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12/7/18

Docket Number OP-1625

As Manager of Your Hometown Federal Credit Union, I am writing to share our support of the Federal Reserve's proposal to develop a faster payment system. I believe that only the Federal Reserve, as a central banking agency, can create a ubiquitous solution that all can share in. The Real Time Gross Settlement (RTGS) 24x7x365 service will relieve settlement risk in the financial system and create a safe and secure interbank settlement system with regulatory oversight.

We hope the Fed will develop a system accessible and fair to all interbank parties. The credit union industry allows for access to the Federal Reserve for payments and settlements through an already established system with our corporates. We hope the fed will keep this system in mind when developing the new RTGS system.

Liquidity will be an issue when moving to a faster payment system. Again, the corporate credit union system helps smaller credit unions, like us, to compete in today's market by providing intraday liquidity. This should be kept in mind when developing the Federal Reserve's answer to faster payments. The fed may need to provide some form of liquidity to help serve intraday funding and non-business hour activity needs.

The Federal Reserve's involvement will also help keep traditional financial institutions in an even playing field with so many new resources available to business and consumers in today's marketplace. It is not a matter of "if", but rather "when" faster payments system will come up in the U.S.

In conclusion: the Federal Reserve is the only system that can create a safe, regulated and ubiquitous system for faster payments. With the Federal Reserve leading the way, demand will follow from consumer to retail, and industry to industry.

Sincerely,

Nancy Towery