



*US Faster  
Payments  
Council*

**FPC**  
**SPRING**  
**MEMBER**  
**MEETING**  
**2026**



# Beyond the Swipe: Unlocking Hidden Payments in the Card Ecosystem



# Panelists



**Sofia Freyder**  
Enterprise Payments  
Strategy and  
Governance,  
American Express



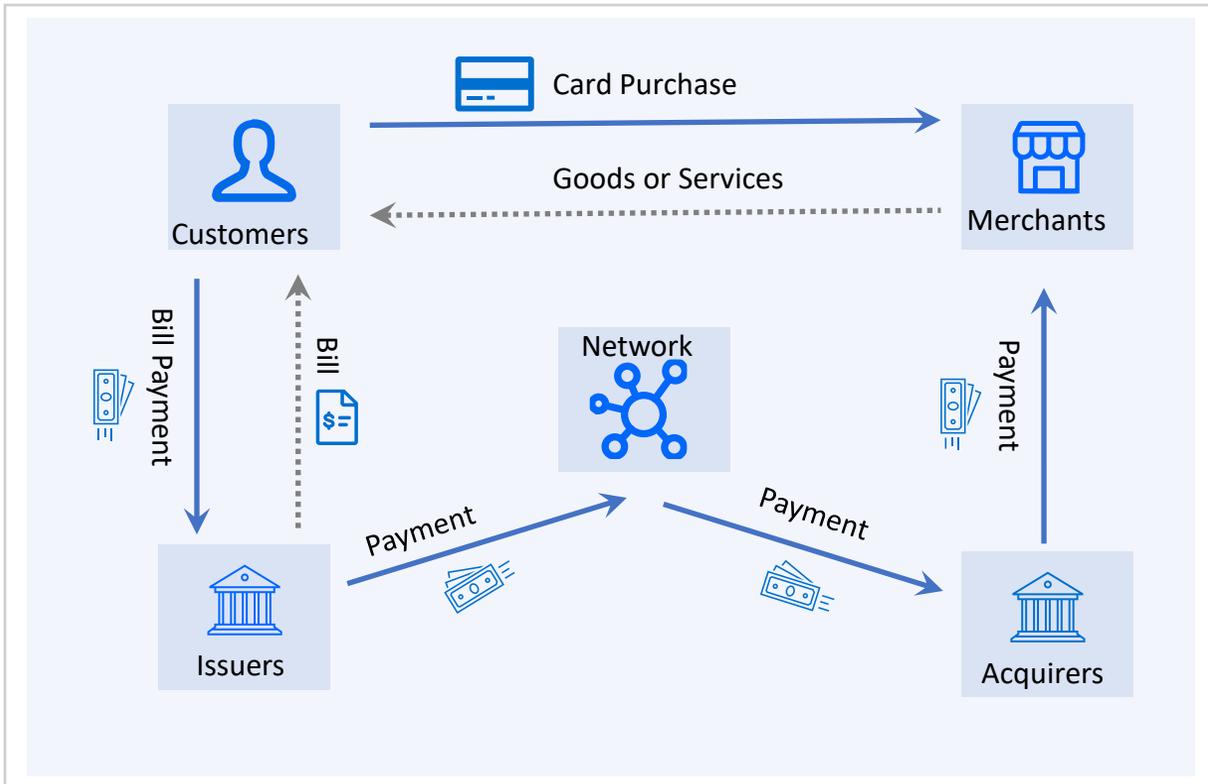
**Rusiru Gunasena**  
Head of Business  
Development for Service  
Providers,  
The Clearing House



**Phillipa Wilson**  
VP, US Faster  
Payments Strategy,  
Mastercard



# Traditional 4 Party Card Processing Model



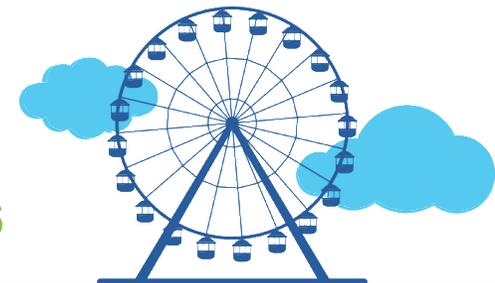
## Payment Flows

Card purchases do not involve immediate cash settlement; they create a future payment obligation between the parties. Settlement occurs later via the payment rails (ACH/Wire/Fed/RTP) at contracted schedules.

