



Work Group Update

May 6, 2020

Antitrust Compliance Statement

The U.S. Faster Payments Council, Inc. (“FPC”) has adopted a policy of strict compliance with the U.S. antitrust laws. Certain topics that may be considered anticompetitive are not proper subjects for discussion or consideration at any FPC meeting of members, officers, directors, or committees, whether formal or informal. The antitrust laws prohibit certain combinations and agreements among competitors, including those in the payments industry, and members of an association may be considered competitors for purposes of antitrust challenges even if their businesses are not in the same geographical areas or in the same product lines. A member’s conduct at all FPC-sponsored or FPC-scheduled meetings and events should comply with antitrust laws. The penalties for violation of the antitrust laws can be very severe – not only for FPC, but also for its individual members.

FPC members cannot come to understandings, make agreements, or otherwise concur on positions or activities that in any way tend to raise, lower, or stabilize prices, costs, or fees, divide up markets, or encourage boycotts. Each member must decide for itself, without consultation with competitors, how to conduct its business and with whom to do business. Specifically, members should not agree on:

- Current or future prices or fees, price or fee changes, discounts, regulation of production, and other terms of sale.
- Allocating or monopolizing geographic markets or customers;
- Encouraging boycotts or seeking to exclude specific participants.

In addition, FPC officers, directors, and members should avoid discussing or revealing any individual participant’s competitively sensitive information, including any participant’s prices, discounts, costs, capacity, inventory, sales, future business plans or bids for contracts. The FPC’s antitrust statement shall be referenced at the start of each meeting where FPC business will be discussed and noted in the minutes of the meeting, and this statement will be included in the meeting materials as well.

The antitrust laws are complicated and often unclear. If any member is concerned that he or she may be in a “gray area,” that member should consult with FPC or legal counsel. If the conversation among competitors at an FPC meeting turns to antitrust-sensitive issues, participants should discontinue the conversation until legal advice is obtained, or else leave the meeting immediately.

WELCOME!

- Opening Remarks (Reed Luhtanen)
- Work Groups & Chair Introductions (Angela Hendershott)
- Education & Awareness (Charles Harkness)
- Fraud Information Sharing (Andrew Haskell)
- Regulatory (Laura Yens)
- Directory Models (Lanny Byers)
- Closing Remarks (Reed Luhtanen)



Work Groups Are Where It's At

Education & Awareness

Develops an educational and awareness program to foster better understanding of faster payments and confidence among providers and users, ultimately driving adoption and transaction volumes, toward the industry goal of ubiquity.

Fraud Information Sharing

Works with existing fraud sharing forums to identify enhancements that will make the current processes more efficient and effective, with an aim towards fostering better user experiences, bolstering confidence and trust in faster payments, and facilitating faster reaction times to address threats to the ecosystem.

Regulatory

Identifies and analyzes laws, regulations, and legislative proposals that may impact faster payments, and considers options as to how to support and accelerate the adoption of faster payments.

Directory Models

Evaluates information, including reports produced by other industry-led work groups, intended to identify and assess an approach for best practices across directory models and/or dependent platforms for the faster payments ecosystem.

Cross Border Payments

Engages organizations currently working on cross border payments and gathers information on what is needed to align the operating policies and requirements of the currently disparate local faster payments systems.

QR Code Interface

Facilitates the adoption and usage of faster payments by developing a QR code template for use by end users and financial institutions.

Driven by Shared Goals

The FPC's structure, operations and activities adhere to fundamental principles:

Inclusiveness and Fairness

- Through diverse, segment-level representation on the Board and opportunities to serve on committees and work groups, active members have a voice in the FPC's direction and are informed by the perspectives of other members.
- The FPC provides safeguards for information sharing and collaboration among members on issues of common interest.

Flexibility and Responsiveness

- Members choose whether to adopt FPC recommendations and are able to implement them consistent with their individual organizations' needs.
- The FPC can quickly stand up work groups to target mutual problems and respond to issues facing faster payments. When appropriate, it will work with existing organizations to complement industry initiatives.

