DDA account number** and **routing number**. Alias-based payments may also be available through providers of payments services that use the RTP network for clearing and settlement.

The network uses ISO20022<sup>1</sup> messaging standard to share remittance information, create real-time status reports and initiate Requests for Payment<sup>2</sup> (RfP). A biller may send an RfP, which is presented to the customer through their **banking interface**. The payment is made only when customer instructs its bank to initiate a Credit Transfer to ensure that customer is in control of the RTP payment.

RfPs are designed to complement existing billing and invoicing processes. Bill delivery channels (used to share detailed bill information) will continue to exist even as RfPs gain further momentum.

### RTP Brand Promise

RTP is well positioned to resolve persistent issues in today's bill pay experience and address changing market expectations by offering unique benefits to both billers and customers



1) ISO20022 is an international standard for financial messaging. Please refer to RTP® Technical Specifications for more details  
 2) Request for Payment (RfP) is explained in subsequent sections of this playbook

## What are RTP Payments? (2/2)

### Distinction from Traditional Payment Methods

RTP payments are driven by the market's requirement for speed, convenience and security. Immediate availability of funds and payment certainty/irrevocability are the most important differences between RTP payments and any other traditional payment method.

#### Traditional Payment Methods

#### RTP Payments

##### Delayed Availability

Unpredictable payment processing time offers limited visibility into the status of payments



##### Immediate Availability and Notification

Immediate payment settlement and funds availability along with payment status notifications to customer and biller in real time



##### Payment Uncertainty

Payments may be cancelled / reversed under certain circumstances within a predefined time period



##### Payment Irrevocability

Payments once made cannot be revoked / recalled / canceled. However, customers may send a Request for Return of Funds message through RTP



##### Direct Debits Allowed

Both customer initiated (credit push) and biller-initiated (direct debit) transactions are supported



##### No Direct Debits

Only customer-initiated transactions are supported. Biller can send an RfP but cannot pull funds from the account without customer approval for each RfP



##### Limited Messaging Options

Remittance information must be included within the payment message itself



##### Flexible Messaging Options

Flexible, robust messaging components with multiple options for enclosing payment information (e.g., additional document with bill details with an RfP)



##### Potential Misuse of Billing

False billing may occur when customers are requested to pay fake invoices for goods/services they did not order/use



##### Controls to Mitigate Billing Misuse

RTP Rules require RfPs to be initiated for a legitimate purpose and they may not be fraudulent, abusive or unlawful. RTP rules regarding RfPs are intended to prevent misuse of RfPs



##### Security Concerns

Potential for unauthorized or duplicitous transfer of funds, theft or loss of paper checks etc.



##### Protection Against Unauthorized Debits

Use of secure banking channels to send and receive payment ensures security and credit push system prevents unauthorized debits



## Benefit and Cost Drivers of RTP Payments

Several major billers in the US are already offering RTP® payments to their customers for various use cases. Understanding the benefits and costs of RTP payments, and socializing them within the organization may help billers prepare for offering RTP payments to their customers:

### Benefits associated with providing RTP payments as a payment option

#### Potential savings over traditional payment methods



Billers potentially save on various fees charged on transactions made through traditional payment methods (e.g., credit/debit card processing). Such benefits may be passed by the biller to customers as RTP payment offers / discounts. (Individual FIs determine pricing to their biller customers)

#### Savings on cost and time



Instant payment processing and settlement may help billers avoid lost interest in the form of float. The time cost (travel time, waiting time) and production cost elements involved with ACH and check transactions can be significantly reduced with RTP payments.

#### Access to working capital



Certainty of RTP Payments eases the need to hold large cash contingencies on balance to cover working capital requirements, provides ability to finance working capital internally and respond to investment opportunities.

#### Access to external financing



Small and medium sized billers may benefit from immediate exchange of payment status information on payable invoices and better visibility into receivables to receive real-time financing as needed.

#### Quick redressal of payment failures



Reduced uncertainty resulting from immediate information on payments, along with the ability to respond earlier to payment failures or delays may help billers avoid inefficiencies.

#### Better reconciliation and increase in operational efficiency



Operationalizing RTP payments will create a fundamental shift in back-office process efficiencies. ISO20022 standard-based data rich RTP payments may help billers achieve higher levels of automated reconciliation and curtail costs associated with late payments, contact center calls, payment returns, etc.

#### Increased control and certainty



RTP payments are credit push payments. Sending financial institutions authenticate their customers. Payments are immediate, final and irrevocable, thus creating a more predictable payment cycle from customer to biller.

#### Potential reduction in bill presentment costs



While Request for Payment (RfP) is not intended to replace any required disclosure obligation that billers need to fulfil, their use may reduce the need for physical bills in the future, resulting in the reduction of bill presentment costs for billers.

### Major cost drivers associated with providing RTP payments as a payment option

#### One-time setup cost



Initial investment to set up the IT infrastructure (e.g., to build customer opt-in mechanism), processes (e.g., to enable real time payment posting) and hire additional resources (e.g., to handle customer communication), etc.

#### Recurring cost



Additional transaction fee paid to banks for using their treasury management system or to the processors for availing their processing service.

**Note:** Financial institutions that offer RTP services to their biller customers determine applicable transaction or other fees for those services.

## What is a Request for Payment (RfP)?

A **Request for Payment (RfP)** is an RTP® message that is sent by the biller to the customer (e.g., corresponding to the customer's bill). It appears within the customer's online banking interface. A customer can respond to this request to make an **immediate payment**.

### Request for Payment (RfP) is one of the key messages in RTP Network

#### Request for Payment

Message sent from a biller to their customers to request a payment (e.g., a payment owed to the biller)

#### Response to Request for Payment

Message sent by the customer FI to the biller FI as a response to receiving an RfP

#### Credit Transfer

Payment message sent when the customer accepts the RfP and makes the payment to the biller

#### Payment Acknowledgement

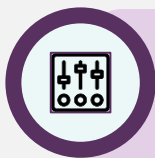
Message sent as an acknowledgement for receipt of payment

#### Others

Includes status message, request for return of funds, cancelation, etc.

*Note: The above list is not exhaustive. Refer RTP® [Message Specification document v2.9](#) for the complete list of messages part of RTP Network*

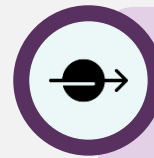
## Characteristics of an RfP



RfPs are **non-obligatory** and give the customer **greater control** over payment initiation



RfPs enable **safer transactions** through **secure** bank channels, (web / mobile)



RfPs provide the **payment context** and enable **streamlined flow** of information between a customer and a biller

## RfPs are designed to complement existing billing process

RfPs offer the **flexibility to display key information of bill details** that allows the customer to understand the transactional context and **make a decision (e.g., pay full amount, reject Request for Payment, contest the bill, or seek additional information)**.

**RfPs are designed to COMPLEMENT and AUGMENT electronic billing and invoicing processes and are NOT intended to replace them**

