Jack Henry Expands Real-Time Payments Presence with the New FedNow Service

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Proprietary payments hub provides ready-built connection to the latest real-time payments network

MONETT, Mo., May 15, 2023 /PRNewswire/ -- Jack Henry™ (Nasdaq:JKHY) announced today that it is operationally ready to support the launch of the Federal Reserve's real-time payments network, the FedNow℠ Service. Jack Henry has actively participated in the development of the newest network, expected to launch in July 2023. More than 20 Jack Henry clients will participate in the supporting pilot and early adopter program.

FedNow is an instant payments network that moves funds directly and immediately between financial institution accounts in the United States. The network will initially support multiple use cases and serve as a platform banks and credit unions can leverage to develop innovative payments solutions that support evolving instant payment needs and additional use cases.

"Processors play an important role in enabling the FedNow Service for many financial institutions," said Ken Montgomery, Federal Reserve Bank of Boston first vice president and FedNow Service program executive. "We appreciate the commitment that Jack Henry has made to be ready to deliver instant payments services when we launch in July."

Alabama-based Bryant Bank and HawaiiUSA Federal Credit Union will be among the first financial institutions to implement the FedNow Service using JHA PayCenter.

"Partnering with Jack Henry through the use of JHA PayCenter to offer the ground-breaking FedNow Service aligns with a core value of Bryant Bank – preserving our traditional culture while embracing innovation," said Elizabeth Allen, chief operating officer for Bryant Bank. "The ability to provide customers with access to multiple payment channels and faster payment methods empowers the potential of Alabamians."

"Over two years ago, we were elated to be chosen as one of the 120 organizations in the FedNow pilot program," said Scott Young, vice president of payments operations for HawaiiUSA Federal Credit Union. "We decided to be part of the program because we wanted to have input on how the instant payments rail was going to operate and ensure that the needs of financial institutions in Hawaii were being considered. FedNow will level the playing field and help us compete with the large financial institutions on the mainland."

Jack Henry has consistently been on the leading-edge of faster payments, developing JHA PayCenter™, its proprietary faster payments hub, to connect financial institutions to the Zelle Network®, which is owned and operated by Early Warning Services, LLC; the RTP® network, owned and operated by The Clearing House (TCH); and now the FedNow Service. With JHA PayCenter's integration architecture, this ready-built hub connects Jack Henry's core and digital solutions to the faster payment networks and also can be leveraged to connect third-party core and digital platforms.

"Today's convenience-driven consumers and businesses expect to move money in the moment of need so real-time payments have evolved into competitive necessities," said Tede Forman, president of Jack Henry Payment Solutions. "Based on the high and growing demand for instant payments, and the fact that more than half of all U.S. DDA accounts are now connected to a faster payments network, banks and credit unions simply can't compete without offering real-time payments and meaningful use cases. We made a strategic commitment to help our clients modernize their payment strategies and platforms with the real-time payments solution or solutions that enable them to remain at the center of the payment experience and to ultimately reduce payments friction and financial fragmentation."

About Jack Henry & Associates, Inc.®
Jack Henry™ (Nasdaq: JKHY) is a well-rounded financial technology company that strengthens connections between financial institutions and the people and businesses they serve. We are an S&P 500 company that prioritizes openness, collaboration, and user centricity – offering banks and credit unions a vibrant ecosystem of internally developed modern capabilities as well as the ability to integrate with leading fintechs. For more than 46 years, Jack Henry has provided technology solutions to enable clients to innovate faster, strategically differentiate, and successfully compete while serving the evolving needs of their accountholders. We empower approximately 8,000 clients with people-inspired innovation, personal service, and insight-driven solutions that help reduce the barriers to financial health. Additional information is available at www.jackhenry.com.

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Analyst Contact: Vance Sherard, CFA, Vice President, Investor Relations, (417) 235-6652 ; Press Contact: Mark Folk, Sr. Manager, Corp. Communications, (704) 890-5323