Transparency

- The FPC has open, transparent and objective processes for internal deliberations and decision making.
- Consensus decision making is a priority for FPC recommendations having a significant impact on any member; while not every decision may be unanimous, minority voices will have open, inclusive opportunities to be heard.

FPC Work Groups: Developing the Tools to Enable Success

Work Group Deliverables



Financial Institution Safety & Security FAQs

By FPC - April 13, 2020

Developed by the FPC Safety & Security Work Group, the Financial Institution FAQs resource provides key terms and definitions to support faster payments understanding. In addition, it provides information to help FIs understand the safety and security

[Read More](#)



Consumer End-User Safety & Security FAQs

By FPC - April 13, 2020

Developed by the FPC Safety & Security Work Group, the Consumer End-User FAQs resource serves as a tool that financial institutions - and service providers - can use to educate their consumer customers about the differences between faster payments and

[Read More](#)



Transparency Guidelines for PSPs - Business Transactions

By FPC - April 13, 2020

The Faster Payments Transparency Guidelines for Payment Services Providers - Business Transactions was developed by the FPC End-User Transparency Work Group. The FAQ-style chart helps service providers formulate disclosures, marketing materials, and

[Read More](#)



Transparency Guidelines for PSPs - Consumer Transactions

By FPC - October 19, 2019

The Faster Payments Transparency Guidelines for Payment Services Providers - Consumer Transactions was developed by the FPC End-User Transparency Work Group. The FAQ-style chart helps service providers formulate disclosures, marketing materials, and

[Read More](#)

<https://fasterpaymentscouncil.org/work-group-deliverables>

FPC Work Group Chairs

Education & Awareness



Charles Harkness



Fraud Information Sharing



Andrew Haskell



Regulatory



Laura Yens



Directory Models



Lanny Byers



Mission & Scope

Develop an educational and awareness program to foster better understanding of faster payments and confidence among providers and users, ultimately driving adoption and transaction volumes toward the industry goal of ubiquity.

Objectives & Goals

The work group will determine the best method to develop a cross-solution education and awareness program that aligns with the FPC's higher level strategies and priorities.

Deliverables


- Identify existing faster payments educational materials, industry guides, and other resources to include in Phase 1 of an online faster payments knowledge center.
- Develop topic ideas and identify speakers for 2020 Town Hall Series.

The Path To Faster Payments Ubiquity Starts With You
Faster Payments Resources

FPC Members: additional faster payments resources are available in the members-only section of the website under **Work Group Deliverables**. Please [login here](#) to access the following documents.


- Consumer End-User Safety & Security FAQs
- Transparency Guidelines for PSPs – Business Transactions
- Transparency Guidelines for PSPs – Consumer Transactions

Categories ▾ Search all posts by keyword 🔍




Financial Institution Safety & Security FAQs
 By FPC - April 13, 2020
 Developed by the FPC Safety & Security Work Group, the Financial Institution FAQs resource provides key terms and definitions to support faster payments understanding. In addition, it provides information to help FIs understand the safety and security

[Read More](#)




Faster Payments Playbook
 By FPC - March 20, 2020
 The Faster Payments Playbook is an online educational and decisioning platform to assist banks and credit unions develop a faster payments strategy from concept to reality.

[Read More](#)



Faster Payments Barometer
 By FPC - March 20, 2020
 The Faster Payments Barometer is a longitudinal study designed to gauge faster payments advancements over the course of the next three years.

[Read More](#)




Introduction to ISO 20022
 By FPC - March 18, 2020
 The purpose of this white paper is to provide clarity and dispel some of the myths surrounding ISO 20022 for payments and to illustrate the benefits and challenges of converting current Nacha formats to ISO 20022 messages for U.S. Network transaction


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Enabling Tool
Industry Wide Resource
Industry Guides Research
Regulatory Updates
Technical Guides
White Papers


The Path To Faster Payments Ubiquity Starts With You
Faster Payments Industry News


Welcome to the Faster Payments Knowledge Center – a comprehensive suite of resources, tools, news, and research to further faster payments learning. The Knowledge Center is a one-stop repository of all things faster payments designed for anyone seeking more information as they consider implementation.


