

RTP® NETWORK FUNDING AGENT OVERVIEW

In 2017, The Clearing House (TCH) revolutionized U.S. payments by introducing a real-time payments network (RTP), the first new payment rail in more than 40 years. RTP supports the immediate clearing and settlement of payments, along with the ability to exchange related payment information across the same secure channel. It provides consumers and businesses with the ability to conveniently send payments directly from their accounts at federally insured depository institutions 24/7 and to receive and access funds sent to them over the RTP network immediately.

The RTP network gives the financial industry a modern platform for domestic payments, complete with rich data capabilities and immediate payment confirmation. The system enables instantaneous settlement and availability to payment recipients, so those funds can be used or withdrawn as cash within seconds. The RTP network currently reaches 61% of U.S. demand deposit accounts and all federally insured depository institutions, regardless of size, can join the network. More than 250 financial institutions use the RTP network, with more joining each week. To learn more visit www.theclearinghouse.org.

What's Next?

Once a credit union has decided to become an RTP participant, either directly or through a third-party service provider, they will need to choose a funding model. The RTP network uses a prefunded, real-time, gross-settlement model, and prefunding is held in a special deposit account at the Federal Reserve Bank of New York (FRBNY) that is jointly owned by TCH and either the funding participant or a funding agent.

RTP Funding Model Options:

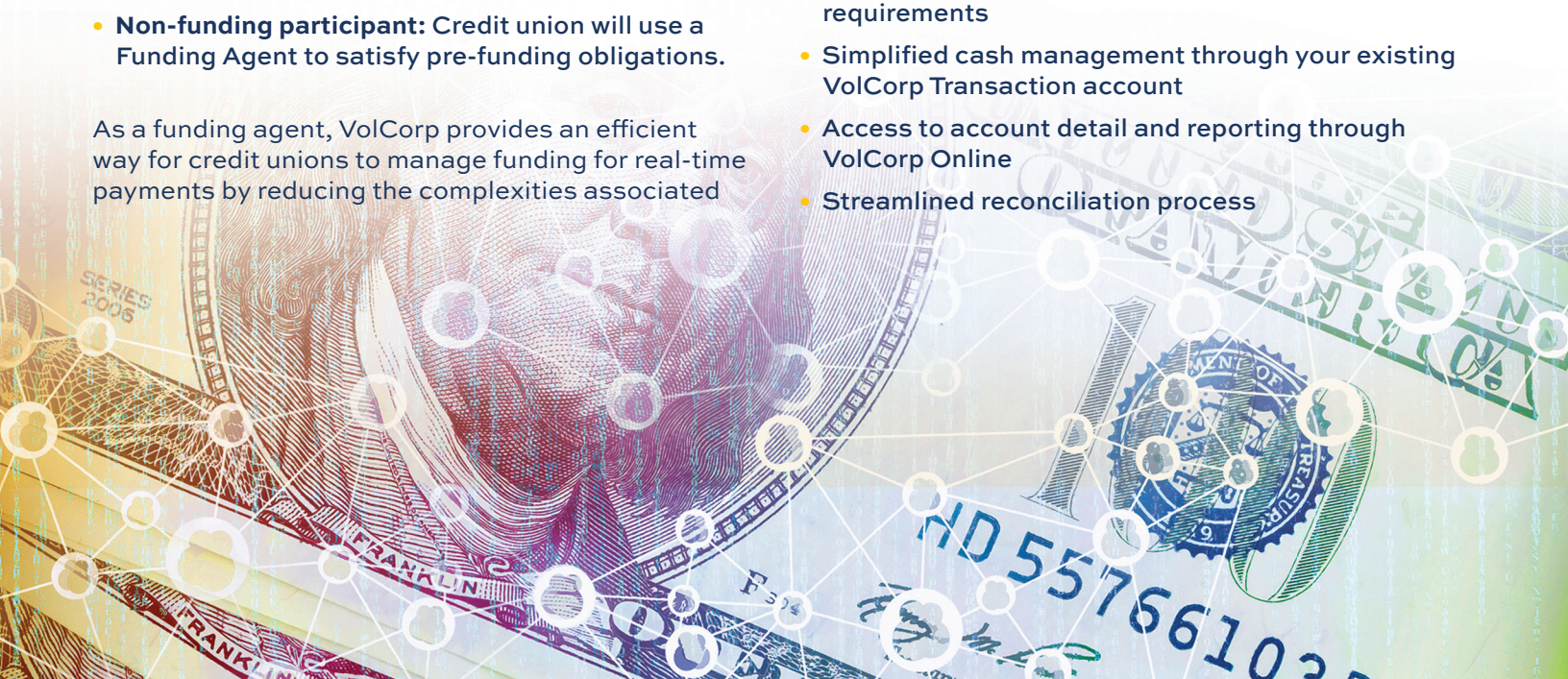
- **Funding participant:** Credit union will establish its own account and satisfy its own prefunding obligations.
- **Non-funding participant:** Credit union will use a Funding Agent to satisfy pre-funding obligations.

As a funding agent, VolCorp provides an efficient way for credit unions to manage funding for real-time payments by reducing the complexities associated

with RTP funding requirements. When a credit union joins the RTP network and designates VolCorp as their funding agent, VolCorp will establish the required joint FRBNY account with TCH, and manage funding for the account on the credit union's behalf. This makes access to the RTP network easier for many credit unions and helps to minimize the impact on current operations and available resources.

As your funding agent, VolCorp offers the following additional features:

- 24/7/365 liquidity management for RTP transaction settlement and pre-funding requirements
- Simplified cash management through your existing VolCorp Transaction account
- Access to account detail and reporting through VolCorp Online
- Streamlined reconciliation process



Who Can Use VolCorp as a Funding Agent?

Any credit union that becomes an RTP Participant and chooses to be a non-funding participant is eligible. In addition, VolCorp can serve as funding agent regardless of the credit union's means of connecting to the RTP network, directly or through a third-party service provider such as a core processor. VolCorp is advising its members to establish a funding agent relationship at the beginning of their real-time payments journey. In doing so, credit unions can simplify the transition towards becoming a send/receive participant.

Membership in VolCorp is required however, non-members can use our funding agent services by joining with no capital requirement as an Associate member for just \$10.



For additional information regarding our Funding Agent solution or membership, please visit www.volcorp.org. You may also contact us directly at **800-470-3444, Extension 3**, or fasterpayments@volcorp.org.

 2460 Atrium Way • Nashville, Tennessee 37214

 (615) 232-7900 or (800) 470-3444 • **Main Fax:** (615) 232-7999 • **Item Processing Fax:** (615) 232-7979 • **After Hours:** (615) 232-7977

 **See our websites for more information about VolCorp:** volcorp.org • vportfolio.org • symphonycuso.org • volcorpdesign.org