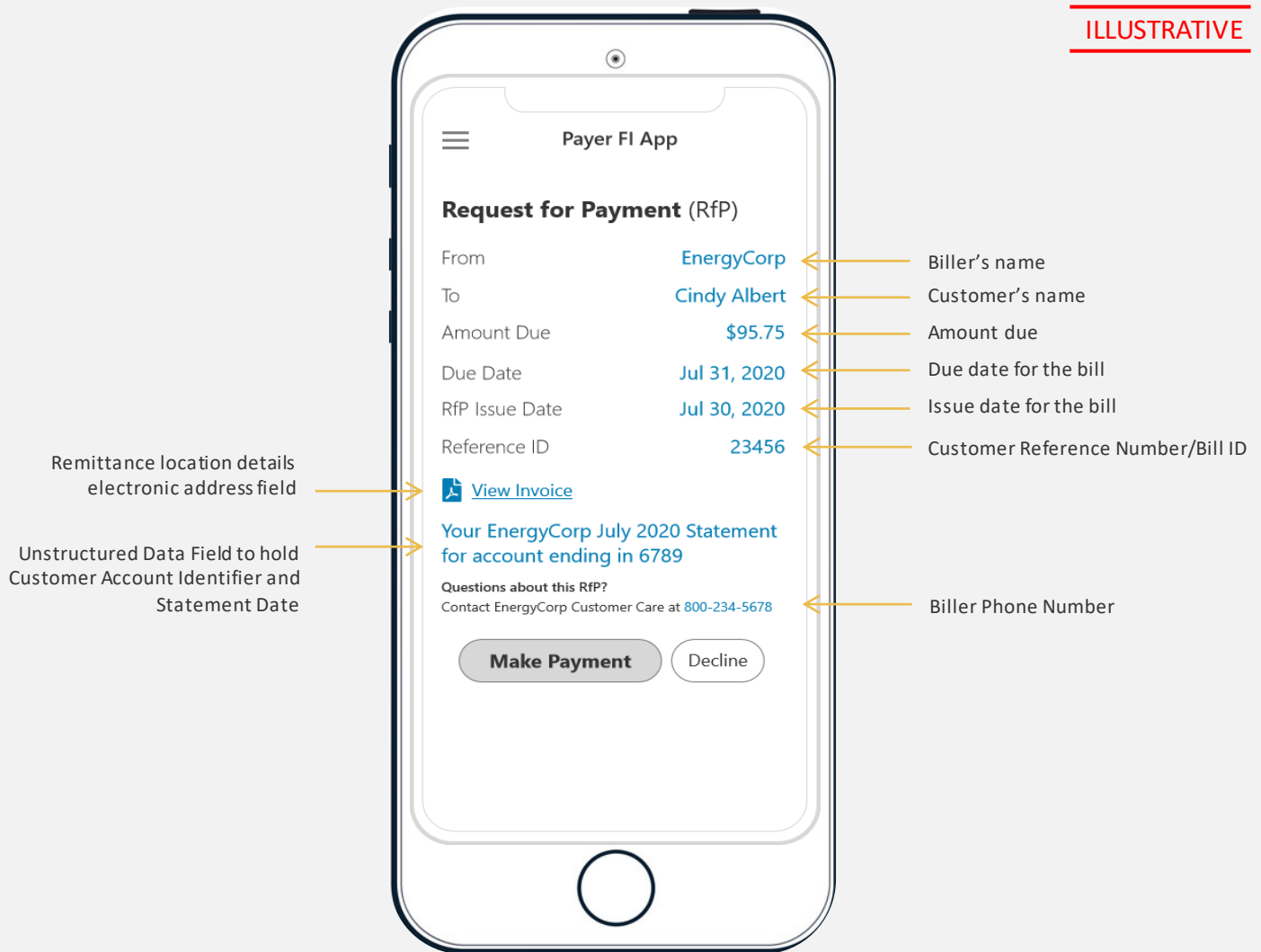
- RfPs provide a **summary view** and are not designed to offer full and comprehensive bill information (e.g., line-item level detail). For **full bill details**, customers are expected to refer to a bill/invoice/biller's bill pay portal where biller provides additional information
- Need for additional information by the customer can be addressed through electronic presentment capabilities such as detailed **bills shared by billers** via email, **biller direct**, **document services** (pilot launch planned for Q3-Q4 2021), etc. Bill delivery channels (used to share detailed bill information) will continue to exist even as RfPs gain further momentum
- Customer FIs can choose to display bill information based on the **experience they plan to build for their end customers**

## Prototype Screen

The below (illustrative) prototype screen represents a sample RfP, with features on the mobile screen of a customer’s banking app.

**Note: The customer bank will choose the channel (web/mobile) through which an RfP is presented to the customer (web / mobile) and determine the customer experience.**

**ILLUSTRATIVE**



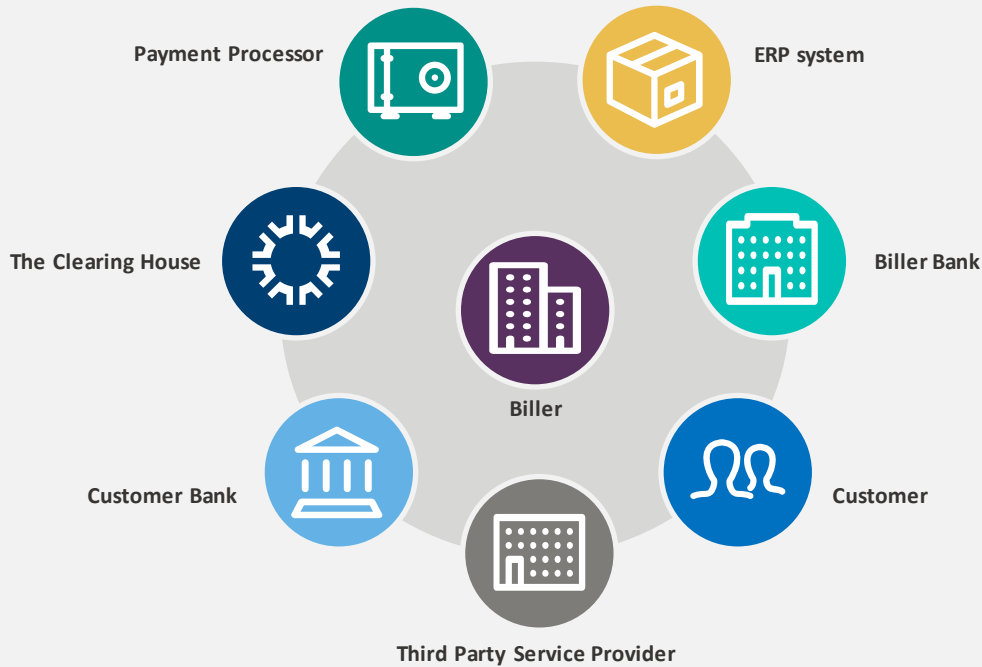
For a bill pay prototype experience, visit [prototype link](#)

An RfP message has multiple fields defined in its **message structure**. It has XML tags for elements such as debtor account, amount due, due date, debtor address, financial institution identification and other such remittance information.








For a detailed description of Request for Payment <pain.013> message structure, refer to [Customer Documentation Request for Payment Message \(pain.013 & pain.014\)](#)



