

# Comparison of Key Requirements for Real-Time Credit Push and Debit Pull Payments

This chart compares the key requirements to achieve ubiquity with Real-Time, Credit Push Payments with key requirements to achieve ubiquity with Real-Time, Debit Payments (ECIs). Please note that significant savings can be achieved for business end-users through ECIs even in advance of real-time posting and settlement systems. ECIs are viewed primarily, but not exclusively, as replacements for paper checks.

<b>Real-Time Credit Payments</b>	<b>Real-Time Debit Payments (ECIs)</b>
<b>System Overall Needs To:</b>	<b>System Overall Needs To:</b>
<ul style="list-style-type: none"> <li>Implement alternate routing approach for remittance data</li> </ul>	<ul style="list-style-type: none"> <li>N/A – Routing for electronic check images already implemented</li> </ul>
<ul style="list-style-type: none"> <li>Develop, create, load and implement one or more directories to include the bank account information for every person, business, government and entity in the U.S.</li> </ul>	<ul style="list-style-type: none"> <li>N/A – Directories not needed for electronic debits</li> </ul>
<ul style="list-style-type: none"> <li>Implement real-time 24x7x365 DDA posting system at every FI in the US</li> </ul>	<ul style="list-style-type: none"> <li>Not a requirement for ECIs but for real-time ECIs must implement real-time 24x7x365 DDA posting system at every FI in the US</li> </ul>
<ul style="list-style-type: none"> <li>Create the legal environment to define each type of real-time payment and allocate the liabilities and amount(s) among the interested parties</li> </ul>	<ul style="list-style-type: none"> <li>Create the legal environment to define each type of real-time payment and allocate the liabilities and amount(s) among the interested parties</li> </ul>
<ul style="list-style-type: none"> <li>Create and implement a real-time 24X7X365 settlement system</li> </ul>	<ul style="list-style-type: none"> <li>Create and implement a real-time 24X7X365 settlement system</li> </ul>
<b>Every Financial Institution Must:</b>	<b>Every Financial Institution Must:</b>
<ul style="list-style-type: none"> <li>Contract with one or more providers of real-time payment services</li> </ul>	<ul style="list-style-type: none"> <li>N/A – Clearing of electronic checks already implemented</li> </ul>
<ul style="list-style-type: none"> <li>Coordinate among various providers to minimize legal liability differences when using more than one provider.</li> </ul>	<ul style="list-style-type: none"> <li>N/A – Clearing of electronic checks already implemented</li> </ul>
<ul style="list-style-type: none"> <li>Create account(s) with one or more providers of real-time services</li> </ul>	<ul style="list-style-type: none"> <li>N/A – End-users only need their current accounts with their banks</li> </ul>
<ul style="list-style-type: none"> <li>Fund and manage the liquidity of every account with every provider</li> </ul>	<ul style="list-style-type: none"> <li>N/A – End-users only need their current accounts with their banks</li> </ul>
<b>Every Business User Initiator Must:</b>	<b>Every Business User Initiator Must:</b>
<ul style="list-style-type: none"> <li>Re-engineer its payment process from a debit payment to a credit payment including initiation software, tracking</li> </ul>	<ul style="list-style-type: none"> <li>N/A - Business end-users only need to reformat digital data that already exists and transmit to receiving party</li> </ul>

and reconciliation of payment status, format, internal approval process, etc.	
<ul style="list-style-type: none"> <li>• Create, maintain and monitor directory profile(s) for every directory</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Directories are not needed for electronic debit payments</li> </ul>
<ul style="list-style-type: none"> <li>• Implement network connection with its FI for payments and/or remittance data</li> </ul>	<ul style="list-style-type: none"> <li>• Not necessary but may be desirable to achieve new, enhanced positive pay services</li> </ul>
<ul style="list-style-type: none"> <li>• Implement network and software to access directory for beneficiary bank account info</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Directories are not needed for electronic debit payments</li> </ul>
<ul style="list-style-type: none"> <li>• Implement application software to create payment</li> </ul>	<ul style="list-style-type: none"> <li>• Reformat data in its existing accounts payable system to create electronic debit payment and modify its payment approval process</li> </ul>
<ul style="list-style-type: none"> <li>• Implement function to separate payment from remittance information</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Payment and remittance information travel together for electronic images</li> </ul>
<ul style="list-style-type: none"> <li>• Implement network and transmittal for remittance information directly or indirectly to the payment beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Implement network connection to transmit payment and remittance data directly or indirectly to payee</li> </ul>
<ul style="list-style-type: none"> <li>• Implement function to track any holdover payments not processed for any reason</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>
<ul style="list-style-type: none"> <li>• Implement function to verify bank/provider account balances in advance of initiating payment and resulting decisioning</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>
<ul style="list-style-type: none"> <li>• Requirements may vary when more than one provider is used</li> </ul>	<ul style="list-style-type: none"> <li>• Requirements may vary when more than one provider is used</li> </ul>
<b>Every Business User Receiver Must:</b>	<b>Every Business User Receiver Must:</b>
<ul style="list-style-type: none"> <li>• Implement receipt software to receive payment receipt notification from bank/provider</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>
<ul style="list-style-type: none"> <li>• Implement receipt software to receive remittance directly or indirectly from payment party</li> </ul>	<ul style="list-style-type: none"> <li>• Not needed as a separate function since payment and remittance move together</li> </ul>
<ul style="list-style-type: none"> <li>• Implement new function to reconcile receipt of payment and receipt of remittance information</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>
<ul style="list-style-type: none"> <li>• Implement function to reject any payments received intended for other parties or payments not matching remittance information</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>

<ul style="list-style-type: none"> <li>• Implement function to verify bank account balances in advance of initiating a rejected payment to avoid overdrafting beneficiary's account</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic image processing</li> </ul>
<ul style="list-style-type: none"> <li>• Requirements may vary when more than one provider is used for receiving payments and for rejecting misdirected payments</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Processes already implemented for electronic images processing</li> </ul>
<b>Every Consumer User:</b>	<b>Every Consumer User:</b>
<ul style="list-style-type: none"> <li>• Contract with one or more real-time payment processors</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Consumers already have the needed accounts with their banks</li> </ul>
<ul style="list-style-type: none"> <li>• Create accounts with one or more real-time payment processors</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Consumers already have the needed accounts with their banks</li> </ul>
<ul style="list-style-type: none"> <li>• Fund each of the accounts with each processor</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – Consumers already have the needed accounts with their banks</li> </ul>
<ul style="list-style-type: none"> <li>• Obtain and implement software from provider(s) to: <ul style="list-style-type: none"> <li>• To initiate and receive payments</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Obtain and implement software from provider(s) to: <ul style="list-style-type: none"> <li>• To initiate and receive payments</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• To verify initiation of payments</li> </ul>	<ul style="list-style-type: none"> <li>• To verify initiation of payments</li> </ul>
<ul style="list-style-type: none"> <li>• To verify receipt of payments initiated</li> </ul>	<ul style="list-style-type: none"> <li>• To verify receipt of payments initiated</li> </ul>
<ul style="list-style-type: none"> <li>• To receive notification of funds received</li> </ul>	<ul style="list-style-type: none"> <li>• To receive notification of funds received</li> </ul>