 **Demand for Real-Time Payments Rises Amid COVID-19 Pressure**
MobilePaymentsToday.com 04/07/2020


 **Hospitals Press Insurers for Faster Payments in COVID-19 Crunch**
Bloomberg Law.com 04/02/2020


 **Real-Time Payments are Here. And Many Banks Aren't Ready**
PaymentsSource.com 03/30/2020


 **Faster Payment Becomes a Federal Case**
PYMNTS.com 03/11/2020


 **How Many Billions Will Be Transacted in the U.S. via Faster Payments in 2020**
PaymentsJournal.com 02/28/2020


 **Why the Fed is Taking an Incremental Approach to Faster Payments**
AmericanBanker.com 02/12/2020


 **Will Faster Payments Lead to Faster Fraud?**
Forbes.com 02/02/2020


 **The Clearing House to Raise RTP Transaction Limit to \$100,000**
DigitalTransactions.net 01/23/2020


 **Real-Time Payments Are Taking Off, and Card Users Could Benefit**
CreditCards.com 01/07/2020

 **Cross Border Instant Payments Could be One Step Closer**
EuroMoney.com 12/02/2019

 **Fed's Faster Payments Network Likely Ahead of Schedule: Powell**
AmericanBanker.com 11/14/2019

 **Most Payments Stakeholders Believe U.S. is Behind on Faster Payments**
BusinessInsider.com 11/11/2019

 **2019 Will Be Remembered as a Pivotal Year in US Faster Payments**
PaymentsJournal.com 11/06/2019

 **Why Slow Payments Aren't Necessarily Safer Payments**
Pymnts.com 10/30/2019

Sub-Groups

Faster Payments Solutions Sub-Group

Solution Provider Categories:

- Network Solutions for FIs
- Core Banking Provider Solutions
- FI’s Ecosystem Solutions
- Other Non-Bank Solutions
- International Cross Border Specific Solution

Faster Payments Glossary Sub-Group

SOURCE	TERM	DEFINITION
Glossary Terms team	Anti-money laundering (AML)	Set of laws, regulations and procedures set to prevent illegally obtained funds as legitimate income.
Glossary Terms team	ACH Operator	Processes all ACH transactions flows between the financial institutions and serves as central clearing facility for the network participants.
Glenbrook	Acquirer	Bank serving merchant in an open loop network.
First Data.com – Payments 101. Glossary (extensive alphabetical list of payment terms)	Address Verification System (AVS)	A security system requiring merchants to supply address information for a cardholder to the institution that issues the credit card in card-not-present transactions, including online purchases.
Epcor.org (sourced from Fed FP Task Force glossary no longer available online)	Addressing	Automated means to route/direct a transaction using a set of data that may employ directory service
Glossary Terms team	Adjustments	A transaction that corrects or modifies the amount or details of a payment entry.

Faster Payments Use Cases Sub-Group

US Faster Payments Council – Education & Awareness Use CASE STUDY | <<<Company Name and Date>>

CASE STUDY – <<<USE CASE TITLE>>

<<<Brief abstract which could be used for search optimization or teaser marketing>>

BACKGROUND

<<<Describe the companies involved. Next paragraph summarizes the problem and high-level solution>>

PROBLEMS ADDRESSED – SENDERS/RECEIVERS

<<<Describe the primary problems for sender/receivers. Bullet points suggested>>

PROBLEMS ADDRESSED – BANKS/SERVICE PROVIDERS

<<<Describe the primary problems addressed for banks/service providers . Bullet points suggested>>

SOLUTION DETAILS

<<<Describe the solution details covering the following outline >>>

- Sending/receiving user experience
- Origination: Request or Push without request
- Information passed in the process (i.e machine readable/other)
- Settlement timing between end parties (i.e. Immediate, Same Day)
- Settlement timing between financial intermediaries (i.e. Immediate, Same Day, Deferred Net Settlement)
- Funds origination (bank account, card, other non-bank)
- Funds destination (bank account, card, other non-bank)

