

POWERING THE MODERN ECONOMY: INSIDE THE THREE PILLARS OF U.S. PAYMENT INFRASTRUCTURE

CONTEXT: The Clearing House (TCH) backbone facilitates over \$520 trillion in annual clearing and settlement, shifting towards digital, precise, and ubiquitous payments.

1. CHIPS: THE HIGH-VALUE GLOBAL ENGINE

DEFINITION: The Premier Wire Transfer System. CHIPS facilitates high-value payments and manages 95% of all cross-border U.S. dollar settlements.

30:1 LIQUIDITY EFFICIENCY
A proprietary algorithm allows participants to send \$30 for every \$1 put into the system, creating **\$325 BILLION** in average daily liquidity savings.



\$2.9 TRILLION SINGLE-DAY PEAK
Reached highest value cleared since 2008 crisis, a 12% increase over previous peaks, on the day after Thanksgiving.



EXPANDING TO 24/7 AVAILABILITY
TCH plans to extend hours to Sundays and holidays to eliminate settlement delays.

2. EPN (ELECTRONIC PAYMENTS NETWORK): THE WORKHORSE

DEFINITION: The Backbone of Batch Processing. Handles the nation's ACH volume, focusing on non-urgent, recurring, and bulk payments.

62% EP% TOTAL MARKET VOLUME
EPN processes the majority of all U.S. ACH transactions on either the send or receive side.



8% ANNUAL VALUE GROWTH
Despite being established, saw a 9% volume and 9% value increase year-over-year, driven by same-day ACH.



HOLIDAY PEAK PERFORMANCE
HR a historic single-day peak of **\$588 BILLION** in clearing value on the day after Thanksgiving.

3. RTP (REAL-TIME PAYMENTS): THE INSTANT FRONTIER

STATISTIC: 90% MARKET SHARE OF INSTANT PAYMENTS
Serving 320,000 businesses and 7.5 million consumers.

500% GROWTH IN TOTAL VALUE
Total value cleared on RTP surged to **\$1.3 TRILLION** this year, up from just **\$250 MILLION** in 2024.



REAL-WORLD USE CASES:
Gig economy payouts (Uber), trucking delivery payments, and urgent tuition or loan settlements.



FROM SPEED TO PRECISION
Evolving beyond "last" to "precise" payments, allowing 24/7/365 control over exactly when money is sent or received.

THE FUTURE: 2026 ROADMAP



THE DECLINE OF PAPER CHECKS
5% to 7% year-over-year reduction observed as users migrate to digital rails.



ISO 2022 STANDARDIZATION
CHIPS and RTP moving to ISO 2022 for improved data transparency and cross-border compatibility.



AI AND FRAUD PREVENTION
Leveraging AI and new rule sets in Q1 2026 for faster payments without faster fraud.

QUOTE: "Ubiquity is the Goal"
- TCH aims for every U.S. corporate and consumer to have at least the ability to receive an instant payment.

The Backbone of the Modern US Economy

Infrastructure, Innovation, and Strategic Roadmap 2026



Insights from Pat Antonacci
Chief Product Officer, The Clearing House

Executive Summary: Innovation at a \$520 Trillion Scale

\$520T

Annual Clearing & Settlement

The private sector's core payment rails driving US economic efficiency

98%

US Real-Time Volume

Percentage of US dollar real-time payments running on TCH's RTP network

30:1

Liquidity Leverage

Proprietary algorithms generate ~\$325 Billion in daily liquidity savings.



Record Peaks

Historic volume peaks handled successfully Post-Thanksgiving 2024.

Strategic Outlook

- **Now:** 5-fold increase in RTP value YoY; 7.5M consumers active.
- **Next (2026-2027):** CHIPS expansion to extended hours (Sundays/Holidays).
- **Future:** Network-level AI fraud tools launch.

A Multi-Rail Infrastructure for Every Payment Need

CHIPS

High-Value Wire



- **Role:** The global commerce engine.
- **Primary Use:** 95% of traffic is cross-border US dollar settlement.
- **Status:** +10% YoY growth; ISO 20022 operational.

