

## Jack Henry™ Meetup – Payments Questions and Answers

Below is a compilation of the questions that we received during the October 26<sup>th</sup> payments meetup, along with the answers supplied by Jack Henry's subject matter experts.

### Payments and Payrailz® Update Session

#### QUESTION 1:

**"I see that reporting is mentioned. Are there plans to enhance the remote deposit capture reporting that is currently available?"**

ANSWER: The existing remote deposit capture reporting APIs support flexible and customized reporting. We also have business intelligence APIs on our roadmap, and those will be added to facilitate capturing daily activity summaries. Finally, there are future (estimated 3 years) roadmap items to address enhanced reporting after our move to Google Cloud platform has been completed.

#### QUESTION 2:

**"You've talked a lot about the JHA PayCenter hub, and it's good to provide lots of options. How are we supposed to provide these options to our business customers without intelligent routing? In our opinion, businesses don't care how the payment gets there, but only want to select who, when, and how much they are willing to pay to send a payment with the routing being done on the backside. How will Jack Henry address this?"**

ANSWER: JHA PayCenter, has in our long-term plans and strategy, to add in the ability to perform intelligent or rules-based routing of payments. Our initial target will be the ability to drop to ACH in the event an RTN cannot be reached via RTP. We also envision the ability for intelligent routing with the FedNow and RTP transactions to follow the launch of the FedNow<sup>SM</sup> Service.

#### QUESTION 3:

**"Is there a timeline or roadmap for what and when Payrailz services will be available?"**

ANSWER: The entire Payrailz Digital Platform and is available now.

**QUESTION 4:**

**“Does Payrailz integrate with Fiserv Premier core?”**

ANSWER: Yes, Payrailz has integration in place today with the Fiserv Premier core.

**QUESTION 5:**

**“Can you provide some more details about native AI-based fraud monitoring?”**

ANSWER: Payrailz Fraud Monitor is a cloud-native, AI-based solution that is expected to be generally available in January and will provide real-time fraud detection when payment transactions are initiated. This highly customizable proprietary solution will support multiple payment types, including person-to-person (Pay A Person), bill payments (Pay A Bill), and account-to-account outbound external transfers (Transfer Money). Based on behavioral analytics Fraud Monitor will help mitigate payment fraud, including Account Takeover (ATO), when a fraudster takes possession of an authentic user’s credentials and attempts to quickly move funds out of their accounts. Payrailz Fraud monitoring will be available in the first quarter of calendar year 2023.

**QUESTION 6:**

**“Does Payrailz integrate with other online banking platforms, specifically NCR/Digital Insight?”**

ANSWER: Yes, Payrailz does integrate with many online banking platforms, including NCR/Digital Insight.

**QUESTION 7:**

**“We’ve had some reports of customer email notifications being delayed upwards of an hour or so. These are related to activation emails. Is Jack Henry aware and working on a resolution?”**

ANSWER: Jack Henry is aware and working on an improved solution. We have designed a solution that will deliver Payrailz messages with speed, be dependable, secure, and align with our technology modernization strategy. We are working on the first phase, and this is one of our top priorities.

**QUESTION 8:**

**“Does Payrailz interface with ATM driving?”**

ANSWER: No, currently, it does not.

**QUESTION 9:**

**“What kind of volume have you done so far? And how does Payrailz work with Symitar and the connection to it?”**

ANSWER: Please contact your Jack Henry CRM or Account Executive for more information on volume related questions. Payrailz connects to Symitar via SymXchange.

**QUESTION 10:**

**“Does Jack Henry view the Payrailz solutions as a replacement for the current bill pay providers or just an alternate option? Do you anticipate Jack Henry customers using each?”**

ANSWER: Jack Henry takes pride in our ability to offer our clients choice in services. The addition of the Payrailz offering strategically complements Jack Henry’s payment solutions and further supports our technology modernization strategy. And it brings next-generation digital payment capabilities to Jack Henry’s technology stack. As an alternative offering to our current bill pay solutions, Payrailz provides our clients with additional functionality, optionality, and flexibility to support their specific digital and payment strategies. Jack Henry has a commitment to both platforms.