IMPLEMENTATION PROCESS – SENDERS/RECEIVERS

<<<Describe the implementation process for senders/receivers covering the following outline >>>

- Onboarding
- Parties/Departments involved
- Timing
- System/Software Requirements
- Audit controls and trail
- Security

Mission & Scope

Works with existing fraud sharing forums to identify enhancements that will make the current information sharing processes more efficient and effective, with an aim towards fostering better user experiences, bolstering confidence and trust in faster payments, facilitating faster reaction times to address threats to the ecosystem

Objectives & Goals

- Determining what is meant by fraud information and the benefits of creating common definitions for fraud statistics to be used in reporting and education.
- Awareness of specific scams, fraud information and understanding of how the tactics work and sharing fraud prevention techniques.
- Surveying other fraud sharing forums to identify gaps and opportunities for collaboration.
- Establishing any needed guidelines for the FPC's role such as safe harbor type protections or limits of liability for sharing information.

Deliverables

- Develop publicly accessible white paper addressing three areas of Fraud Prevention as they pertain to Faster Payments: Fraud Prevention Best Practices, Fraud Themes and Trends, Fraud Prevention Solutions and Channels

- Focused specifically on Faster Payments and associated Fraud
 - Augments the work by the Safety & Security Work Group
- Three areas of focus:
 1. Fraud Themes and Trends
 2. Fraud Prevention Best Practices
 3. Fraud Prevention Solutions
- Current deliverable: White paper covering the three topics above
 - Publication planned for Q2 2020, being respectful of COVID-19 situation, increased need
 - Final deliverable: Requirements document detailing a centralized prevention solution
- Important work group attributes
 - Finite time frame with clear objectives and ability to dynamically adapt to environment
 - Sub-group hierarchy, increased emphasis on addressing participation and equality
 - Dedication of work group members, “Full steam ahead!”

Mission & Scope

- Identify and analyze laws, regulations and legislative proposals that may impact faster payments
- Consider options as to how to support and accelerate the adoption of faster payments

Objectives & Goals

- Analyze the FPC's role regarding laws, regulations and regulatory guidance for the faster payments ecosystem
- Create and deliver content regarding the legal and regulatory landscape in support of the FPC's mission to accelerate faster payments adoption in the U.S.

First Deliverable

- List of U.S. laws and regulations that are relevant to faster payments, by category, and in a digestible format

First Deliverable - Example

Funds Availability

“Funds Availability” refers to the Receiving Institution’s obligation to make available to the Recipient (its customer) funds it receives through a payment system.

Applicable Laws/Regs + Requirements

UCC Article 4A – 404 [Link]

- Specifies time within which the RI must make available received funds to the Recipient.

Expedited Funds Availability Act (EFAA) [Link]

- Specifies time within which the RI must make available received funds to the Recipient.
- Requires banks to disclose their funds availability policies and the content to include in such disclosures.

Regulation CC [Link]

- Same as EFAA (implements EFAA) + specifies when a funds transfer is deemed “received” by the RI.

Purpose of the Law/Reg + Relevance to Faster Payments

- **UCC Article 4A:** To provide uniformity in laws across states regarding funds transfers from one bank to another. “Funds transfer” and “funds-transfer system” are defined within 4A, and, by interpreted definition, include a funds transfer through a faster payments system comprised of banks.
- **EFAA:** Addresses concerns about the length of time an RI holds funds for deposit before making them available in its customer’s account – and covers checks, wire transfers and cash deposits. Wire transfers can be analogous to funds transfers through a faster payments system.
- **Regulation CC:** Implements the funds availability and disclosure provisions of the EFAA; same purpose and relevance to faster payments as EFAA.

Affects Consumers and Businesses?

- **UCC Article 4A** applies to **B2B transfers** and **consumer wire transfers** (otherwise, this law does not generally apply to transfers involving consumers – e.g., P2P, B2C)
- **EFAA** applies to **consumers** and **businesses**
- **Regulation CC** applies to **consumers** and **businesses**

Approach to the Work

Where We've Been...