## Biller Ecosystem

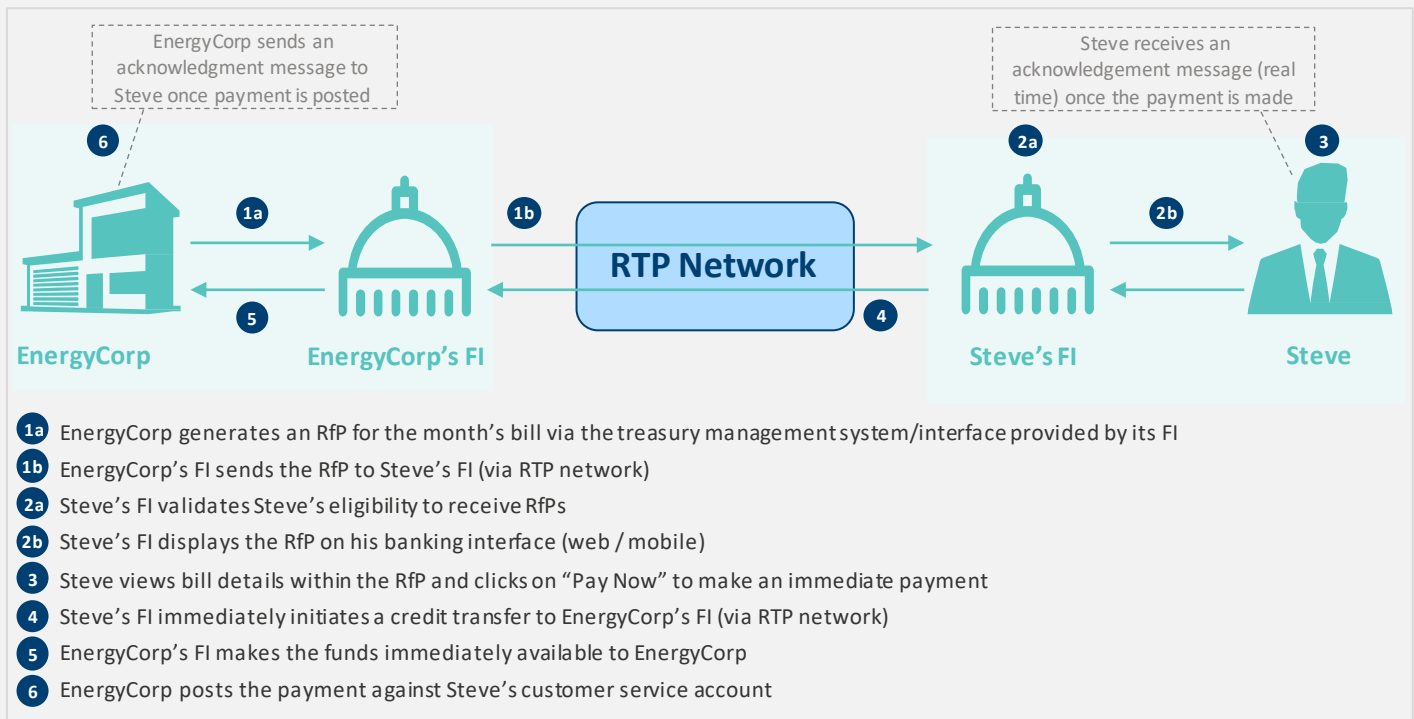


### Illustrative Biller Ecosystem

Stakeholders	Description
 <b>Biller</b>	Billers may submit a Request for Payment (RfP) to their bank (Biller Bank). The Biller Bank then sends the RfP to the customer's bank through the RTP network. It is presented to the customer via their banking interface
 <b>The Clearing House</b>	The Clearing House operates the RTP network. It provides real-time payments clearing and settlement capabilities and value-added messaging functionality
 <b>Biller bank and Customer bank</b>	Financial institutions (biller bank and customer bank) connect to the RTP network directly or through third-party service providers
 <b>Customer</b>	Customers accept or decline the RfP and may communicate with the biller through the RTP network (ISO20022 messaging standard)
 <b>Third Party Service Provider</b>	A Third-Party Service Provider provides a technical connection to the RTP network and acts on behalf of the financial institution (customer bank and biller bank) to send and receive RTP payment messages and other messages
 <b>Payment Processor</b>	Payment Processors offer application services on which new digital products can be built by the financial institutions (customer bank and biller bank)
 <b>ERP system</b>	ERP systems are biller software solutions that enable various functions in the biller organization and enable real-time billing and payment processing

## Sample C2B RTP Payment Scenario

**Use case scenario:** Steve is a customer of EnergyCorp (biller). Since Steve enrolled to receive\* RfPs, EnergyCorp presents Steve with a RfP on his bank app starting this month. The RfP contains amount due and a summary of the bill with an option to make an immediate payment. Once Steve approves the RfP to make the requested payment, his FI **immediately transfers the payment** amount to EnergyCorp’s bank account. EnergyCorp **immediately confirms the receipt of the payment** to Steve.



\*FI Participants and Billers may choose to have customers enroll to receive RfPs to enhance customer understanding of payment options. However, the RTP Rules do not require customers to enroll, and Participants are also permitted (but not required) to allow their customers to stop receiving RfPs from a particular RfP sender or all RfP senders

## Key Considerations for Billers



Ensure you have a **pre-existing relationship** with the customer and bank account details before initiating an RfP



Access **interface provided by your FI** to initiate RfPs and accept payments from customers



RfPs must be for **legitimate purpose<sup>1</sup>** and should not be fraudulent, abusive, or unlawful



Provide **appropriate disclaimers** to say that the bill will be delivered and available to all persons who have access to the bank account<sup>2</sup>



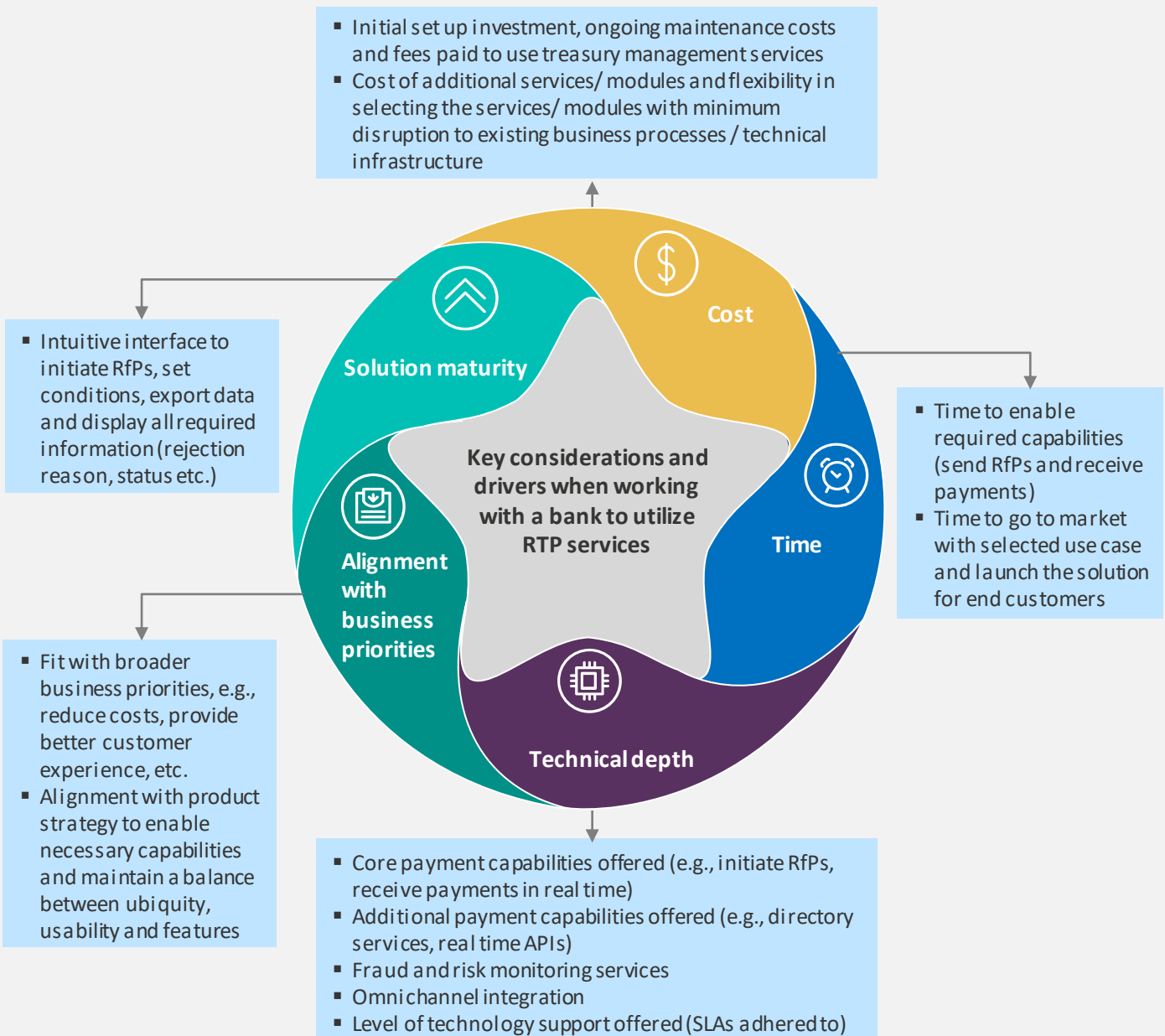
Send **real-time payment acknowledgement** to the customer after payment is posted

1) A current sale or transaction or an amount that is due, owed or otherwise agreed to be paid to the biller  
 2) e.g., joint account holders

# 02: Preparing for RTP Payments

## Working with your bank to enable RTP payments (1/2)

Working with your bank is essential in building RTP capabilities. Billers may consider the following framework to understand the services provided by their banks that may help accelerate their RTP payments implementation. They may want to weigh several factors to make sure their bank's services align with their organization's objectives, payment strategy and customer needs. A biller's bank enabled for RTP services will receive RfPs from all their biller customers and process, clear and settle the transactions on behalf of the biller.



