



Participation Types

The FedNowSM Service will offer flexible participation options that will allow financial institutions (FIs) to enable specific capabilities aligned with their business objectives and customers' needs.

FedNow participants will set up profiles specifying their connectivity points, participation types and other configurations. Profiles are configured for each routing transit number (RTN) enabled in the service.

While setting up profiles, FedNow participants will select participation types, which indicate the features the FI will offer or support. Generally, FIs will be able to enable any combination of participation types, with a few exceptions.

This document reviews each participation type. Topics covered include:

- Overview of participation types
 - Customer credit transfers and requests for payment
 - Receive credit transfers
 - Send and receive credit transfers
 - Receive requests for payment (RFPs)
 - FI credit transfers and settlement
 - FI liquidity management transfers
 - Send and receive FI liquidity management transfers
 - Receive FI liquidity management transfers
 - Settlement services for FIs
- Tables of applicable ISO[®] 20022 messages for each participation type

Overview of Participation Types Within Profiles

The FedNow Service will offer FIs the flexibility to choose almost any combination of participation types within the solution to meet their specific requirements. For example, a participant may be configured to receive customer credit transfers for their own RTN and/or configured as a settlement service provider for their respondents' RTNs.

These configurations will be able to be modified as needed. For example, an FI may select to only receive payments initially but later expand their capabilities to send and receive payments.

The FedNow interface via FedLine[®] Solutions, will display features configured for participants. The FedNow interface will support self-service management of settings. However, additional steps may be required prior to going live with certain configurations.

The FedNow Service will identify by RTN certain participation types enabled (receive customer transfers, send and receive customer transfers and receive requests for payment) and provide these lists at the end of each day via ISO message admi.998. These can also be pulled from the FedNow interface at any time.

As FIs prepare for implementation of the service, they should consider how they will use the service, including what capabilities they will leverage based on their current business needs and the needs of their customers.

The following provides a closer look at the participation types available within the FedNow Service.

Customer Credit Transfers and Requests for Payment

FIs will be able to select from the below options to enable send and/or receive capabilities for customer credit transfers and RFPs.



Receive customer credit transfers (receive-only)

A FedNow Service receive only participant will be able to receive customer payments, but will not be able to initiate customer payments (ISO message pacs.008) except to return payments (ISO message pacs.004) using the service.

Receive-only participants will have the ability to send RFPs (ISO message pain.013), but will not be eligible to receive RFPs because they will not be able to initiate customer credit transfers (pacs.008) as a response to a payment request.

By default, participants configured with a receive-only profile will be able to send and receive FI credit transfers (ISO message pacs.009) for liquidity management of instant payments. They will be able to disable this capability. Liquidity transfers are discussed in more detail later in this document.



Send and receive customer transfers (send and receive)

A FedNow participant that chooses to enable this participation type will be able to send and receive customer payment messages (pacs.008) and return customer payment messages (pacs.004).

An RTN set up to send and receive customer payment messages will be able to send RFPs and may also choose to receive RFPs (pain.013).

These FedNow participants will be automatically enabled to send and receive FI credit transfers (pacs.009). They will be able to disable this capability. Liquidity transfers are discussed in more detail later in this document.



Receiving requests for payment

This participation type allows FIs to receive requests for payment via the FedNow Service. An FI enabled to send and/or receive customer credit transfers may send an RFP. However, only those enabled to send a customer payment are eligible to receive an RFP.

Financial Institution Transfers

The FedNow Service will also support transfers between participating FIs — either on behalf of their respondents or for their own internal purposes, such as liquidity management.



Liquidity management transfers (LMT)

FI credit transfers (pacs.009) that support instant payment liquidity needs will be available at certain times to be determined. These transfers can take place between the master accounts of two participants, or between a participant's master account and a joint account that backs another private-sector instant payment service.

FIs will be able to choose to participate in the FedNow Service for the sole purpose of supporting liquidity management transfers. This allows FIs to transfer funds to support certain payment system interbank liquidity needs as a stand-alone service without enabling other capabilities within the FedNow Service.

For more in-depth details regarding these transfers, refer to the [Liquidity Management](#) topic.

Settlement services for financial institutions



As with some other Federal Reserve Financial Services, the FedNow Service will support correspondent/respondent relationships. Respondents will be able to settle transactions in the master account of their correspondent.

Correspondent FIs with RTNs enabled for the settlement participation type will be able to receive real-time notices of debits or credits. They will also be able to query the FedNow Service for reports.

A correspondent will not be required to have a FedNow participant profile to provide settlement services to their respondents. Such FIs will be able to settle their FedNow Service-enabled respondents' activity against their own master accounts. These correspondents can access their respondents' FedNow activity in intra-day and end-of-day reports of existing Federal Reserve Banks' systems. However, enabling a FedNow profile will enable access to real-time transaction information and FedNow reports.

To learn more, refer to the [Settlement](#) and [Reporting and Reconciliation](#) topics.

Customization and Implementation

Flexible configurations of participant profiles will be one of the key aspects of the FedNow Service.

Participating FIs will be able to control the capabilities and messaging assigned for each RTN, with the ability to make adjustments to match their evolving needs over time.

Customer Credit Transfers and Requests for Payment

Below is a table indicating which ISO 20022 messages are needed for each participation type.