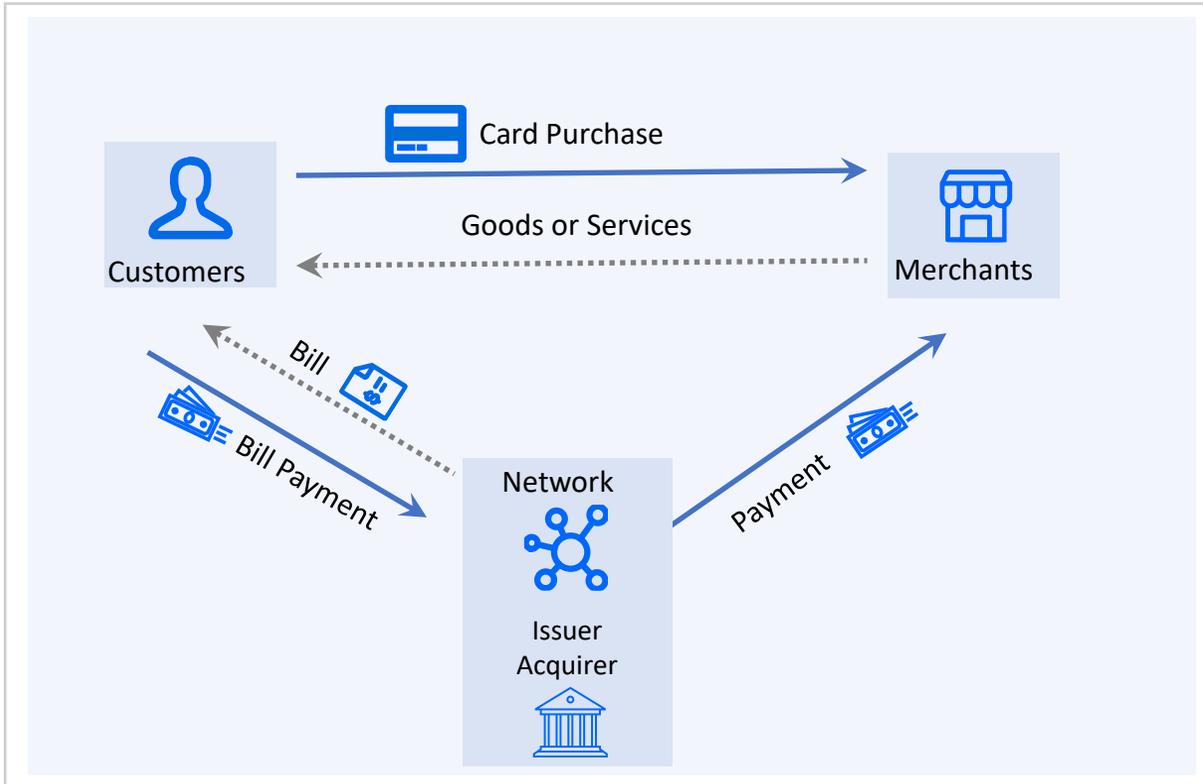
- **Customers** pays outstanding balance to the **Issuers**
- **Network** facilitate settlement with **Issuers** - less Issuer Interchange fees
- **Network** facilitates settlement with **Acquirers**- less Network Assessment fees
- **Acquirers** settles with **Merchants** – less Acquirers Markup fees

Those are non-cad payments...

How are they done?



# 3 Party Card Processing Model



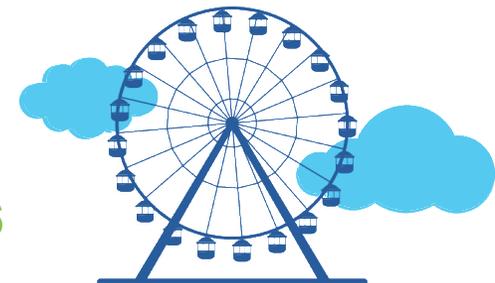
## Payment Flows

The Network operator acts as acquirer and issuer that bears the full credit and liquidity risk and is responsible for the full cash settlement cycle leveraging the payment rails.