EPN

ACH Workhorse



- **Role:** The recurring backbone.
- **Primary Use:** Batch processing, commercial payments, payroll.
- **Status:** Handles ~62% of US commercial ACH volume; shifting toward Same Day.

RTP

Instant & Precise



- **Role:** 24/7 Precision and Finality.
- **Primary Use:** Immediate account-to-account, gig economy, urgent bill pay.
- **Status:** 8 years live; 320,000+ businesses connected.

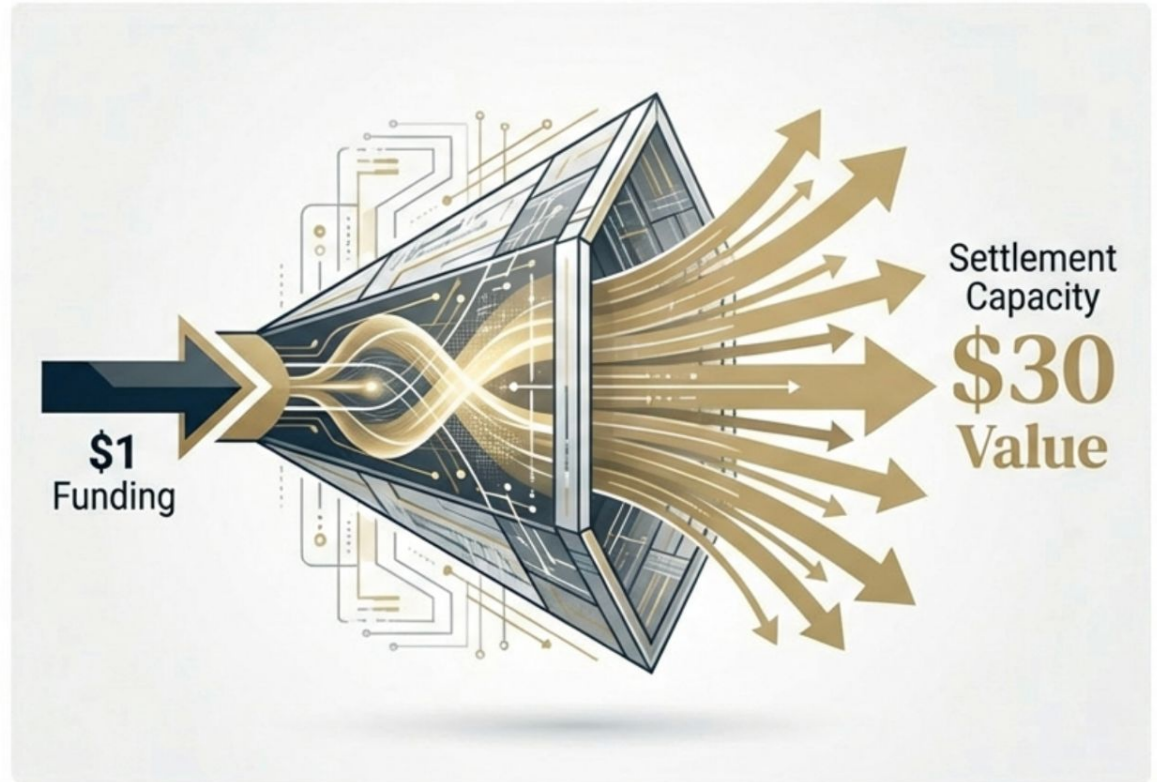
CHIPS: Unmatched Liquidity Efficiency

The Differentiator: Proprietary Liquidity Algorithm

Key Insight: For every \$1 put into the system, the algorithm facilitates sending \$30.

Impact: Saves the industry ~\$325 Billion in daily liquidity requirements.

Recent Performance: \$2.9 Trillion settled on the peak day after Thanksgiving (highest since 2008).



EPN: The Workhorse Evolving toward Same-Day Settlement

Processes ~62% of commercial ACH volume. While traditional batch remains core, the shift is toward Same Day and intraday processing.

Growth: +5% Volume YoY | +8% Value YoY.