## Working with your bank to enable RTP payments (2/2)

### Billers Onboarding Process

Billers need to work with their FIs to complete the onboarding process. The following diagram showcases representative activities that billers may need to consider as part of the process.



#### Complete Onboarding Requirements

Complete legal agreements, review risks related to sending RfPs and other issues the service may raise



#### Integrate with Biller FI's Online Interface

Integrate with biller FI's online interface manually or via APIs and get required access / user settings to view transactions, dashboards (e.g., view upcoming receivables) and necessary reports



#### Complete Biller FI Interface Training

Coordinate with biller FI to schedule and complete training to efficiently use the biller FI interface and request customizations as needed



#### Build Necessary Connectivity

Build required connectivity to internal billing and reconciliation systems (as applicable) for generating RfPs and posting payments

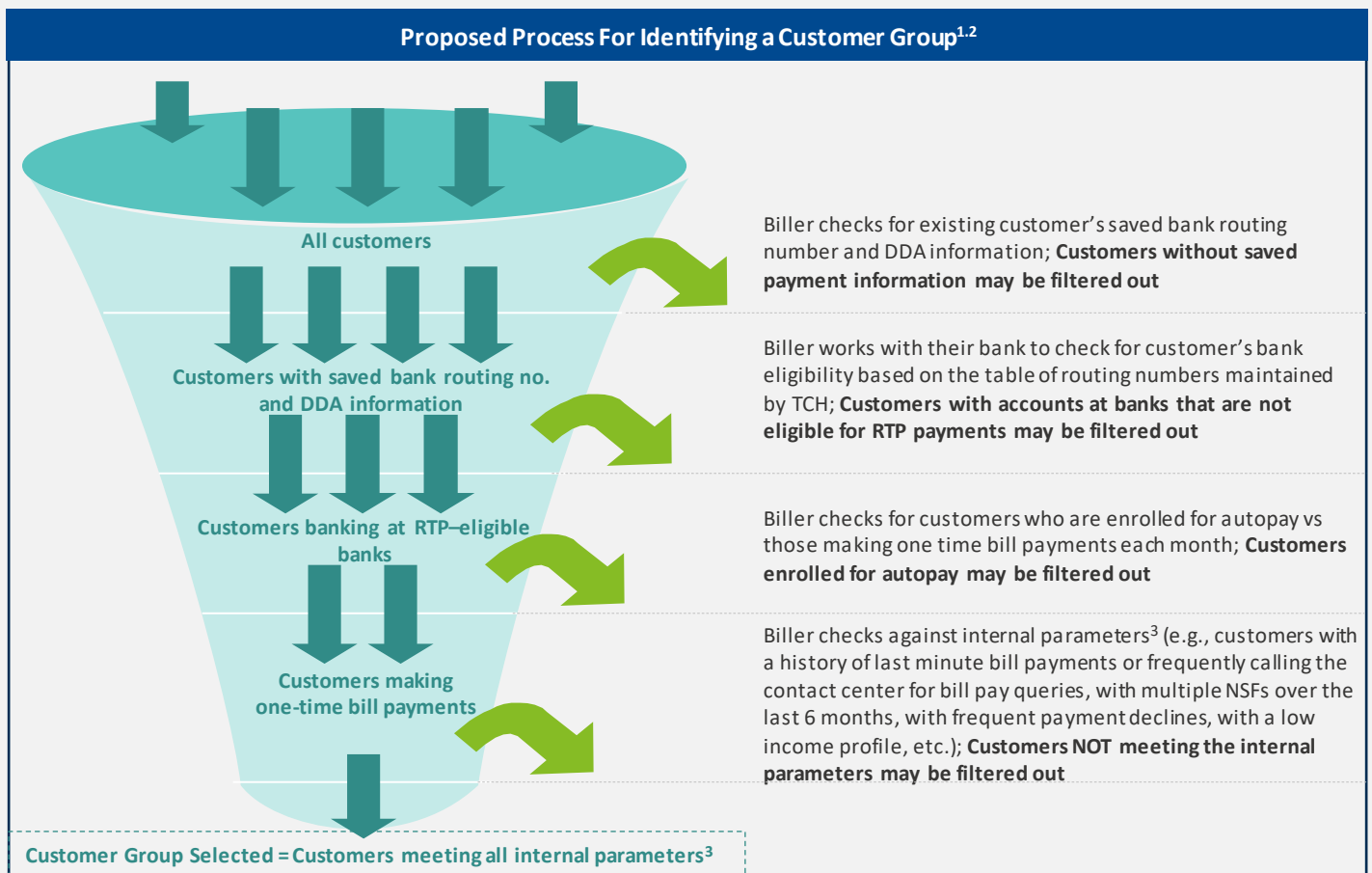
**Note:** These activities are for reference only and individual FI processes and requirements may vary; it is recommended that FIs and their biller partners collaborate and make an informed decision on the timelines and the set of activities to complete.

## Considerations for Selecting Customer Cohorts to Roll Out RTP Payments

The first step in offering RTP payments as a payment method is to select the right target customer group:

- ❑ **For existing customers:** A biller may choose to offer RTP payment method to certain customer groups based on internal parameters, such as payment history or other factors, and have a phased roll out for other groups over a period of time
- ❑ **For new customers:** A biller may choose to offer RTP payment method to all its new customers

Depending upon the internal parameters identified by the biller, the following framework may be considered to help identify the appropriate customer group to roll out RTP capabilities in a phased manner.



### Footnotes

1. Biller may select multiple customer groups based on this framework, and **roll out RTP capabilities for each in a phased manner**
2. Once a customer group is identified, the **biller may want to consider checking for its RTP payments eligibility on a frequent basis** (frequency to be decided by the biller). This is because the following conditions might change with time –
  - ❑ Additional customers may save their bank routing number and DDA information with the biller
  - ❑ Customer’s bank that was previously not RfP receive enabled, may have become enabled recently
  - ❑ Customers that were earlier not enrolled in autopay, may have enrolled recently (or vice versa)
  - ❑ Customer population meeting internal parameters might have changed recently
3. **The parameters listed above are illustrative, and not exhaustive.** It is up to the biller to determine the internal parameters used to identify customer groups for RTP payments

## Enabling Request for Payment in the Existing Billing and Payment Process (1/2)

Billers planning to roll out RTP payments for their customers may consider reaching out to their processors/ payment facilitator/ aggregator/ banking partners first to understand RTP payments as an additional payment method. This will help them gain a better understanding of how existing systems and processes may be impacted by the adoption of RTP payments, and how workflows can be configured to mitigate any potential risks.