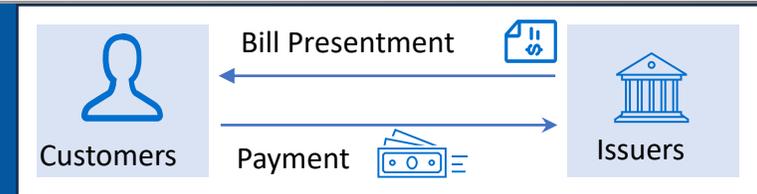
- **Customers** pays outstanding **Balance** to the **Network**
- **Network** settles with **Merchants** directly – less Markup fees

Those are non-cad payments...

How are they done?



# Consumer Card Bill Pay Challenges and Opportunities



## Payment Types

ACH Direct Debit Pull, Bank Bill Pay, Wire/ ACH Push, Check/ Cash, RTP/ FedNow

**PAYMENT EXCEPTIONS**  
insufficient funds,  
account changes/ invalid details

**CUTOFF WINDOWS and  
WEEKEND/ HOLIDAYS** drive  
delays

**INSTANT FUNDS AVAILABILITY/  
CREDIT RISK**  
(better customer experience,  
high credit risk)

**TRANSACTION COST**  
optimization

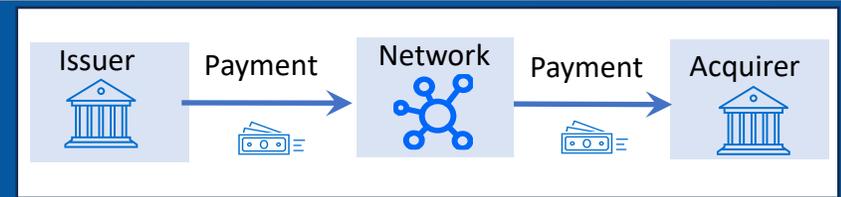
**CUSTOMER EXPECTATIONS**  
for flexible, secure, low-friction  
payment options

**LIMITED PAYMENT DETAILS**  
complicates reconciliation and  
fraud/AML

**BANK ACCOUNT DETAILS**  
verification/ storage/  
**FRAUD RISK** mitigation



# Domestic Network Settlement



## Payment Types

ACH Credits - Same Day/Next Day; Fedwire/CHIPS; RTP; FedNow

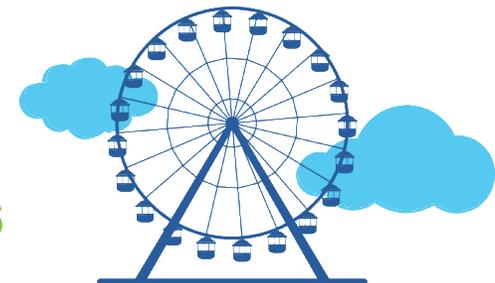
**CUTOFF WINDOWS and WEEKEND/ HOLIDAYS drive delays**

**HIGH COST OF WIRE settlement**

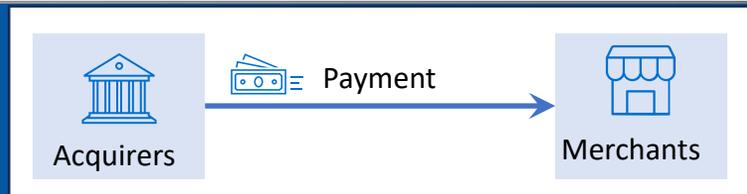
**LENGTHY DISPUTE RESOLUTION with delayed customer pay-out and refunds**

