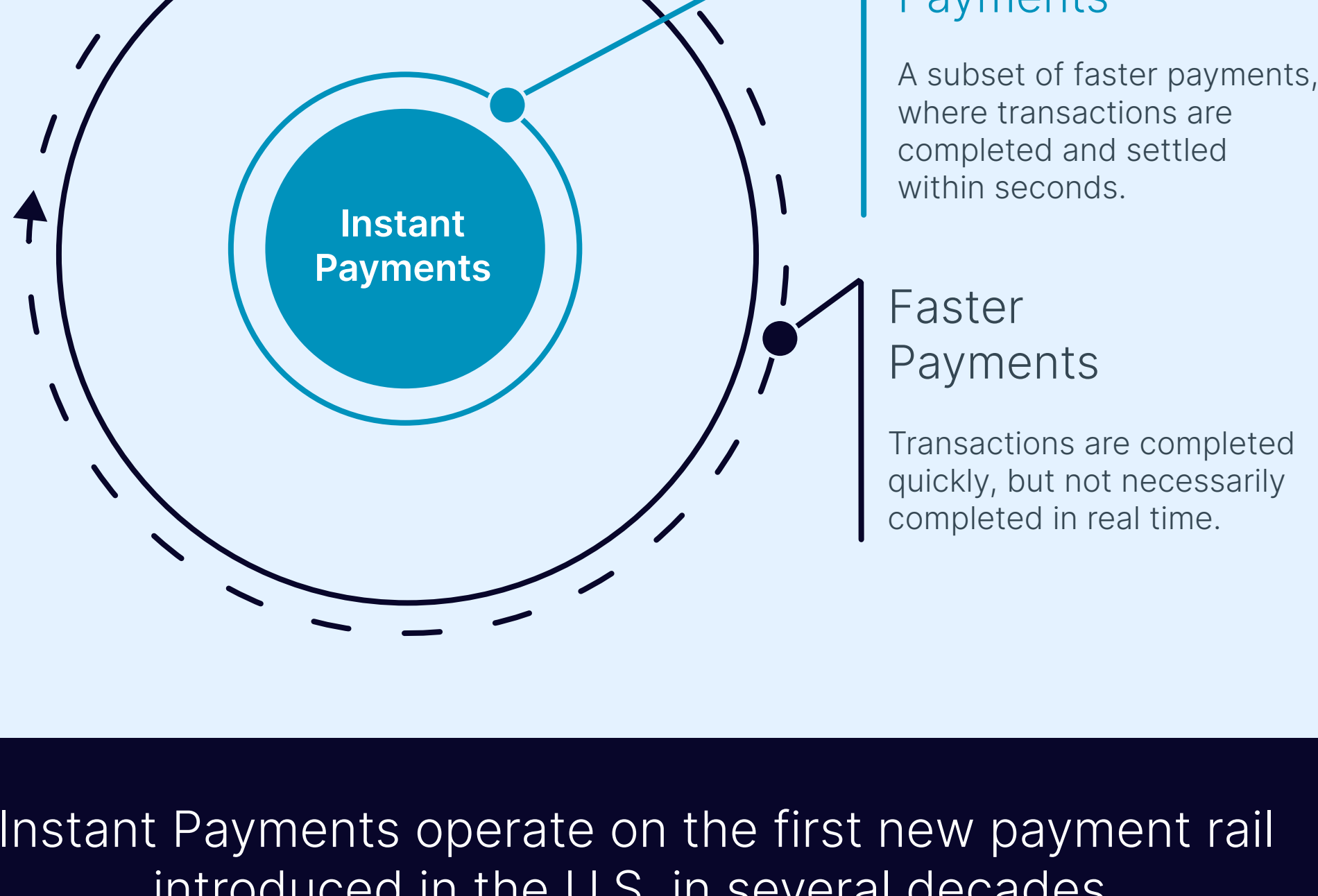
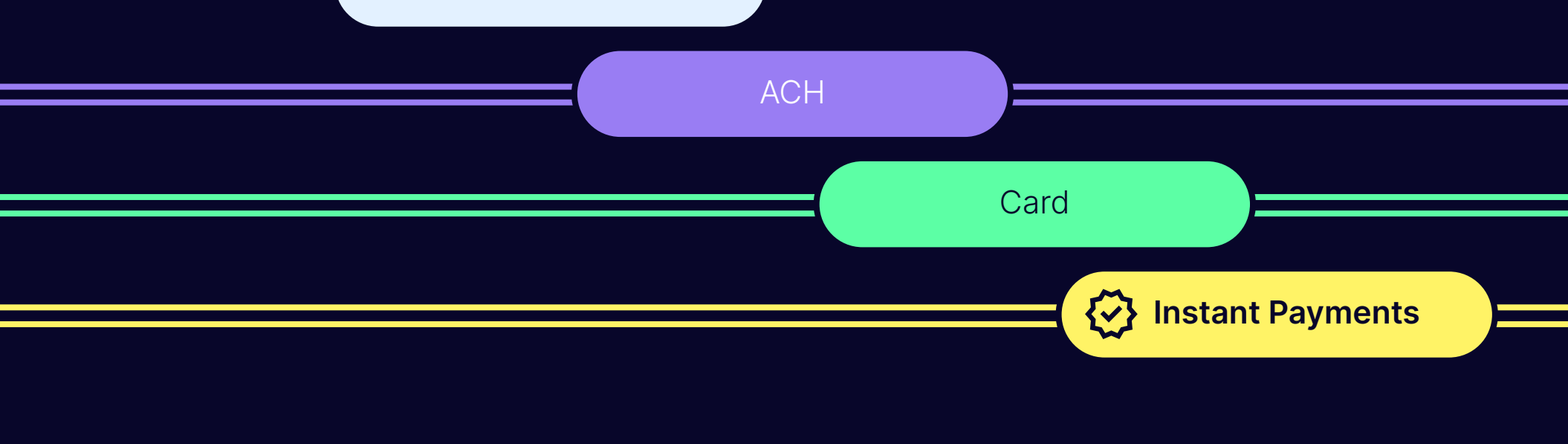