Note: “Conditional” is in response to “Optional” messages. If a financial institution supports or sends one of the optional messages, they will be required to also support the response message.

| Customer Credit Transfer Messages | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
|---|------------------------------|-------------|------------------------------|-------------|-------------------------------|-------------|
| | Send | Receive | Send | Receive | Send | Receive |
| <i>pac.008 – Customer Credit Transfer</i> | Prohibited | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| <i>pac.002 – Payment Status Report</i> | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| <i>pac.028 – Payment Status Request</i> | Optional | Mandatory | Optional | Mandatory | Optional | Mandatory |
| Payment Returns | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>camt.056 – Return Request</i> | Optional | Mandatory | Optional | Mandatory | Optional | Mandatory |
| <i>camt.029 – Return Request Response</i> | Mandatory | Conditional | Mandatory | Conditional | Mandatory | Conditional |
| <i>pac.004 – Payment Return</i> | Optional | Optional | Mandatory | Mandatory | Mandatory | Mandatory |
| Requests for Payment | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>pain.013 – Request for Payment (RFP)</i> | Optional | Prohibited | Optional | Prohibited | Optional | Mandatory |
| <i>pain.014 – Request for Payment Response</i> | N/A | Conditional | N/A | Conditional | Mandatory | Conditional |
| <i>camt.055 – RFP Cancellation Request</i> | Optional | Prohibited | Optional | Prohibited | Optional | Mandatory |
| <i>camt.029 – RFP Cancellation Request Response</i> | N/A | Conditional | N/A | Conditional | Mandatory | Conditional |
| Information Request Messages | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>camt.026 – Information Request</i> | Optional | Mandatory | Optional | Mandatory | Optional | Mandatory |
| <i>camt.029 – Information Request Response</i> | Mandatory | Conditional | Mandatory | Conditional | Mandatory | Conditional |
| <i>camt.028 – Additional Payment Information</i> | Optional* | Conditional | Optional | Conditional | Optional | Conditional |

*FIs should use the camt.028 when providing additional information to another participant.

| Account Reporting Messages | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
|---|-------------------------------------|----------------|-------------------------------------|----------------|--------------------------------------|----------------|
| | Send | Receive | Send | Receive | Send | Receive |
| <i>camt.060 – Account Reporting Request</i> | Optional | N/A | Optional | N/A | Optional | N/A |
| <i>camt.052 – Account Balance Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.052 – Account Activity Totals Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.052 – Account Activity Details Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.054 – Account Debit/Credit Notification</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| System Messages | Credit Transfer Receive Only | | Credit Transfer Send/Receive | | Send/Receive with Receive RFP | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>admi.002 – Message Reject</i> | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| <i>admi.007 – Receipt Acknowledgement</i> | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| <i>admi.004 – FedNow Broadcast</i> | N/A | Mandatory | N/A | Mandatory | N/A | Mandatory |
| <i>admi.004 – Participant Broadcast</i> | Mandatory | N/A | Mandatory | N/A | Mandatory | N/A |
| <i>admi.011 – FedNow System Response</i> | N/A | Mandatory | N/A | Mandatory | N/A | Mandatory |
| <i>admi.006 – Retrieval Request</i> | Optional | N/A | Optional | N/A | Optional | N/A |
| <i>admi.998 – FedNow Participant File</i> | N/A | Mandatory | N/A | Mandatory | N/A | Mandatory |

Financial Institution Credit Transfers

Below is a table indicating which ISO 20022 messages are needed for each participation type. These include:

| FI Credit Transfers Messages | Settlement | | Liquidity Management Transfers (LMT) Receive Only | | LMT Send/Receive | |
|--|------------|------------|---|-----------|------------------|-----------|
| | Send | Receive | Send | Receive | Send | Receive |
| <i>pac.009 – Financial Institution Credit Transfer</i> | Prohibited | Prohibited | Prohibited | Mandatory | Mandatory | Mandatory |
| <i>pac.002 – Payment Status Report</i> | Prohibited | Prohibited | N/A | N/A | N/A | Mandatory |
| <i>pac.028 – Payment Status Request</i> | Prohibited | Prohibited | Prohibited | N/A | Optional | N/A |
| Account Reporting Messages | Settlement | | LMT Receive Only | | LMT Send/Receive | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>camt.060 – Account Reporting Request</i> | Optional | N/A | Optional | N/A | Optional | N/A |
| <i>camt.052 – Account Balance Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.052 – Account Activity Totals Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.052 – Account Activity Details Report</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| <i>camt.054 – Account Debit/Credit Notification</i> | N/A | Optional | N/A | Optional | N/A | Optional |
| System Messages | Settlement | | LMT Receive Only | | LMT Send/Receive | |
| | Send | Receive | Send | Receive | Send | Receive |
| <i>admi.002 – Message Reject</i> | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory | Mandatory |
| <i>admi.004 – FedNow Broadcast</i> | N/A | Mandatory | N/A | Mandatory | N/A | Mandatory |
| <i>admi.004 – Participant Broadcast</i> | Prohibited | N/A | Mandatory | N/A | Mandatory | N/A |
| <i>admi.011 – FedNow System Response</i> | N/A | N/A | N/A | Mandatory | N/A | Mandatory |
| <i>admi.006 – Retrieval Request</i> | Prohibited | N/A | Optional | N/A | Optional | N/A |
| <i>admi.998 – FedNow Participant File</i> | N/A | Mandatory | N/A | Mandatory | N/A | Mandatory |

This guide may and is likely to change from time to time, including as the Federal Reserve Banks obtain feedback from various stakeholders. The Readiness Guide is not an agreement with the Reserve Banks and is not necessarily reflective of the final terms, operating procedures, or other documentation for the FedNow Service.

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