**QUESTION 11:**

**“How does Payrailz integrate with online and mobile banking, for example through NCR? Is it a cloud-based service with its own Single-Sign-On (SSO) or something else?”**

ANSWER: Payrailz is cloud-based and can integrate with online and mobile banking providers via SSO, API, or a combination of both.

**QUESTION 12:**

**“Would a bank benefit from having both Payrailz and Zelle implemented?”**

ANSWER: Our clients have the option to offer one or both solutions as well as RTP and eventually FedNow. At Jack Henry, providing flexibility and alternative solutions is about offering our clients choice and the flexibility to select which P2P service best meets their strategic needs.

**QUESTION 13:**

**“Where do I find the current roadmaps? I can’t seem to find what’s being referenced.”**

ANSWER: Roadmaps for all the Jack Henry products are posted on the For Clients Portal in a central location.

We publish in February and August and roadmaps cover a 6-month time frame.

**QUESTION 14:**

**“Does Jack Henry own Payrailz or will it be a 3rd party?”**

ANSWER: Jack Henry owns Payrailz.

**QUESTION 15:**

**“You mentioned real-time P2P, which rail(s) does this work on?”**

ANSWER: The real-time rail is card rails and Venmo. In the future, it will include RTP and FedNow.

## Faster Payments Update Session

**QUESTION 1:**

**“What is Zelle tag?”**

ANSWER: The ability for a user to allow people to send them money to a tag rather than their email address or mobile phone number. For example, instead of myname@myisp.com it would be myname35.

**QUESTION 2:**

**“Will the RTP A2A Send and RFP plug-in be available for the treasury management platform?”**

ANSWER: We are working on options with the treasury management team. Jack Henry hopes to have a plan for RTP Send and Request for Payment by the next release of roadmaps in February 2022.

**QUESTION 3:**

**“Do you plan to work with Q2 for RTP send?”**

ANSWER: Yes. We are currently having conversations, but no timing has been identified yet.

**QUESTION 4:**

**“Will FedNow be available to all core systems, specifically wondering about SilverLake and CIF 20/20?”**

ANSWER: Yes, we will support FedNow on CIF 20/20, SilverLake, Core Director and Symitar at general availability. We are looking for a CIF 2020 early adopter to join our beta program for FedNow.

**QUESTION 5:**

**“Will Jack Henry be a processor or just an enhancement to Jack Henry cores, specifically in regard to Symitar?”**

ANSWER: JHA PayCenter supports Symitar by posting transactions into the core using SymXchange and pAdapter.

**QUESTION 6:**

**“Will there be a charge for Risk Insights for Zelle?”**

ANSWER: No. There will not be a charge for Risk insights for Zelle.

**QUESTION 7:**

**“Will the smart routing include RTP, FedNow, ACH, and Same-Day ACH? Also, will it be a part of Banno Business without just being a plug-in card and more natively built-in?”**

ANSWER: The JHA PayCenter plan is to offer an API to send credit transfers on any of the supported networks, allowing smart routing based on rules set by the financial institution. The API will be available to Banno and all other Jack Henry business units.

**QUESTION 8:**

**“As a Payrailz customer, would FedNow and RTP be available to us? Or do we need to wait for integration with Payrailz to be developed?”**

ANSWER: We need to finalize our approach to the Payrailz integration with JHA PayCenter, but our intent is for the feature to be available through a set of common JHA PayCenter APIs that Payrailz can consume, instead of Payrailz having to directly integrate with the networks.

**QUESTION 9:**

**“Can RTP Send replace Banno External Transfers for its outgoing portion?”**

ANSWER: The A2A transfer plug-in may be able to be used in place of external transfers, but that would be a decision made by each financial institution.