Daily Clearing Value - November 2024

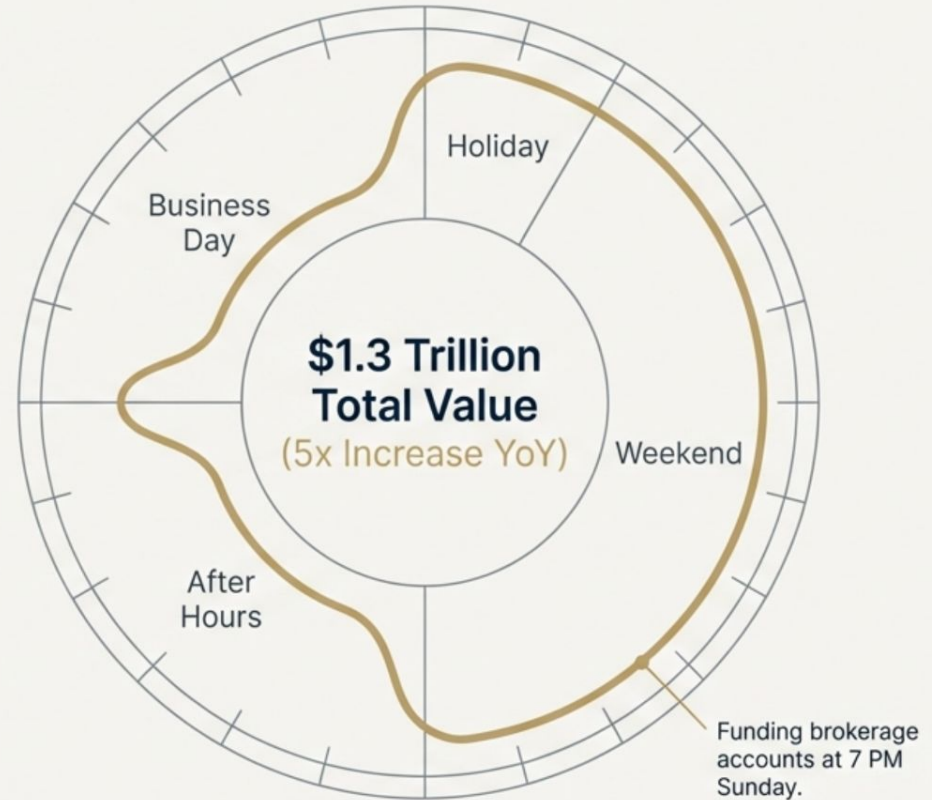


RTP: Beyond Speed—Precision and Finality 24/7

The Paradigm Shift: It is not just about 'fast'—it is about precision. Sending and receiving exactly when needed, including weekends and holidays.

Reach: 320,000+ businesses, ~7.5 million consumers.

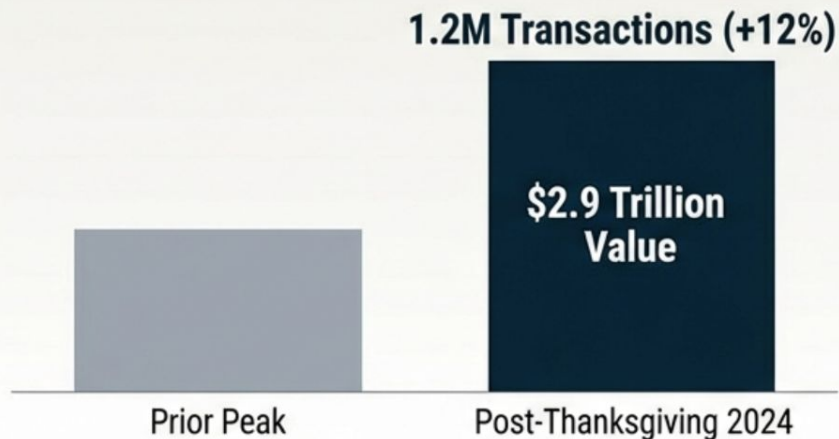
Dominance: 98% of US real-time volume runs on TCH's RTP rail.