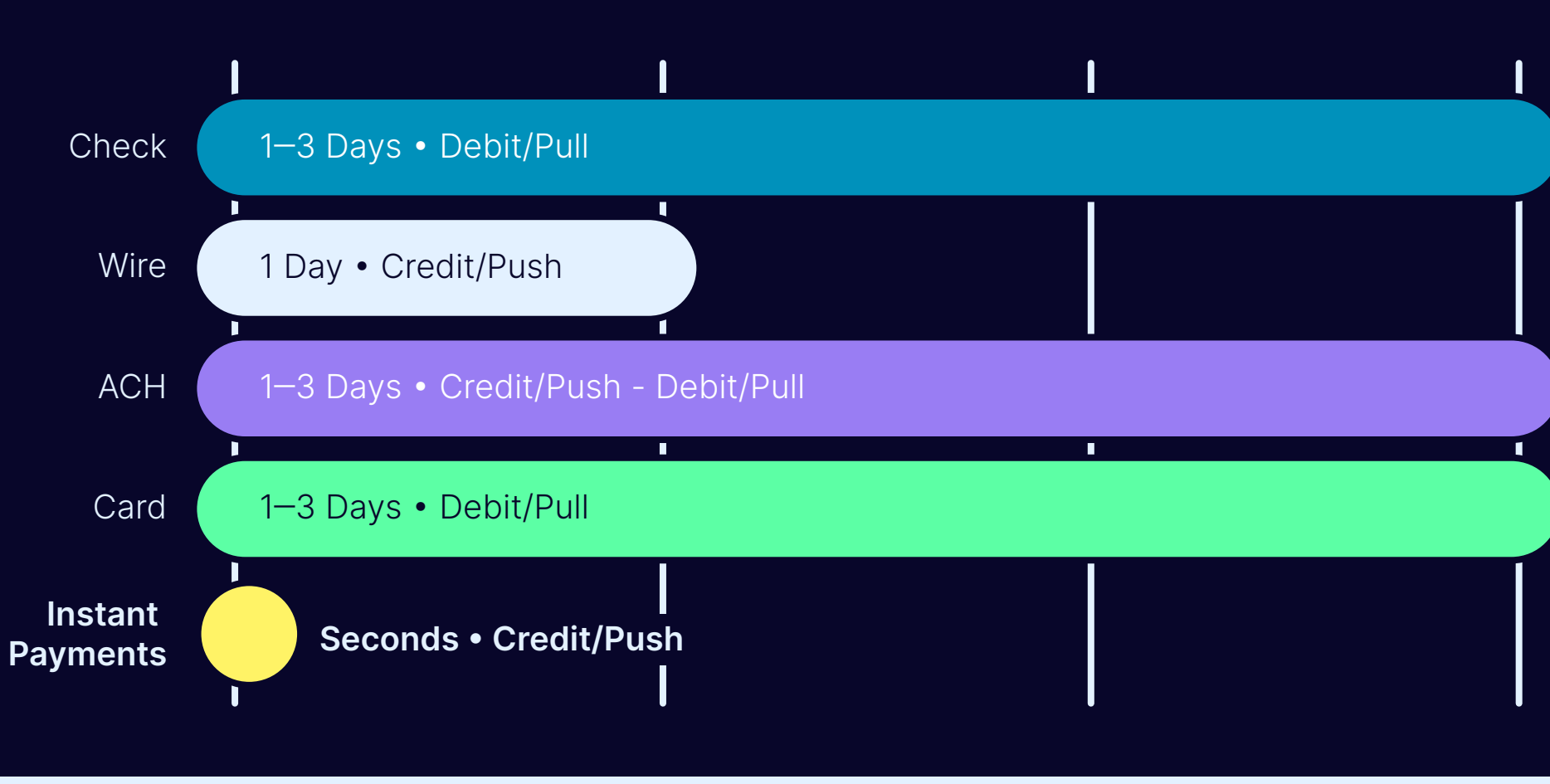
# The Evolution of Instant Payments



Instant Payments operate on the first new payment rail introduced in the U.S. in several decades.



## Transaction Time & Type



“The growing demand for faster and instant payment services suggests that tools like the FedNow® Service will continue to play a crucial role in helping financial institutions meet their customers' needs.”

Mark Gould, Chief Payments Executive, Federal Reserve Financial Services¹

## Anticipated Growth of Instant Payment Transactions in the United States

By 2025, the Faster Payments Council² expects U.S. instant payments transactions:

to number  
**7.4 Billion**  
annually

have a compound annual growth rate of  
**43.4%**  
between 2020-2025

account for  
**3%**  
of U.S. transactions

## What's Driving Instant Payments Adoption?

- Customer Experience
- Business Expectations
- Regulatory Pressures
- Industry Competition
- Global Adoption
- Technological Innovation
- Increased Efficiency
- Increase in Digital Banking

## Two Sides of the Coin

The **primary benefits** of instant payments are also its **main risks**

### Benefits

### Risks

Frictionless customer experience	<b>Availability 24/7</b>	Fraud programs need to operate around the clock
Transactions complete within seconds	<b>Speed</b>	Need for accurate and fast real-time fraud monitoring
Payment certainty between customers	<b>Irrevocable</b>	Fraudulent transfers are irretrievable
Increased high-limit transfers	<b>Transaction Limits up to \$1,000,000</b>	Attractive to criminals