- Excel list of laws and regulations with specific provisions relevant to faster payments
- 4 Subgroups
 - Reviewed/updated list, and included:
 - Purpose of the law/regulation
 - Whether it affects consumers or businesses (or both)
 - Link to the law/regulation online

Where We Are...

- Created template for “high-level” overview of laws and regulations
- 8 “Micro-Teams”
 - Distilling information about the laws and regulations, by category
 - Categories: Authentication; Consumer Protection, Funds Availability; Funds Transfer – Mechanics; Integrity; Privacy; Risk Management

Where We're Going...

- Completing the overview list in the coming weeks
- “Dual-purpose” of the list:
 - Resource for all FPC members
 - Baseline for Regulatory WG's deeper analysis of the laws and regulations

Mission & Scope

- Evaluates information, including reports produced by other industry-led work groups, intended to identify and assess an approach for best practices across directory models and/or dependent platforms for the faster payments ecosystem.

Objectives & Goals

- Evaluates information, including reports produced by other industry-led work groups, intended to identify and assess an approach for best practices across directory models and/or dependent platforms for the faster payments ecosystem.

First Deliverable

- Develop "best practices point of view" white paper
- **Directory is a critical component of the Faster Payments ecosystem.**
- **Initial objective, what has changed, emerging into best practices.**

- **Brainstorm - Current issues within the industry and tactical ideas that can be placed into action.**

ISSUE/CHALLENGE

SOLUTION DESCRIPTION

Mobile number can't be linked to multiple payment solutions

User registers for payment solution A ... add a mobile telephone number, bank account number, email and other information. User attempts to register again for payment solution A under another email cannot use the same mobile number to link to a different bank account number

1. Establish sub-accounts

Payment solution A should establish sub-accounts and enable a "default" bank account linked to the mobile telephone numbers. User/Receiver can select the "default" account when payment notice is received from a Sender

2. Development of Aliases

Payment solution A allows members to set up aliases linked to different bank accounts. The aliases result in social tokens. User provides the alias they want to use to the Sender/Originator of the payment being sent to them.

3. Sub-accounts with User Control

This is the same as #1 above with a requirement that the payment solution provider allow the User to link multiple bank accounts to the same mobile telephone number but to provide a Unique ID number for each combination. This allows User to provide ID # to Sender.

Work Groups Are Where It's At! Join Us.....

FPC Work Group Interest Forms

The FPC will focus on collaborative problem-solving to address the issues that are currently inhibiting faster payments ubiquity. Below are six work groups the FPC has identified as priority focus areas for its first several months of operation. Please indicate one or more work groups that you or your organization's delegate with relevant expertise would like to join. Work group members can expect to participate in monthly meetings, contribute to planning and execution of work products, and provide periodic progress reports to the FPC Board, the broader FPC membership, and external payments stakeholders. Expected time commitment for participating in a work group is 8-10 hours per month in addition to semiannual in-person FPC member meetings.

EDUCATION AND AWARENESS WORK GROUP



FRAUD INFORMATION SHARING WORK GROUP



REGULATORY WORK GROUP



DIRECTORY MODELS WORK GROUP



CROSS BORDER PAYMENTS WORK GROUP



QR CODE INTERFACE WORK GROUP



<https://fasterpaymentscouncil.org/work-group-signup>

Thank you!

Mark your calendars and please join us for these upcoming FPC events

Date	Format	Topic
May 20 (2:00-3:00ET)	Virtual Town Hall	Release Event: Faster Payments Interoperability Primer
June	Webinar	Faster Payments Qualitative Analysis with Glenbrook Partners
Sept. 15-16	In-Person Meeting	FPC Fall Member Meeting in Minneapolis, MN

A recording of today's FPC Town Hall will be available in our FPC Member Portal and a survey about our Town Hall series will be distributed in May.

fasterpaymentscouncil.org

memberservices@fasterpaymentscouncil.org

