RTP Rules Interpretation
Permissible Uses for Request for Payment Messages

Effective August 1, 2022

This interpretation is issued pursuant to RTP Operating Rule I.C.

RTP Operating Rule VII.B requires that Request for Payment (RFP) messages only be made for a legitimate purpose and for a permissible use. The rule also requires that a Message Sending Participant have a reasonable basis for determining that its Message Sender will only use RFPs for permissible uses prior to allowing the Message Sender to send RFPs. This rules interpretation describes the permissible uses for RFPs and optional, non-exclusive ways a Message Sending Participant may have a reasonable basis for determining that a Message Sender will only use RFPs for one or more permissible uses.

Capitalized terms have the meanings ascribed to them in the RTP Operating Rules.

1. From the effective date of this rules interpretation the following are permissible uses for RFPs:

a. Business to business

   In order for an RFP to be made for a business to business use, it must have a business purpose for both the Message Sender and Message Receiver. A business purpose is a purpose that is not related to any personal, family, or household matter. Hence, so long as an RFP is not related to any personal, family, or household matter for the Message Sender or Message Receiver, the Message Sender and/or Message Receiver can be an unincorporated business or sole proprietor. For the avoidance of doubt, the purchase of goods or services for a personal, family, or household purpose is not a business purpose even if the goods or services are sold by a business.

b. Account to account

   In order for an RFP to be made for an account to account use:

   I. Either (1) the Message Sender and Message Receiver are the same Person, or (2) the Message Sender is an entity that holds an asset account for the Message Receiver and is sending the RFP at the Message Receiver’s direction, and

   II. The payment sent in response to the RFP results in a transfer between asset accounts that are both owned by the same Person.

For purposes of this rules interpretation an asset account is either (i) a deposit account held by an RTP Participant, or (ii) a securities, retirement, education savings, medical savings, digital wallet or similar account that is an asset for the Message Receiver and is held by the Message
Sender. For the avoidance of doubt, a Message Sender may be an RTP Participant that holds a non-deposit asset account for the Message Receiver.

c. Consumer bill pay

In order for an RFP to be made for a consumer bill pay use the RFP must:

i. seek payment for a recurring consumer service (e.g., utilities, cable, phone, gym or other membership) or financial obligation (e.g., rent, credit card, installment loan, mortgage, insurance); or

ii. Seek payment for a non-recurring consumer service that is performed and paid for at a consumer’s home, such as lawn care, house cleaning, or repairs.

For purposes of this rules interpretation recurring means that payment is owed on at least a quarterly basis and that the service or financial obligation is expected to continue on an ongoing and predetermined basis for at least a year.

For the avoidance of doubt,

• a Message Sender does not have to use RFPs to seek payment from the Message Receiver on a recurring or regular basis in order to seek payment for a recurring consumer service or financial obligation; for example, a RFP can be used to seek a single, “just in time” payment for a recurring consumer service or financial obligation even though the Message Receiver usually receives and pays the Message Sender’s bills through a different means and will continue to pay the Message Sender’s bills through a different means after the single, “just in time” payment is made in response to the RFP.

• a RFP for a recurring consumer service or financial obligation may include certain one-time charges related to and customary for the service or obligation such as annual fees, late fees, charges for additional usage (e.g. additional data for a cellular service or access to extra content in a streaming service) and charges for one-time purchases related to and customary for the service or obligations (e.g., a router for internet service or a phone for cellular service);

• purchases of goods or services that occur on an individual, as-needed basis and are expected to continue in the future (e.g., groceries, prescriptions, hair cuts), are not recurring services;

• services that involve only the delivery of food or other goods to a consumer’s home are not services performed at a consumer’s home.

A Participant may seek permission from TCH to send RFPs for recurring consumer services or financial obligations that are owed less frequently than a quarterly basis.

d. Consumer down payment, security deposit, or final payment

In order for an RFP to be made for a consumer down payment, security deposit, or final payment the RFP must be used for a one-time payment that serves as (i) an initial deposit at the time of opening a new deposit account; (ii) a deposit or initial payment or payment that fully
pays the outstanding balance or amount owed for a financial obligation that will involve (or did involve) multiple payments such as rent, an installment loan, or a mortgage.

