

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?

Fast

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

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:



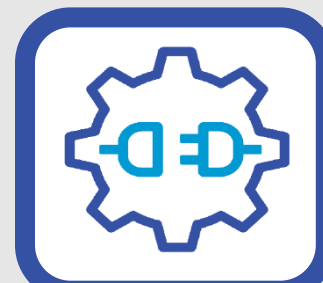
Anti-fraud
measures



Alias-based
payments



Correspondent
controls



APIs



Exception
Management



Cross
Border