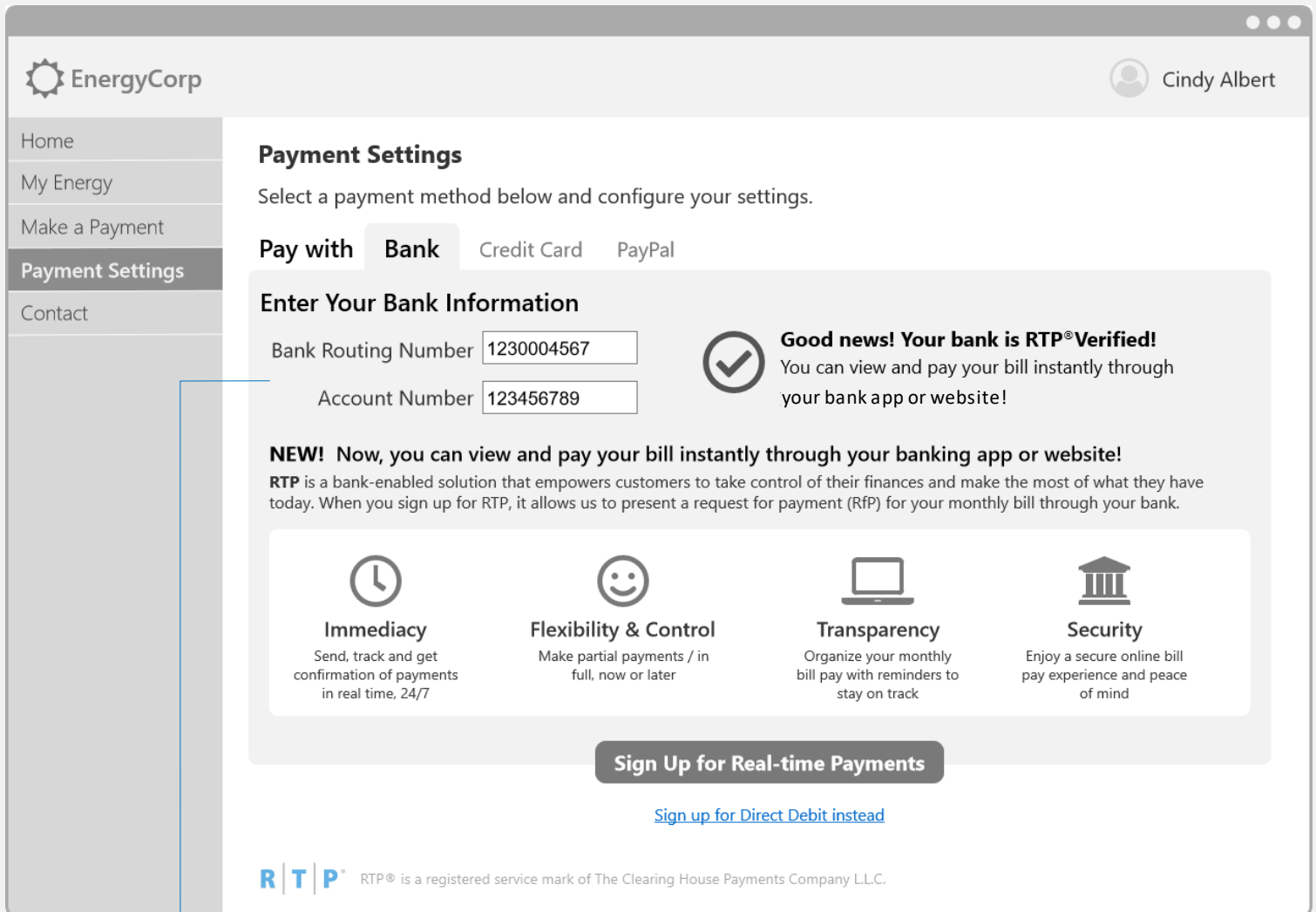
	Description	Considerations for Billers		
		Technical	Operational	
RTP Payments Value Chain	<b>Customer Enrolment<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Customer provides their payment preferences through a biller channel and opts-in to receive RfPs and make real time payments</li> </ul>	<ul style="list-style-type: none"> <li>Follow existing processes to store payment preferences</li> <li>Update existing channels to enable eligible customers to opt-in to receive RfPs and pay their bills in real time</li> </ul>	<ul style="list-style-type: none"> <li>Train contact center employees to be able to update customer preferences (for RfP opt-in) and address any queries they may have</li> </ul>
	<b>RfP Opt-in Check</b>	<ul style="list-style-type: none"> <li>Biller conducts RfP Opt-In check on customer accounts that have invoices generated based on their billing cycle</li> </ul>	<ul style="list-style-type: none"> <li>Conduct eligibility checks to identify customers who opted in for receiving RfPs</li> <li>Generate billing info for bills due, and initiate RfPs through APIs or manually via a biller interface</li> </ul>	<ul style="list-style-type: none"> <li>Biller should have processes in place to monitor and manage the new interface for RfP opt-in checks and RfP initiation</li> </ul>
	<b>Bill Generation and RfP Initiation</b>	<ul style="list-style-type: none"> <li>Billing system generates the bill (based on customer billing cycle<sup>2</sup>)</li> <li>Biller initiates an RfP and sends it to the customer via biller bank and customer bank</li> </ul>	<ul style="list-style-type: none"> <li>Connect to biller interface manually or via APIs to initiate RfPs and track payments</li> </ul>	<ul style="list-style-type: none"> <li>Bill generation and presentment processes through existing channels (i.e., paper, e-bill) will continue to function as-is based on existing customer preferences</li> </ul>
	<b>Payment Processing</b>	<ul style="list-style-type: none"> <li>Customer approves payment, and initiates credit transfer against the RfP</li> </ul>	<ul style="list-style-type: none"> <li>Use biller interface or status files received (in batch or real time via APIs) from biller bank to track and store RfP status (successful, scheduled, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Train contact center employees to address customer calls associated with RTP payments (Please refer to the FAQs section)</li> </ul>
	<b>Clearing and Settlement</b>	<ul style="list-style-type: none"> <li>RTP network facilitates real time exchange of funds initiated by the customer bank</li> <li>Payment gets credited to biller bank in real time</li> </ul>	<ul style="list-style-type: none"> <li>Provide customers confirmation for payments received in real time</li> <li>Receive regular reconciliation file from biller bank (based on mutually agreed upon frequency)</li> </ul>	<ul style="list-style-type: none"> <li>Treasury management will be business as usual with an identifier for RTP payment in the reconciliation file</li> </ul>
	<b>Reconciliation</b>	<ul style="list-style-type: none"> <li>Biller conducts matching of transactions with original invoices generated</li> </ul>	<ul style="list-style-type: none"> <li>Explore efficiencies in reconciliation by automating the processes and using the contextual data available with the transaction</li> </ul>	<ul style="list-style-type: none"> <li>Modernize operational processes to handle 24x7x365 payment processing and posting</li> </ul>
	<b>Posting</b>	<ul style="list-style-type: none"> <li>Biller posts payments made across applicable customer accounts and systems (for e.g., ERP and Billing System)</li> </ul>	<ul style="list-style-type: none"> <li>Consider sending an immediate response back to the customer<sup>3</sup> once the payment is posted and the balance updated. This may require changes on the biller's ERP and posting platforms</li> </ul>	

Note:

1. Sample prototype screen on page 15
2. Billers may send multiple RfPs to a customer during a billing cycle. No existing RfP would be deleted to ensure appropriate audit trail. Billers may use the RTP payment 'end-to-end identification' field to manage reconciliation and traceability
3. Billers are encouraged to post the payment against the customer's bill within 24 hours, and immediately if possible, and may send the acknowledgement at such time

# Enabling Request for Payment in the Existing Billing and Payment Process (2/2)

## Customer Enrolment - Sample prototype screen






The screenshot shows a web interface for EnergyCorp. On the left is a navigation menu with options: Home, My Energy, Make a Payment, Payment Settings (highlighted), and Contact. The main content area is titled "Payment Settings" and includes a sub-header "Select a payment method below and configure your settings." Below this are tabs for "Pay with": Bank (selected), Credit Card, and PayPal. The "Bank" tab is active, showing "Enter Your Bank Information" with two input fields: "Bank Routing Number" (1230004567) and "Account Number" (123456789). To the right of these fields is a green checkmark icon and the text: "Good news! Your bank is RTP® Verified! You can view and pay your bill instantly through your bank app or website!". Below this is a "NEW!" announcement: "Now, you can view and pay your bill instantly through your banking app or website! RTP is a bank-enabled solution that empowers customers to take control of their finances and make the most of what they have today. When you sign up for RTP, it allows us to present a request for payment (RfP) for your monthly bill through your bank." At the bottom of the main content area are four benefit icons: "Immediacy" (clock icon), "Flexibility & Control" (smiley face icon), "Transparency" (laptop icon), and "Security" (bank building icon). A large "Sign Up for Real-time Payments" button is centered at the bottom, with a link "Sign up for Direct Debit instead" below it. The footer contains the RTP logo and text: "RTP® is a registered service mark of The Clearing House Payments Company L.L.C."

