

RTP FUNDING

AGENT OVERVIEW

Leveraging our expertise and leadership in the payments industry, our RTP Funding Agent offering sets up credit unions for success in the rapidly expanding payments landscape by supporting entry into the The Clearing House's RTP network. As a credit union's funding agent partner on the network, we are an easy and efficient way to outsource the settlement and funding requirements for real-time payment transactions, a needed capability that could be overly burdensome for credit unions to administer individually.

FEATURES & BENEFITS

- + Comprehensive 24/7/365 facilitation and management. As your funding agent, we do all the work for you. There is no need for your credit union to coordinate/implement the necessary technical and human capabilities and provide the needed 24/7/365 management for the settlement and funding requirements for real-time payment transactions.
- + Simplified cash management/settlement. Members of Corporate One can combine our RTP Funding Agent services with your existing One Account to simplify overall cash management and settlement.
- + Consolidated access to reports. Our web-based account management system, Member\$MART, offers convenient access to your accounts, reconciliation reports, and much more. Everything will be there when you need to access it.
- + Easier reconciliation. Your credit union does not need to establish yet another FRB account that will require additional reconciliation. All net payments are seamlessly put into your One Account for settlement at Corporate One every day and daily reconciliation reports are available via Member\$MART.

What is a Funding Agent?

A funding agent funds and manages positions in the RTP network's joint Federal Reserve bank account on behalf of its participating member credit unions. What this means for credit unions is that Corporate One will facilitate the settlement and 24/7/365 liquidity management of members' RTP network participation.

Not a Member Yet?

No problem. We have membership options for all credit unions. Learn more about membership here. Or contact us directly at 866/MyCorp1 to begin the membership process.

GET STARTED

866/MyCorp1

hello@corporateone.coop



FEATURES & BENEFITS CONT'D

- + Lower pre-funded requirement. Corporate One leverages the power of aggregation, which means credit unions using our services will have less of a pre-funded requirement that they otherwise would have doing it alone.
- + Increasing credit unions' participation in real-time payments. More than 56% of U.S. accounts are currently reached by the RTP network for real-time payments, but less than 1% are at credit unions. Our certified funding agent offering ease the barriers to entry into this network.

HOW IT WORKS

The RTP Network is the first new payment rail in more than 40 years. 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.

When a credit union decides to become a participant in the RTP network, they may choose from one of two options to determine their funding model. The RTP network uses a prefunded, real-time, gross-settlement model, and prefunding is held in a special deposit account at the FRBNY that is jointly owned by The Clearing House and either the funding participant or a funding agent (the "Prefunded Balance Account"). The two funding-model options are as follows:

- + **Funding participant.** This means the credit union will satisfy its prefunding obligations on its own.
- + **Non-funding participant.** This means the credit union will use a Funding Agent to satisfy pre-funding obligations.

As the first corporate credit union certified as a funding agent on RTP, Corporate One can assist credit unions with selecting the "non-funding participants" option.

When a credit union joins the RTP network and designates Corporate One as their funding agent, Corporate One will:

- + Establish and manage the required joint Federal Reserve Bank of NY with TCH on behalf of the credit union.
- + Provide required, pre-funded balances on the credit union's behalf.
- + Monitor and manage balances, including reacting to position alerts on a 24/7/365 basis to ensure transactions go through as requested.
- + Credit or debit the credit union's One Account (settlement account) at Corporate One each day, depending on the net amount of all transactions the previous day.
- + Provide daily reconciliation reports.

SUMMARY COMPARISON

	FUNDING PARTICIPANT	NON-FUNDING PARTICIPANT
Joint Account with TCH at Fed	Must open own joint Fed Account with TCH	Provided by Corporate One
FedWire Access	Must have FedWire, Master Account and either FedLine Direct or FedLine Advantage**	Provided by Corporate One
Liquidity Monitoring	Must monitor 24x7x365 to ensure transaction success	Corporate One will monitor and manage accordingly
Liquidity Funding	Must have ample liquidity in Fed account including weekends and holidays	Corporate One provides and manages funding position
Alerts	Must have connection to TCH's Alert messaging system	Managed by Corporate One
Alert Management/ Response	Must monitor 24/7/365 and react as needed	Managed by Corporate One
Back-up Liquidity	Must arrange and manage own relationship	Provided by Corporate One
Service Inquiries	Fed, TCH, and/or TPSP	Corporate One's Member Experience Team
Reconciliation report	Manually retrieve from TCH	Provided by Corporate One

** Indication only. Credit unions must check with FRB Services for completed requirements.

WHO CAN USE OUR FUNDING AGENT SERVICES?

Credit unions that are participants on TCH's RTP network and have chosen to be a non-funding participant can choose Corporate One as their specialist to manage the 24/7/365 funding requirements. In addition, Corporate One can serve as the funding agent for any credit union regardless of the third-party service provider they're using to connect to the RTP network.

- + Our RTP Funding Agent service is a complimentary product to user applications that initiate, receive and clear RTP network messages. Credit unions that join TCH's RTP network through a third-party service provider/vendor, such as our CUSO Sherpa Technologies, can partner with Corporate One to fund the transactions and settle the actual money changing hands between end users' financial institutions.
- + Corporate One membership is required, but credit unions nationwide can gain access to our funding agent services by joining Corporate One with no capital requirement as an Associate member for just \$5.

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