Instant in the U.S. - FedNow® Service Update
Chicago Payments Symposium

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Moving Forward with Instant Payments

• The FedNow Service launched July 20, 2023, with 35 live participants, the U.S. Department of the Treasury’s Bureau of the Fiscal Service and 16 certified service providers

• Focus on industry readiness and adoption to build out the rapidly growing network of participating financial institutions

• Evolving the post-launch roadmap
What makes the FedNow Service different?

Payments *appear* instant, however:
- Funds are provided to users *before* funds settle between banks
- There may be additional steps for transferring funds to a user’s bank account, which could incur fees or delays in availability

Instant
Funds settle between financial institutions instantaneously:
- Users can access funds immediately in their bank account, 24x7x365

Characteristics of FedNow Service Instant Payments

- **Available 24x7x365**
- **Settled in seconds**
- **Irrevocable**
- **Immediate funds availability**
- **Credit push only**
- **Network limits**
- **Data-rich messages**
- **Domestic transactions only**

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Looking ahead to the future

The FedNow Service will be enhanced through incremental releases to continue supporting safety, resiliency and innovation in the industry as the FedNow network expands. Potential candidates for future enhancements will be explored to better understand participant needs and include:

- Anti-fraud measures
- Alias-based payments
- Correspondent controls
- APIs
- Exception Management
- Cross Border