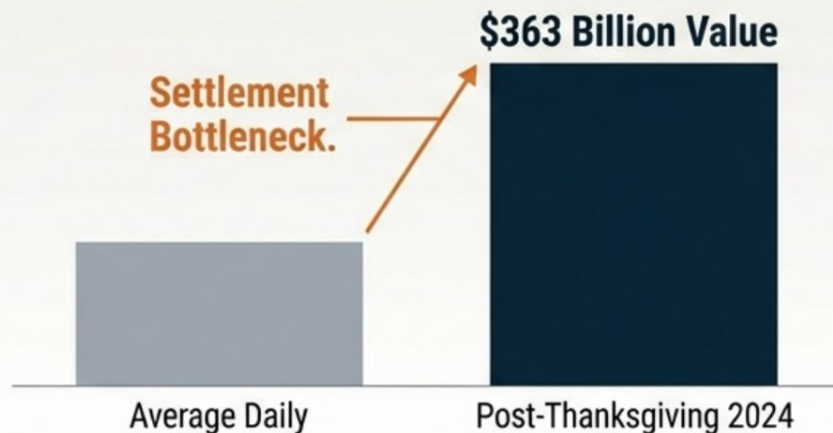
The 'Black Friday' Signal: Testing Economic Resilience

The day after Thanksgiving 2024 served as a massive stress test, condensing two days of settlement into one.

CHIPS (Wire) Peak Activity



EPN (ACH) Peak Activity



“We are settling almost two days of business in one... this drives the necessity for extended operating hours to smooth liquidity curves.”

How RTP is Reshaping Money Movement



Account-to-Account (Me-to-Me)

Moving liquidity between bank and brokerage accounts instantly. E.g., Funding a trade at 7 PM on a Sunday.



Wallets & Gaming

Funding and defunding digital wallets for weekend activity or gaming sessions.



Gig Economy & Logistics

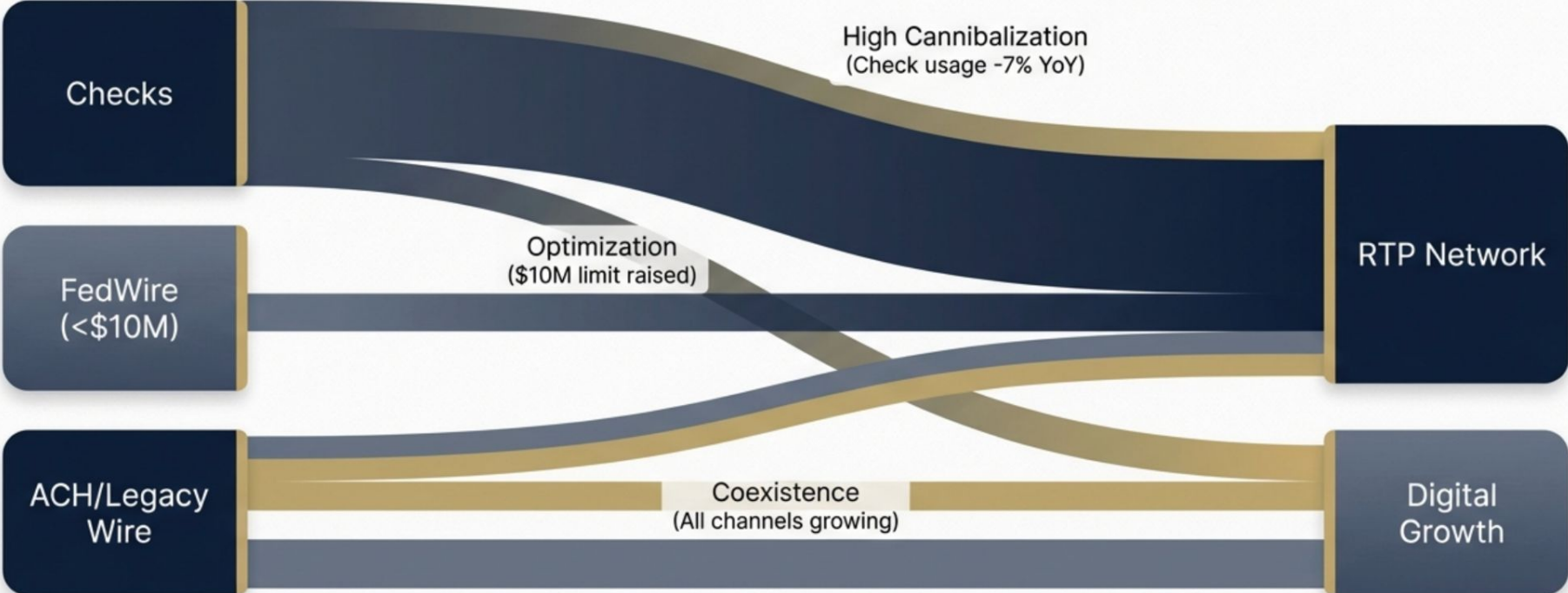
Uber drivers cashing out instantly; Truckers paid upon delivery to cover fuel costs immediately.



