



In Real Time

It's time your payments caught up to the way you do business

The RTP® (real-time payments) network from The Clearing House represents the most significant digital transformation in payments in more than 40 years. RTP capabilities are enabling digital transformation across consumer and corporate services.

Real-time payments are a catalyst for digital banking and modernizing the corporate payments process. This new tool will help your organization improve working capital by allowing payments to be sent and received with just the right amount of speed, transparency and ease of reconciliation. It will optimize your payment experience, including the ability to gain immediate access to goods, services and information.

For some time now, companies have been achieving greater operational efficiency and fraud reduction by shifting from paper to electronic payments. Recently, this shift has largely involved migrating from paper checks to traditional Automated Clearing House (ACH) payments and card transactions. With all the industry excitement about the introduction of faster payments technology in the United States, many financial managers are asking fair questions about how to prepare for and adopt real-time payments.

The Right Tool, for the Right Job, at the Right Time

RTP gives you another tool for your corporate payment portfolio. It can coexist with other instruments, such as ACH and wire transfers. The value of the new network is that it includes tools that offer flexibility in mixing and matching payment methods, so each payment instrument uses the best settlement method for the buyer and supplier.

You may feel somewhat attached to your current payments solutions, especially if you've been using them for years and they've proven reliable. Before you adopt a new payment solution, the benefits have to be clear and compelling from the start.

RTP gives you another tool for your corporate payment portfolio to complement ACH and wire transfers.

But real-time payments offer immediate value and can enable you to reconceptualize how your organization engages trading partners, customers and employees. The RTP network gives corporations a new way of interacting with customers and meeting their needs more precisely by using the best available payment option.

RTP Will Fundamentally Change Business

For most corporations, payments currently move through a systematic and defined process that has followed the same slow, steady schedule for decades. With real-time payments, corporate treasury units have a new option to accommodate funds transfers that move at unprecedented speed, allowing you to securely and efficiently optimize working capital and improve visibility into cash positions.

But the adoption of real-time payments is a step-by-step process that corporate treasury units and banks must undertake together. This process must always begin with a deep understanding of the unique needs and characteristics of each corporation's payment system.

Organizations implementing real-time payments need to begin by considering what their current systems look like, what their needs are and which payment method can best accommodate each of those needs. RTP is one of several payment methods that will need to be woven into consolidated accounts payable and accounts receivable systems.

The Adoption Path Forward: More Than Speed

Some corporations see the real-time payments discussion as an opportunity to re-evaluate the entirety of their end-to-end systems. They're looking to invest in technology upgrades to fully integrate real-time payments into their enterprise resource planning system and develop back-end functionality to support the rich data around their existing systems and processes. However, typical treasury units don't have the resources or budget to undertake a fundamental transformation from the ground up. They must figure out how to overcome the obstacles within their own offices.

By the RTP network's very name, it's easy to conclude that speed of funds settlement is an inherent benefit of the system. It's not just a payment system but a secure real-time conversation between parties. The thoughtful design includes many other features that result in improved business processes, allowing your company's payments to catch up with the way you do business. The RTP network's larger benefit can be found in the information that accompanies each payment.

Through the network, corporate treasury units can make disbursements or payments to clients and business partners around the clock, sending requests and receiving instant confirmations of the transactions. The network also



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enables senders and receivers to interact by having more detailed, instant-messaging-type conversations about each payment. That's because both counterparties to a transaction have access to an array of standardized message types, designed to handle common scenarios in the life cycle of a transaction. They facilitate communication when a transaction is successfully completed and discussions about exceptions.

The RTP network will allow you to reconceptualize your business and how it interacts with trading partners, customers and employees. For example, these parties can have an interaction directly within the payment system, without switching to an email system to compose a free-form email or interrupting workflow with a phone call or fax.

The network's messaging and automation capabilities take ad hoc, unstructured follow-up out of the equation. Instant communications among corporate counterparties about requests for payment, approvals or rejections, and payment confirmations produce value up and down your customer and supplier networks. Both the speed and granularity of communications in RTP messaging can accelerate resolution of exceptions.

The detailed payment messages also simplify account reconciliation and help you develop an accurate snapshot of current and upcoming cash positions. When treasuries trade the short-term advantages of float for the increased visibility of a real-time payment, they enable business to be conducted with far more certainty. In fact, as the settlement process comes close to real time, the payments themselves become a conversation. Suddenly, corporate treasury departments have a rare chance to interact with customers, wholesalers, suppliers, vendors, service providers and other trading partners 24/7.

Catch Up to the Way You Do Business

We live in an "instant" world of immediacy and constant feedback through social media and text messages. Now imagine an "instant" world for payments, where you can have secure real-time conversations between parties and corporate treasury departments can lead dialogue about customer interaction.

With the RTP network, your business can catch up to the "instant" way you live your life every day.

Accessing the RTP Network

All BB&T U.S.-domiciled accounts are currently eligible to receive real-time payments through the RTP network. BB&T clients can also send real-time payments through our commercial online banking platform. Additional messaging enhancements will soon follow in 2019.

The RTP network's larger benefit can be found in the information that accompanies each payment. The network will enable your organization to reconceptualize your business and how you engage trading partners, customers and employees. We understand the transition to using real-time payments won't be simple, but when this new payment option reaches critical mass within the business community – as it is expected to in 2020 – it will result in major improvements to treasury services and payments systems alike.

At BB&T, we can work with you to start on the path to real-time payments adoption. After a comprehensive assessment of your payment strategies and processes, we can explore with you how real-time payments can fit within your plans.

For more information, please contact your BB&T relationship manager.