



Jack Henry Using Experience to Help Shape Future of Instant Payments with the Federal Reserve

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Pilot with the Federal Reserve's instant payments network will add faster payments options for regional and community banks and credit unions

MONETT, Mo., March 30, 2021 /PRNewswire/ -- Jack Henry & Associates, Inc. (NASDAQ: JKHY), a leading provider of technology solutions and payment processing services primarily for the financial services industry, confirmed it will participate in the FedNowSM pilot program. Participating in the program provides the banks and credit unions that leverage [JHA PayCenter](#)TM to seamlessly connect to instant payment networks, more choices and interoperability for their faster payment offerings.

Jack Henry partnered with the Federal Reserve in early 2020 and will help shape the features and functions of the FedNow Service, provide input into the overall user experience, help ensure readiness for testing, and be among the first to process instant payments using the service before its general availability. In the initial advisory phase, participant input will help to further define the service and adoption roadmap, prepare for industry readiness, and finalize the Federal Reserve's overall instant payments strategy. The FedNow Service is expected to provide clearing and settlement functions by 2023.

Banks and credit unions currently have two ways to connect to faster payments networks - independently or through a partner like Jack Henry. Independent implementation requires significant capital and human resources to develop and maintain the connections between existing core and digital solutions and the new payment networks. Many financial institutions do not have the resident resources, expertise, or budget to effectively and efficiently support these complex development requirements. Partnering with Jack Henry eliminates the need for internal development, provides ongoing access to industry and technical experts, reduces the implementation period to 60 to 90 days, and significantly reduces near- and long-term costs.

Tede Forman, head of Consumer and Commercial Payments for Jack Henry, said, "JHA PayCenter is built on the vision to provide diverse financial institutions and their accountholders with seamless access to the industry's instant payment solutions. The FedNow Service will be another critical part of that vision and will leverage our ready-built infrastructure to provide banks and credit unions with frictionless access to faster payments networks. We look forward to the opportunity to help develop the functionality and practical use cases and to make material contributions to a service that will advance the evolving payments ecosystem."

For more information on the [FedNow Pilot Program](#) and the FedNow Service, visit [FedNow.org](#).

About the FedNow Service

The Federal Reserve Banks are developing the FedNow Service to facilitate nationwide reach of instant payment services by financial institutions – regardless of size or geographic location – in near real time, around the clock, every day of the year. Through financial institutions participating in the FedNow Service, businesses and individuals will be able to send and receive instant payments around the clock conveniently, and recipients will have full access to funds within seconds, giving them greater flexibility to manage their money and make time-sensitive payments. Access will be provided through the Federal Reserve's FedLine[®] network, which serves more than 10,000 financial institutions directly or through their agents. For more information, visit [FedNow.org](#).

About Jack Henry & Associates, Inc.

Jack Henry (NASDAQ: [JKHY](#)) is a leading SaaS provider primarily for the financial services industry. We are a S&P 500 company that serves approximately 8,500 clients nationwide through three divisions: **Jack Henry Banking**[®] provides innovative solutions to community and regional banks; **Symitar**[®] provides industry-leading solutions to credit unions of all sizes; and **ProfitStars**[®] offers highly specialized solutions to financial institutions of every asset size, as well as diverse corporate entities outside of the financial services industry. With a heritage that has been dedicated to openness, partnership, and user centricity for more than 40 years, we are well-positioned as a driving market force in cloud-based digital solutions and payment processing services. We empower our clients and consumers with the human-centered, tech-forward, and insights-driven solutions that will get them where they want to go. Are you future ready? Additional information is available at [www.jackhenry.com](#).

Statements made in this news release that are not historical facts are forward-looking information. Actual results may differ materially from those projected in any forward-looking information. Specifically, there are a number of important factors that could cause actual results to differ materially from those anticipated by any forward-looking information. Additional information on these and other factors, which could affect the Company's financial results, are included in its Securities and Exchange Commission (SEC) filings on Form 10-K, and potential investors should review these statements. Finally, there may be other factors not mentioned above or included in the Company's SEC filings that may cause actual results to differ materially from any forward-looking information.

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