

Justice Department Will Not Challenge Proposed Real Time Payment System

The Justice Department today announced that at this time it will not challenge a proposal by The Clearing House Payments Company LLC (“TCH”), a joint venture of 24 U.S. banks, to create and operate a new payment system that will enable the real-time transfer of funds between depository institutions, at any time of the day, on any day of the week. The department’s position was stated in a business review letter to counsel for TCH from Acting Assistant Attorney General for the Antitrust Division Andrew C. Finch.

According to representations made by TCH, it will create and operate the Real Time Payment system (“RTP”)—a new payment rail that, for the first time in the U.S., will provide for real-time funds transfers between depository institutions—and in turn, RTP will allow depository institutions to enable faster fund transfers for their end-user customers. According to TCH, RTP will not interfere with the continued use and operation of existing payment rails, including automated clearing house, wire, and check clearing houses. RTP will also incorporate additional features that existing payment rails do not offer, such as enhanced messaging capabilities.

The department has reviewed TCH’s currently-proposed rules and conduct for RTP. Based on the information submitted and representations made by TCH, the department has no present intention to challenge the operation of TCH’s proposed new payment rail in light of the possibility that introducing a new, faster payment rail would benefit consumers and competition.

Under the department’s business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the division currently intends to challenge the action under the antitrust laws based on the information provided. The Department reserves the right to challenge the proposed action under the antitrust laws if the actual operation of the proposed conduct proves to be anticompetitive in purpose or effect.

Copies of the business review request and the department’s response are available on the Antitrust Division’s website at <https://www.justice.gov/atr/business-review-letters-and-request-letters>, as well as in a file maintained by the Antitrust Documents Group of the Antitrust Division. After a 30-day waiting period, any documents supporting the business review will be added to the file, unless a basis for their exclusion for reasons of confidentiality has been established under the business review procedure. Supporting documents in the file will be maintained for a period of one year, and copies will be available upon request to the FOIA/Privacy Act Unit, Antitrust Documents Group at atrdocs.grp@usdoj.gov.

Attachment(s):

[Download Business Review Letter](#)

Topic(s):

Antitrust

Component(s):

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