In case the customer bank account details are already saved with the biller, these fields should appear as non editable/ greyed out. Customer can simply select RTP as the payment method\*

\*Note – If the customer has multiple accounts saved with their biller, they may be provided with a choice to select RTP for a specific bank account

## Additional Considerations for Billers (1/2)





Billers may establish a **customer enrollment** or **opt-in mechanism** to onboard customers and allow them to sign up for receiving RfPs. Once customers are onboarded, they can receive RfPs via their digital banking interface and make payments against the RfPs successfully. Billers may examine below considerations **on various exception scenarios and handle customer queries appropriately** –

Exception Scenarios	Description	Billers Considerations
<b>Customer Unable to Receive RfP</b> 	<p>A customer may not be able to receive RfPs due to several reasons. For e.g.,</p> <ul style="list-style-type: none"> <li>Customer’s FI is not enabled to receive RfPs or send RTP payments</li> <li>Customer may have opted out from receiving RfPs from a particular biller</li> <li>Customer is not digitally enabled with their FI</li> </ul>	<ul style="list-style-type: none"> <li>Offer an alternative mode of bill delivery and payment</li> <li>Guide customer to update preferences if they want to start receiving RfPs from the biller again</li> <li>Advise customers to check with their bank on steps to become digitally enabled and set up preferences for receiving RfPs</li> </ul>
<b>Customer Declines an RfP</b> 	<p>Upon receiving an RfP, a customer may decline<sup>1</sup> an RfP for any reason, including:</p> <ul style="list-style-type: none"> <li>Customer has made a payment in full through another channel</li> <li>Customer does not recognize the biller</li> <li>The requested amount is different from the invoice amount, or any other reason</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> <li>Check if the customer has opted-in to receive RfPs and subsequently reach out to the customer to address their concerns</li> <li>Consider sending a new / reissued RfP based on updated invoice details (amount, due date, etc.) and contact the customer through existing communication channels to provide guidance on next steps</li> </ul>
<b>RfP Expiration</b> 	<p>A biller can set an expiration date<sup>2</sup> on the RfP before sending it to the biller FI, who then routes it to the customer FI through the RTP network</p> <ul style="list-style-type: none"> <li>If a customer does not take any action on an RfP by the expiration date set by the biller, the RfP may expire. In such a scenario, the RfP will be in an inactive state beyond the expiry date (or date and time) and the customer will only be able to view the RfP and not take any action on it</li> </ul>	<ul style="list-style-type: none"> <li>Advise customers that they may still owe the payment</li> <li>If the customer reaches out, consider sending a new RfP for the same invoice or a new invoice to the customer and advise them to make the payments against the latest RfP</li> </ul>

**Note** – 1) Customers can also choose to ignore and take no action on the RfP for any of the reasons mentioned above 2) According to RTP® message specifications, Expiry date is a mandatory field in the pain.013 message that allows the biller to enter the date or both date and time beyond which an RfP would expire



## Additional Considerations for Billers (2/2)

Exception Scenarios	Description	Billers Considerations
<b>Billers Cancel an Already Issued RfP</b> 	A biller may cancel an existing RfP under the following scenarios <sup>1</sup> – <ul style="list-style-type: none"> <li>Customer received an RfP with incorrect bill details (e.g., a amount, date, etc.)</li> <li>Customer has already paid the bill partially through another channel. In this case, the biller may cancel the existing RfP, and reissue another RfP with the updated bill amount due</li> </ul>	<ul style="list-style-type: none"> <li>Communicate the reason for cancelling an existing RfP to the customer (through standard communication channels), provide applicable reference document / bill and suggest next steps i.e., make a payment via another channel, make a payment via the new/reissued RfP, etc.</li> <li>In case of new/reissued RfP, a biller may also use the free text field (140 characters) available to them to mention the reason for issuing an updated RfP (customer's bank is recommended to show these messages from the biller to their customers)</li> </ul>
<b>RTP Payment Fails/ Gets Rejected</b> 	A customer's real time payment may fail / be rejected due to – <ul style="list-style-type: none"> <li>Technical issue at the customer's FI/Sending Participant or the biller's FI/Receiving Participant (e.g., FI not live on the RTP network when the payment is initiated, etc.)</li> <li>Specific conditions set up by the biller for the RfP sent</li> </ul>	<ul style="list-style-type: none"> <li>Offer an alternative mode of bill delivery and payment</li> <li>Communicate the rejection reason to the customer and advise on the next steps (for e.g., please try again later etc.) based on existing standard operating procedures</li> </ul>
<b>Customer Makes an Erroneous Payment</b> 	Customers may make an erroneous payment in cases such as mentioned below and may seek a refund for the payment made in error: <ul style="list-style-type: none"> <li>Customer accidentally adding a zero and paying more than was requested by the biller in the RfP</li> <li>Duplicate payment made (one through the RfP received, and another through a different payment channel)</li> </ul>	<ul style="list-style-type: none"> <li>In case a customer reaches out to the biller for refund, they may handle it based on existing business processes and policies, and inform the customer about the refund status based on existing standard operating procedures</li> <li>Each RfP contain a unique 'end-to-end identification'<sup>2</sup>, field which can help billers identify duplicate payments from its customers</li> </ul>
<b>Customer Report of Abuse</b> 	<ul style="list-style-type: none"> <li>If a customer receives unintended/unsolicited RfPs from a biller that are harassing or threatening, they can report a abuse by contacting their FI</li> </ul>	<ul style="list-style-type: none"> <li>Ensure a pre-existing relationship with the customer and use of RfPs for legitimate purpose only (should not be fraudulent, abusive, or unlawful)</li> </ul>

**Note** – 1) Biller may use existing communication channels to inform the customer of the reason for cancelling the existing RfP, and issuing a new one  
 2) Billers may choose to use this field for invoice number or customer's service account number etc. for easy reconciliation

## Billers Checklist for Implementing RTP Payments



### Billers checklist for developing RTP capability readiness

- Have you conducted ideation sessions with your business stakeholders and product leads to build a strong business case for RTP payments?
- Have you gained an understanding of the impact of RTP payments on current payment processes, both internal processes and external functions?
- Have you studied the impact of RTP technology infusion on business processes and current IT infrastructure?
- Have you studied the requirement of additional cost involved in remapping internal workflows and hiring additional staff?
- Have you gained an understanding of financial implications of RTP payments on your business and systems?
- Have you allocated dedicated IT resources to accept, and update / post real-time payments to your internal accounting systems?
- Have you identified necessary updates to current processes to ensure consistent customer experience across channels?
- Have you identified the right bank partner and started working with them to chart out a roadmap to transition to a new payment process that may involve internal and cross-departmental participation support?
- Have you collaborated with your bank to understand implications of RTP payments on customer data and set up appropriate security controls?
- Have you worked with your bank to enhance real-time monitoring and alerting capabilities for your business?
- Have you signed up for the RTP Bill Pay Pilot through your bank?
- Have you identified the target customer segment for the initial rollout of RTP payments?
- Have you aligned the core competencies of the RTP network with your customer segment needs?
- Have you trained your employees to provide customer support for RTP payments?



### Tips/Fact Check

As a biller, working with your bank is essential in building RTP capabilities. Refer to the section on **“Working with your bank to enable RTP payments”** to identify factors that a biller may consider while preparing for RTP payments.