2. Participants may seek rules interpretations from The Clearing House if they are unsure whether a Customer’s planned use of RFPs falls within one of the permissible uses. Participants may send a request for such an interpretation to RealTimePaymentsRules@theclearinghouse.org or may contact any member of TCH’s Product, Customer Relations, or Legal team to request an interpretation.

3. The following are optional and non-exclusive ways in which a Message Sending Participant may have a reasonable basis for determining that a Message Sender will use RFPs for one or more of the permissible uses.

   a. A Message Sending Participant has a reasonable basis for determining that a Message Sender will use RFPs for the business to business use, if
      i. the Message Sender will use a business account to send RFPs or the Message Sending Participant has determined through its standard Know Your Customer procedures that the Message Sender is a sole proprietor or small business that uses a non-business account for business purposes and such account will be used to send RFPs; and
      ii. the Message Sending Participant has determined through (x) its knowledge of the Message Sender’s business that the only foreseeable Message Receivers that the Message Sender would send RFPs to are Message Receivers that have a business tax identification or are sole proprietorships or small businesses, or (y) communication with the Message Sender that the Message Sender will send RFPs to Message Receivers that have a business tax identification number or are sole proprietorships or small businesses.

   b. A Message Sending Participant has a reasonable basis for determining that a Message Sender will use RFPs for an account to account use, if
      i. The name of the Message Sender and Message Receiver are the same and either (x) the Message Sender has received previous payments to its account with the Messaging Sending Participant from the Message Receiver’s account or (y) the Message Sending Participant has conducted some form of due diligence to determine that the Message Receiver’s account is owned by the Message Sender, or
      ii. the Message Sending Participant has determined through its standard Know Your Customer procedures that the Message Sender is an entity that holds asset accounts for other Persons and has determined through (x) its knowledge of the Message Sender’s business that the only foreseeable use of RFPs would be to enable the Message Sender’s asset account holders (who would be the RFP Message Receivers) to fund their asset accounts or, (y) communication with the Message Sender that the Message Sender intends to use RFPs to enable the Message Sender’s asset account holders (who would be the RFP Message Receivers) to fund their asset accounts.

   c. A Message Sending Participant has a reasonable basis for determining that a Message Sender will send RFPs for a consumer bill pay use if
i. the Messaging Sending Participant has determined through its standard Know Your Customer procedures that the Message Sender is the type of entity that provides recurring services to consumers or non-recurring services that are performed and paid for at a consumer's home, and

ii. The Message Sending Participant has determined through (x) its knowledge of the Message Sender's business that the only foreseeable use of RFPs would be for consumer bill pay uses, or (y) communications with the Message Sender that the Message Sender intends to use RFPs for consumer bill pay uses.

d. A Message Sending Participant has a reasonable basis for determining that a Message Sender will send RFPs for a consumer down payment, security deposit, or final payment use, if

i. The Messaging Sending Participant has determined through its standard Know Your Customer procedures that the Message Sender is the type of entity that engages in activity with consumers that requires one-time payments for deposits, down payments, or final payments for financial obligations that will involve (or did involve) multiple payments, and

ii. The Messaging Sending Participant has determined through (x) its knowledge of the Message Sender's business that the only foreseeable use of RFPs would be for consumer down payment, security deposit, or final payment use, or (y) communications with the Message Sender that the Message Sender intends to use RFPs for consumer down payment, security deposit, or final payment use.

e. For the avoidance of doubt a Messaging Sending Participant must make a determination for each Message Sender that it permits to send RFPs that the Message Sender will only send RFPs for one or more of the permissible uses. The Message Sending Participant must make a separate determination for each permissible use that it will rely upon in allowing its Message Sender to send RFPs. Subject to the requirement in the Operating Rule that a Message Sending Participant take corrective action with respect to a Message Sender when it determines, or should have determined based on information available to it, that the Message Sender has initiated RFPs that are not made for a permissible use as described in this rules interpretation, once the Messaging Sending Participant makes an initial determination that a Message Sender will only use RFPs for one or more permissible uses, it does not need to make a determination for each RFP that the Message Sender sends.