

PRESS RELEASE

VocaLink and The Clearing House sign a groundbreaking deal to deliver national real-time payment services in the U.S.

10 December 2015. VocaLink, the UK-based international payment systems provider, has signed a contract with The Clearing House (TCH) to develop a national real-time payment service in the U.S. In October, the two companies announced they had signed a letter of intent, and today's contract signing finalizes the partnership and clears the way for work to build the system to begin immediately.

Once complete, the system will be the most comprehensive real-time payment system ever developed. Not only will it empower U.S. consumers and businesses to send and receive real-time payments from their existing accounts at financial institutions, but it will also provide a platform to launch innovative new services that will power a new economy built around real-time payments. These services include new message capabilities for financial services that go well beyond basic payments.

With the contract now finalized, VocaLink has commenced work to ensure the system is built rapidly. In addition to the work TCH commissioned VocaLink to complete, individual financial institutions and their service providers have already commenced efforts to integrate and adopt the new real-time payment system.

The U.S. is the world's largest payment market and this deal accelerates the move towards ubiquitous, real-time payments. To promote international interoperability and help ease cross-border commerce, the system will comply with global standards (ISO 20022) for real-time payments. Following the launch of this service, VocaLink technology will power major faster payments services in Europe, Asia and North America, including three of the four largest global financial centres¹. Europe has also begun the journey towards a pan-European instant payments service and VocaLink is engaging with many of the key stakeholders to share its experience and discuss potential solutions.

¹ London, New York, Singapore.

An effective partnership

VocaLink was selected by The Clearing House for its proven technology that includes many of the attributes desired by US customers, its ability to upgrade its existing platform to provide additional innovative solutions, and its demonstrated speed to market. VocaLink implemented the UK Faster Payments Scheme in three years, and Singapore's FAST payment scheme more rapidly. VocaLink designed, built and manage the real-time technology behind the UK Faster Payments Service on behalf of the Faster Payments Scheme. Since the service was launched in 2008, over four billion payments have been securely processed and the real-time infrastructure has provided a platform for further innovation, driving the development and proliferation of a wider range of services, including mobile payments. VocaLink's experience in the design, development and delivery of real-time national payments infrastructure is second to none globally.

The Clearing House is the only private sector ACH and wire operator in the U.S., processing approximately 50% of all commercial ACH and wire volume in the U.S. Its customers include credit unions and commercial banks.

James Aramanda, President and Chief Executive Officer at The Clearing House said: "Finalizing this partnership with VocaLink represents a significant milestone in our effort to make ubiquitous real-time payments a reality in the U.S. Once completed, customers will pay or receive money in real-time from any financial institution, and with its innovative extensible design the system will be built to provide the basis for payment solutions currently unimagined.

"Most importantly, with VocaLink's proven track record of rapid and effective development of real-time payments, The Clearing House and its owner banks will soon deliver access to the secure, real-time payments that customers in the US desire."

David Yates, Chief Executive Officer at VocaLink, commented: "This is an important deal for VocaLink and an important deal for the UK. The US is the largest global payments market and to win this deal boosts the UK's credentials as a global leader in payments technology.

"We look forward to working with such a respected and impressive partner as The Clearing House to deliver a service that will transform US payments.

"We are committed to developing further partnerships around the world to build global, ubiquitous real-time payments."

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About VocaLink

VocaLink is a global payments partner relied on by financial institutions, corporates and governments to provide high availability and resilient payment solutions. We operate world-class payment clearing systems and ATM switching platforms which underpin the majority of UK electronic payments. Our proven capability of implementing real-time payment systems in the UK has led to the development of immediate payment solutions for other countries. Our platforms have made it easier to make payments confidently, securely and cost effectively. Last year we processed over 10 billion transactions with a value of £6 trillion.

We provide the platform for Bacs and the Current Account Switch Service; the real-time platform for the Faster Payments Service; and the LINK ATM Network, giving businesses and consumers simple, instant and reliable ways to access and move money. We are also at the forefront of mobile payments that will empower consumers to be able to make secure real-time consumer to merchant payments through existing mobile banking services. Singapore successfully launched FAST, a real-time payments system which utilises the VocaLink Immediate Payments Solution.

About The Clearing House

Established in 1853 by the nation's leading banks, The Clearing House originally functioned as a quasi-central bank long before the Federal Reserve was formed, facilitating exchanges, setting monetary policy, issuing a form of currency and even storing vaults of gold to back settlements.

The Clearing House has stayed true to its core mission, today providing core payment systems that clear and settle nearly \$2 trillion each day and applying expert advocacy and thought leadership resources to address issues of critical importance to the industry: safety, soundness, risk mitigation and other complex policy challenges.

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