## Frequently Asked Questions (1/4)



Billers may use the following FAQs with their customers and to educate internally at their organizations, and are recommended to revise the responses as appropriate for their organization, customer base, and RTP offerings

1	What is the RTP network?
The RTP network is a new payments network launched by The Clearing House (TCH) that enables consumers and businesses to immediately send and receive funds 24x7x365 via their secure bank channel.	
2	Are RTP payments and Same-day ACH the same?
No, the RTP network and ACH are two different payment networks available to make payments. Same-day ACH, despite being faster than 'traditional' (i.e., next day) ACH, does not process a payments in real time. A same day ACH payment is processed at an improved ACH settlement time and may take a couple of hours to get credited to the recipient's account. However, the RTP network processes payments within a few seconds / in real time.	
3	Is the RTP network the same as Zelle?
Zelle is a payment service that allows users to initiate a payment using the recipient's alias (e.g., phone number, etc.). Zelle Participant FIs generally use a delayed settlement model that relies on the ACH network, with some Zelle Participant FIs now using the RTP network for clearing/settlement. The RTP network is a clearing and settlement platform that clears and settles payments immediately and provides recipients with immediate funds availability.	
4	Am I charged any fee for paying my bills using the RTP network?
It is up to the discretion of the customer's FI to determine the price it charges customers to make payments through the RTP network.	
5	What types of transactions can I make using RTP payments?
Currently, any payment with a value of up to \$100,000 per transaction is eligible to be made through the RTP network. [Actual FI send limit may vary by products and customers, and may be based on risk appetite of the FI and customer score]	
6	How do I set up RTP payments for bill pay?
<p>Step 1: Customers should visit their payment preferences on biller's website and provide their bank account details if not already saved with the biller. If already saved, customers can simply select RTP as the payment method</p> <p>Step 2: Customers will receive an enrollment confirmation from the biller</p> <p>Step 3: Customers can visit their online/mobile bank service to activate this service. Going forward, customers may respond to a request for payment received for every billing cycle to make an RTP payment</p> <p>[These steps are subject to individual FI and biller requirements]</p>	
7	Do I have to share my bank account details with the biller to start receiving requests for payment?
Yes, customers must share their bank account details with the biller while enrolling for RTP (unless the details are already saved as part of their payment preferences with the biller).	
8	Are RTP payments secure?
The RTP network provides a foundation for FIs to offer real-time payments services that provide "bank grade" security. The credit push model protects customers from unauthorized debits.	
9	How do I seek clarification on bill details in a request for payment?
Customers can contact billers the way they always do or can take advantage of the communication capabilities (non-payment messaging) offered by the RTP network.	

## Frequently Asked Questions (2/4)



Billers may use the following FAQs with their customers and to educate internally at their organizations, and are recommended to revise the responses as appropriate for their organization, customer base, and RTP offerings

10	Can I make an RTP payment to my biller without receiving an RfP?
Yes, customers may be able to make an RTP payment to a biller without receiving a request for payment, (e.g., if the customer's FI has an existing relationship with the biller or has access to a biller directory). However, customers are encouraged to make RTP payments by enrolling on the biller website (selecting RTP as the primary method to make payments).	
11	Can I set up RTP payment for autopay with my biller? Can I set up RTP payments for my monthly payments to the FI (to pay credit card bills, loan installments, etc.)?
No, customers cannot set up an autopay for RTP payments with their biller. RTP® Operating Rules require that customers initiate/approve each credit transfer, and do not permit automated payments in response to a request for payment.	
12	How can I reconcile a bill coming from different channels (request for payment, paper bills, emails, etc.)
After enrolling for requests for payment, customers may still continue to receive their statements through other channels (e.g., mail, online, etc.) based on their current bill preferences. Customers can contact their biller (as per current process) to make changes to their channel preferences to receive a bill.	
13	What happens if I receive multiple requests for payment for a single bill/invoice?
Customers can choose to ignore duplicate requests for payment for the same bill/invoice and take action on the most recent request for payment. They are likely to receive communication (through their standard communication channels) from the biller about the reason for receiving a reissued request for payment.	
14	What happens if I decline an RfP?
Based on the reason for declining a request for payment, customers may receive communication from the biller advising on appropriate next steps to complete the payment.	
15	How do I stop receiving RfPs from my biller?
Customers can stop receiving request for payment by updating payment preferences on their biller's website, or by rejecting a request for payment from that particular biller and choosing opt out as the reason. Subject to their FI's RFP implementation, customers may also inform their FI that they have elected not to receive request for payment from a particular biller (or that they wish to stop receiving requests for payment entirely).	
16	What happens if I make a bill payment through another channel but still receive an RfP for the same invoice?
Customers are not obligated to take action on any RfP, including if they have already made the payment through another channel. They can ignore or decline an RfP in such a situation. In case they make a payment against the RfP as well as through another payment channel, the excess payment will be applied based on biller's existing business rules (e.g., it may appear as a credit in the customer's biller account or adjusted in the next bill or returned to the customer, depending upon the biller's business practices).	
17	Can I set up a future-dated RTP payments? / Can I pay a partial amount for my bill?
Customers may be able to set up future dated / partial payments if their FI and biller supports and offers this functionality. [To be modified based on biller's readiness and capabilities].	

## Frequently Asked Questions (3/4)



Billers may use the following FAQs with their customers and to educate internally at their organizations, and are recommended to revise the responses as appropriate for their organization, customer base, and RTP offerings

18	What happens if I do not recognize the RfP I've received?
The RTP® Operating Rules do not permit FIs to send RfPs on behalf of billers that are unknown to a customer. However, in the event that the customer does not recognize an RfP, they are not obligated to take any action on that RfP. They can also report the unknown biller to the FI.	
19	Will an RfP expire after the due date?
An RfP may stay active until the expiration date set on it by the biller, which may be different from the payment due date. If no action is taken by the customer, the RfP would become unactionable beyond the expiry date (or date and time) set by the biller.	
20	Can a fraudulent RTP payment be made without my authorization? If yes, what action can I take?
The RTP network is a credit push system. Payments are made only if the sender/ customer initiates the credit transfer (including in response to an RfP). If an unauthorized party sends a payment from a customer's account, the customer should contact their financial institution.	
21	What happens if I accidentally pay a higher amount than the actual bill amount?
The extra amount paid by the customer may be reflected in the form of a credit on the customer's biller account, adjusted in the next bill or returned to the customer (depending upon the biller's business practices). A customer may contact the biller to seek refund for the extra amount paid.	
22	I did not mean to approve the payment; How can I stop an RTP payment once it's been made? Is it irrevocable?
An RTP payment, once made, cannot be revoked. However, in case of an erroneous payment, the customer may ask their FI to request that the Receiving FI return the funds or may directly request for a refund from the biller, which would be processed depending on biller's existing business practices (refund through existing methods such as ACH, checks, or through the RTP network).	
23	How long does it take for my payment to be posted on my biller account (e.g., customer's service account)?
Customers will receive a 'payment received by biller' message on their bank Bill Pay interface as soon as the payment is received by the biller (within seconds of making the payment). However, it may take some time for the payment to be reflected in the biller's records after it is received. Once biller records are updated, biller may send the customer a 'payment posted' message.	
24	How do I know if the biller has received my payment?
Customers will receive a 'payment received by biller' message on their bank bill pay interface as soon as the payment is received by the biller (which is in seconds). This message serves as a confirmation that the payment has been received and will be applied to customer's account.	
25	What happens to my funds if the biller does not accept my payment?
In cases where the payment is rejected, the funds will not be transferred, and the customer will be prompted with an appropriate message. The customer may then contact the biller/FI based on the message received.	