**LIQUIDITY SHORTFALL, PAYMENT VALUE, CREDIT EXPOSURE due to Settlement delays**

**NET SETTLEMENT/ LIMITED PAYMENT DETAILS complicates reconciliation and fraud/AML**



# Merchant Settlement



## Payment Types

ACH Credit – Same Day and Next Day; Fedwire/CHIPS; RTP; FedNow

**LENGTHY DISPUTE RESOLUTION**  
with delayed merchant pay-out  
and refunds

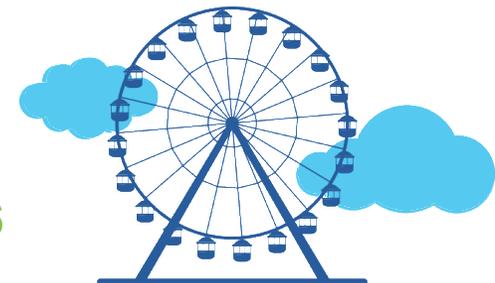
**NET SETTLEMENT/ LIMITED  
PAYMENT DETAILS** complicates  
reconciliation

**HIGH COST OF WIRE** settlement  
(merchant bank, acquire,  
processor charge)

**CUTOFF WINDOWS** and  
**WEEKEND/ HOLIDAYS** drive  
delays

**INSTANT FUNDS AVAILABILITY/  
CREDIT RISK** (better merchant  
experience, high credit risk)

**LIQUIDITY SHORTFALL,  
PAYMENT VALUE, CREDIT  
EXPOSURE** due to Settlement  
delays



# Key Takeaway



Deploy **Intelligent routing** and real-time payments, FedNow/RTP and Same Day ACH, to optimize and balance liquidity, credit exposure and costs.



Leverage **faster payments rails for continuous settlement** to remove cutoff dependencies and mitigate transmission delays and exceptions.



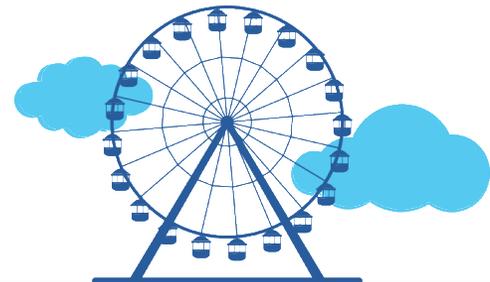
Enable **smart intraday liquidity management with AI projection** and utilization of faster payments – RTP/FedNow and Same Day ACH .



Adopt **ISO 20022 standards and fields to enrich data** and improve reconciliation, payment tracking, and transaction screening / monitoring (AML, Sanction, AML).



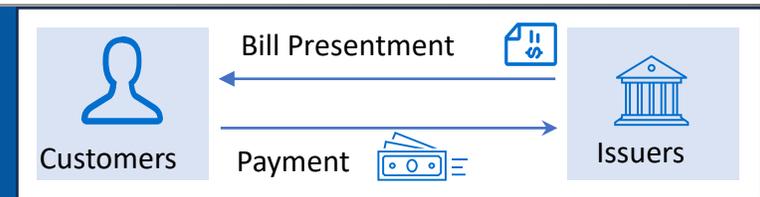
Explore **tokenization and open banking for account validation** and exceptions mitigation.



The background is a blue-tinted photograph of a harbor scene. In the foreground, several sailboats are docked at a pier. In the middle ground, a large Ferris wheel is visible on the right side. The sky is filled with soft, wispy clouds. The overall mood is calm and serene.