Urgent Bill Pay

Last-minute tuition or loan payments made on weekends to avoid late fees. Eliminating the '3-day wait' anxiety.

Expanding the Pie: Coexistence vs. Cannibalization



The market is shifting from **Batch** to **Real-Time** primarily where paper processes previously existed.

Breaking the 'Business Hour' Constraint

Current State



Future State (2026/2027)



- **Strategic Move:** Extend operating hours for CHIPS (Wires).
- **Target:** 2026 / Early 2027.
- **Goal:** Support Sundays and Holidays.
- **Impact:** Eliminate the "Monday Crunch" and align US dollar settlement with global 24/7 commerce.

The 2026 Landscape: Tech, Regulation, and Ubiquity

Front-End Experience

Payments become invisible. Fintechs own the UI; Banks maintain the Trust.

Open Banking (Rule 1033)

API-first ecosystems facilitating easier data sharing.

Data Standard

ISO 20022 migration complete. Richer data traveling with payments.

Tokenization

Stablecoins and tokenized assets on reliable rails.

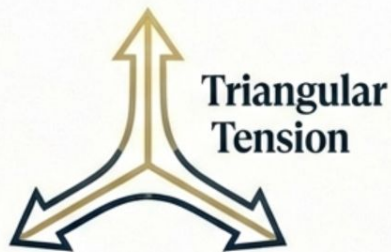
Navigating Friction in a Faster World



The Fraud Paradox

“Faster payments do not mean faster fraud, but they require faster controls.”

Response: New AI-driven network tools launching Q1 2026.

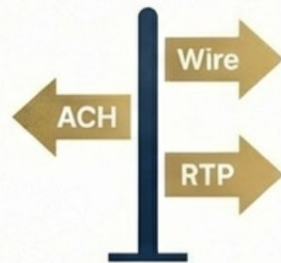


Triangular
Tension



Resource Allocation

Banks squeezed between compliance (Basel III) and innovation (Cloud/AI).



Usage Misconceptions

The “Right Rail” Concept:
Educating the market on
when to use Wire vs. ACH
vs. RTP.

The Clearing House Strategic Roadmap



Now

Ubiquity

Goal: Every US account can *receive** an instant payment. (Current: 72% of DDAs).



Intelligent Security

Launch of network-level AI fraud mitigation tools.



Deep Collaboration

Bank & Fintech partnerships to leverage core infrastructure.



2026+

Extended Hours

Moving CHIPS to a 7-day operating model.

'In It to Win It' – The Future is Collaborative



The US payment infrastructure is robust, growing, and accelerating.

Reference: Key Infrastructure Definitions

CHIPS

Clearing House Interbank Payments System. Private sector wire service for high-value, cross-border payments.

EPN

Electronic Payments Network. Private sector ACH operator for batch and recurring payments.

RTP®

Real-Time Payments. The TCH network for immediate, 24/7 clearing and settlement.

ISO 20022

The global standard for electronic data interchange between financial institutions.