**QUESTION 10:**

**“How does a customer know if a bank has RTP Receive in place to receive their instant payments?”**

ANSWER: This is mostly transparent to the end customer. What normally happens is that they can see on Venmo, Square, or PayPal that they have the ability to receive the funds in real-time. In the case of the Jha PayCenter toolkit, once the customer puts in the routing number of the receiving account they will see if the financial institution is on RTP or not.

**QUESTION 11:**

**“Did you say RTP Send will be available to our customers and members via Banno?”**

ANSWER: Yes, the JHA PayCenter Toolkit will be available through Banno. Jack Henry is in the final stages of testing.

**QUESTION 12:**

**“We just went live with RTP this morning! If a client is executing an A2A transfer, does the other bank have to be on RTP for the transfer to work?”**

ANSWER: Yes, for the transaction to be delivered over the RTP network, both financial institutions must be live on it.

## Current Card Trends Session

**QUESTION 1:**

**“In regard to card usage why do you think credit card usage will decline by 2025, but debit card usage will increase during the same period?”**

ANSWER: There isn't an inherent reduction in credit card usage, but it is more of a shift to credit cards being embedded in digital wallets. The forecast shows digital wallets increasing; however, a credit or a debit card is the embedded payment source.

**QUESTION 2:**

**“If we don't have contactless cards and we are offering a contactless method through digital wallets like Apple Pay, what would be the driving motivation for us to bump the priority of converting to contactless cards?”**

ANSWER: Jack Henry doesn't believe that you need to accelerate your current business plan; however, it's important to understand that contactless cards are becoming a standard plastic offering. Cardholders are going to continue to expect more flexibility with how they make payments. Convenience and ease are important; for example, tapping a card is faster than inserting a card. Some people like using mobile

devices, others find it more cumbersome. Again, the process of implementing contactless cards doesn't need to be rushed, at this point, but over the next several years consumers are going to increasingly expect both options to be available.

**QUESTION 3:**

**"Is there any update on digital issuance of debit cards?"**

ANSWER: The first step is to contact your mobile banking provider to determine their integration readiness. The jXchange messages were available as of October 2022. However, feature enablement differs by core platform: SilverLake and CIF 20/20 will be ready with R2023. Symitar was ready with R2021.01, Core Director functionality hasn't been determined yet.

**QUESTION 4:**

**"Will digital wallet use eat into contactless cards volumes, or will contactless card proliferation erode digital wallet usage? How should an FI prepare?"**

ANSWER: Today, contactless card use is greater than digital wallets; however, over time more volume will shift to wallets as consumers continue to rely on their devices for ways to pay. Consumers want flexibility and options. Financial Institutions that want to be competitive should plan to support both contactless cards and digital wallets.

**QUESTION 5:**

**"If COVID was such a driving factor in the eCommerce transaction volume increase, with COVID subsiding, why do projections continue to climb?"**

ANSWER: During the pandemic consumers adapted to new and different ways of making purchases. They've decided that they like the convenience of new methods; for example, click and connect methods such as buy online, pick up in store (BOPIS) and other pay ahead, hybrid options. In addition, there's still many Americans working remotely so it suits them to shop online from home. Card-on-file e-merchant relationships and guest checkout wallets like Click to Pay, PayPal, Amazon Pay are a few that are making online shopping easier than ever. The EMV 3-D Secure protocol has greatly reduced shopping cart abandonment rates, again increasing the success of ecommerce spending.

## Enterprise Payments and Google Cloud Update Session

### QUESTION 1:

**“Will moving to the cloud reduce downtime with systems upgrades and installations?”**

ANSWER: It will not upon the initial move over to the Google Cloud Platform, but with ongoing optimization it should reduce the future downtime needed for releases and maintenance.

### QUESTION 2:

**“How heavy of a lift will it be for banks when Enterprise Payment Solutions (EPS) moves to the Google Cloud? Should we plan for project resources for 2023?”**

ANSWER: This should be a seamless transition for our financial institution customers and members. There will be no resources or planning needed.