# APPENDIX

# Consumer Card Bill Pay



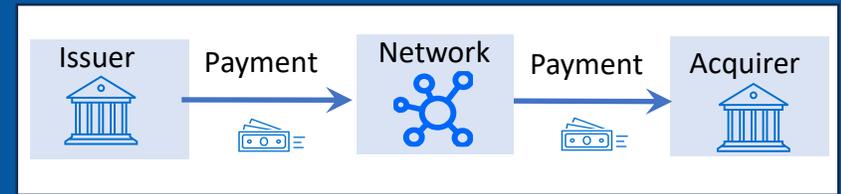
## Payment Types

ACH Direct Debit Pull, Bank Bill Pay, Wire/ ACH Push, Check/ Cash, RTP/ FedNow

Challenges	Opportunities
<b>PAYMENT EXDCEPTIONS</b> insufficient funds, account changes/ invalid details	RTP/FedNow for real time collection, instant status updates and confirmation
<b>CUTOFF WINDOWS</b> and <b>WEEKEND/ HOLIDAYS</b> drive delays	Opportunity with RTP/ FedNow 24/7/365 availability for time sensitive
<b>LIMITED PAYMENT DETAILS</b> complicates reconciliation and fraud/AML	RTP/FedNow ISO20022 standards and rich fields.
<b>INSTANT FUNDS AVAILABILITY/ CREDIT RISK</b> (better customer experience, high credit risk)	Faster payment rails to accelerate collection, optimizing liquidity and customer experience
<b>BANK ACCOUNT DETAILS</b> verification/ fraud risk mitigation	Tokenize credentials; use directories, open-banking for verification
<b>CUSTOMER EXPECTATIONS</b> for flexible, secure, low-friction payment options	Multiple payment option: push/pull, fast / slow.
<b>TRANSACTION COST</b> optimization	Intelligent routing to balance cost, speed and credit exposure



# Domestic Network Settlement



## Payment Types

ACH Credits - Same Day/Next Day; Fedwire/CHIPS; RTP; FedNow

### Challenges

**CUTOFF WINDOWS and WEEKEND/ HOLIDAYS** drive delays

**LIQUIDITY SHORTFALL, PAYMENT VALUE, CREDIT EXPOSURE** due to Settlement delays.

**NET SETTLEMENT/ LIMITED PAYMENT DETAILS** complicates reconciliation and fraud/AML

**LENGTHY DISPUTE RESOLUTION** with delayed customer pay-out and refunds

**HIGH COST OF WIRE** settlement

### Opportunities

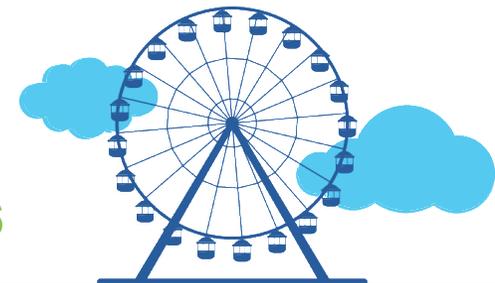
Opportunity with **RTP/ FedNow 24/7/365** availability for expedited settlement window

**Liquidity forecasting with AI, Faster payments rails (RTP/FedNow, Same Day ACH )** to manage urgent flows

**RTP/FedNow ISO20022 standards** and rich **data exchange**.

Use **RFP/FedNow** for **immediate and final settlement of disputes**

Lower value **urgent flows** to **RTP / FedNow / Same-Day ACH** to **reduce cost**.



# Merchant Settlement



## Payment Types

ACH Credit – Same Day and Next Day; Fedwire/CHIPS; RTP; FedNow

Challenges	Opportunities
<b>LIQUIDITY SHORTFALL, PAYMENT VALUE, CREDIT EXPOSURE</b> due to Settlement delays.	Liquidity forecasting with AI, Faster payments rails (RTP/FedNow, Same Day ACH ) to manage urgent flows
<b>INSTANT FUNDS AVAILABILITY/ CREDIT RISK</b> (better merchant experience, high credit risk)	Faster payment rails to accelerate urgent merchant payout and their liquidity
<b>CUTOFF WINDOWS</b> and <b>WEEKEND/ HOLIDAYS</b> drive delays	Opportunity with RTP/ FedNow 24/7/365 availability for expedited merchant payout and exceptions
<b>NET SETTLEMENT/ LIMITED PAYMENT DETAILS</b> complicates reconciliation	RTP/FedNow ISO20022 standards and rich data exchange for exception handling
<b>LENGTHY DISPUTE RESOLUTION</b> with delayed merchant pay-out and refunds	Use RTP/FedNow for immediate and final settlement of disputes
<b>HIGH COST OF WIRE</b> settlement (merchant bank, acquire, processor charge)	Lower value urgent flows to RTP / FedNow / Same-Day ACH to reduce cost.