## Frequently Asked Questions (4/4)



Billers may use the following FAQs with their customers and to educate internally at their organizations, and are recommended to revise the responses as appropriate for their organization, customer base, and RTP offerings

26	How long will it take for the biller to send me a payment acknowledgement? Can I rely on that message as a confirmation of my paid bill?
<p>Once a payment is made—</p> <ol style="list-style-type: none"> <li>Customers will receive a ‘Payment Received by Biller’ message on their bank bill pay interface as soon as the payment is made and received by the biller</li> <li>Customers may receive a ‘Payment Posted’ message from the biller as soon as the payment is posted to the biller account</li> </ol> <p>Even though billers are encouraged to send the ‘payment posted’ message in real time, there may be some lag between ‘payment received by biller’ (sent by customer FI through banking interface) and ‘payment posted’ (sent by biller through existing channels and banking interface) message. ‘Payment received by biller’ message serves as a confirmation that the payment has been received and will be applied to customer’s account.</p>	
27	Do I get refunds in real time (in case of duplicate payments, etc.)?
<p>A biller’s treatment of a duplicate payment, will depend on its business practices, which might include reflecting the duplicate payment as a credit to the customer’s account, adjusting it on the next bill, or refunding the amount to the customer.</p>	
28	How much will RTP payments cost billers?
<p>Banks will determine the pricing for their customer service offerings.</p>	
29	How may real-time payments impact the use of other existing payment methods?
<p>With real time payments gaining traction, certain transactions made via checks and non-instant credit transfers (e.g., ACH), as well as last minute debits, may move towards real-time payments in the long run due to the inherent benefits of real-time payments over these other methods. However, the impact on other payment types may be less significant in the near future.</p>	
30	How is FedNow (a real-time payment service announced by the Fed) expected to impact the RTP network?
<p>The RTP network will continue to deliver benefits to depository institutions and their customers. While TCH will stay abreast of the Fed’s efforts to develop its own real-time payments system, which may become available in 2023 or 2024, TCH’s focus will remain on ensuring that the RTP network reaches all depository institutions.</p>	

## Quick Links



### Helpful Links

[TCH RTP® Network Overview – Videos and Demos](#)

[RTP® Library: Messaging Specs, Rules, Requirements, and More](#)

[RTP® Messaging Specs](#)

[Business Principles for the RTP® Network](#)

[RTP® Operating Rules](#)

[RTP® Participation Rules](#)

[RTP® Payments: What you need to know.](#)

### RTP® BillPay Payment Flows

[Customer Receives an RfP and Makes a Successful Payment \(in full\)](#)

[Payment Successful \(Partial / Modified Amount\)](#)

[Payment Successful \(Minimum Amount\)](#)

[Customer Ignores/Declines an RfP](#)

[RTP Payment Fails / Gets Rejected](#)

[Customer Schedules a Payment](#)

[Biller Cancels an Already Issued RfP](#)

## Glossary

## 04: Glossary of Terms

Acronym	Definition	Description
<b>ACH</b>	Automated Clearing House	Reference to various types of electronic transactions, such as payroll direct deposit, automatic insurance premium deductions, loan payments, etc.
<b>API</b>	Application Programming Interface	Software intermediary that allows two applications to communicate with each other
<b>Bill Presentment</b>	Electronic Bill Presentment	Bill presentment is an online system that allows electronic invoices to be created, processed and paid over the internet or a mobile app
<b>C2B</b>	Consumer to Business	Payment transfers made by a consumer to a business
<b>DDA</b>	Demand Deposit Account	A transactional deposit account held at a Financial Services Organization. A DDA is designed to provide for frequent access to a customer's funds that are available for immediate withdrawal by way of different channels (for example, checks, ATM withdrawals, debit cards, etc.) DDAs include, but are not limited to, checking accounts, savings accounts, money market accounts, and any account in which funds are available for immediate withdrawal
<b>ERP</b>	Enterprise Resource Planning	Business process management software that allows an organization to use a system of integrated applications to manage the business and automate many back office functions related to technology, services and human resources
<b>FI</b>	Financial Institution	Financial Institution
<b>ISO 20022</b>	ISO 20022	International standard that defines the ISO platform for electronic data interchange in the development of financial message standards. It describes a metadata repository containing descriptions of messages, business processes, and a maintenance process for the repository content
<b>Receiving FI</b>	Consumer Bank	Consumer Bank and Receiving FI are used interchangeably
<b>RfP</b>	Request for Payment	A payment-related message (ISO20022 pain.013) that is sent by the biller to the customer through their respective financial institutions, to request an RTP payment in response
<b>RTP® network</b>	Network name (not an acronym)	Network for real-time payments hosted by TCH
<b>Sending FI</b>	Biller Bank	Biller Bank and Sending FI are used interchangeably
<b>TCH</b>	The Clearing House	A U.S based company for a payment system infrastructure that enables payment settlements in real time



## 05: Next Steps

If you are interested in leveraging RTP Network to offer your customers, the ability to make real time payments –



**Connect with your partner bank to learn more about their real time payments offering**



**Draft a plan to enable RTP capabilities**

# Appendix

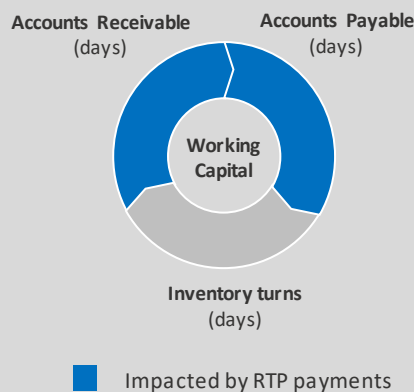
## Benefit and Cost Drivers of RTP Payments (1/2)

RTP Payments have the capability to drastically improve treasury processes by freeing up much-needed liquidity for management of **optimal working capital** and increasing straight through processing for **automated reconciliation**.

### Working Capital Management

Maintaining a threshold working capital and liquidity is critical for biller organizations to maintain enough funds to continue their day-to-day operations and prepare for any economic downturn or unfavorable / unexpected business events.

#### Impact of RTP payments on three main components for working capital in a typical biller organization



- RTP payments **shorten the timeframe** for recognizing **accounts receivables (AR)** and **accounts payables (AP)**
- Reduced payment delays, seamless billing processes, efficient bills collection processes and faster resolution of invoice disputes – all contribute towards **reducing account receivables**

#### How RTP payments help in Working Capital Management



**Effective use of cash flows and better liquidity management** – With accelerated cash conversion cycles and reduced latency in payment execution, billers may be able to maintain an optimum contingency cash buffer. Better payments' traceability and predictability can help billers get a better handle on liquidity. Visibility into cash flows allows them to make accurate assessments, preventing them from keeping an overly large budget buffer and freeing up funds to capture new opportunities.



**Improved operational efficiencies** – RTP payments can reduce billers' operational requirements of foundational back-office processes, including AR and AP, and this can potentially lead to lower costs. With access to data-rich transaction flows, product teams at biller organizations may build more efficient payment flows and achieve straight-through processing efficiencies. This can help their finance teams manage payment operations more effectively.



**Better external financing need management** – According to a 2019 Deloitte global survey\*, businesses held a cash contingency equivalent to approximately 4.6% of annual sales, implying that a significant portion of businesses' revenue was held as a reserve and could not be used for internal financing of working capital. With RTP payments, billers may be able to forecast their cash positions better by tracking the movement of funds at any given time. This can also help small billers plan their funding requirements basis their actual cash positions rather than estimates.

As working capital management becomes more efficient, billers may witness reduced pressure on cash flow planning and forecasting as well.

\*Deloitte conducted a survey of SME owners across a range of business segments and sectors, both in countries that have and haven't (yet) introduced real-time payments. We have used aggregate responses as a proxy for business sentiment in the US.

Source: [Deloitte 2019 'Economic Impact of Real Time Payments' research report](#)

## Benefit and Cost Drivers of RTP Payments (2/2)

### Reconciliation

Automated reconciliation happens when the right level of data accompanies a payment transaction for invoice matching. The RTP network is based on ISO20022 messaging standard, that allows participants to make use of additional information within the payment transaction. Along with the instant payment notification functionality, RTP payments also offer flexibility for all the data needed to identify a payment and the exception reasons to accompany a payment transaction. This contextual information enables auto-posting and aids in automated reconciliation for businesses.

#### How RTP payments improve the reconciliation processes in a biller organization



**Minimized payment inquiries** – Instant payment posting in the biller internal ERP system and payment confirmation sent to the customer can help reduce the number of customer inquiries received by the biller. This can aid in reducing contact center costs for the biller.



**Requirement of lesser resources dedicated to reconciliation** – Automated reconciliation implies that billers can dedicate lesser resources to receivables posting and reconciliation. These resources can focus on some of the other core business needs of the organization.



**Better exception management** – With readily available data, RTP payments make it possible to achieve efficiencies in exception management as well. This is complemented by enhanced posting and reconciliation capabilities of invoice-related information associated with the payment transaction. Vital payment data may be integrated with the biller organization's ERP system to attain even greater efficiency. This directly reduces biller's back-office costs as well.