Allows for market innovation	<b>Adaptable Technology</b>	Allows for new fraud scams

In a recent survey, 52% of anti-financial crime professionals prioritized the threat of fraud on real-time and faster payments systems as an area of greatest concern.

**Nasdaq, 2024 Global Financial Crime Report³**

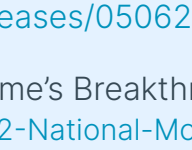
## Considerations for Financial Institutions

With the growing adoption and customer expectations of instant payments, financial institutions need fraud detection and management solutions that can keep pace with changing customer behavior and evolving fraud trends:

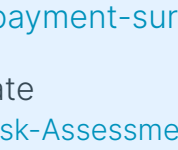
- Is your payments program prepared to adapt to emerging and evolving fraud typologies on new channels?
- Do you have an accurate picture of customer risk involving interactions with counterparties outside your institution?
- How do you reduce false positives and efficiently mitigate and manage fraud risk?
- Does your institution manage fraud utilizing a siloed, limited data approach?

## Powerful Prevention

Nasdaq Verafin provides robust prevention for TCH RTP® and FedNow® payments fraud using:



**Consortium Data**



**Behavioral Analysis**



**Real-Time Interdiction**

### Sources:

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2. U.S. Payments Players Must Build on Real-Time's Breakthrough Year, No Date  
<https://home.treasury.gov/system/files/136/2022-National-Money-Laundering-Risk-Assessment.pdf>
3. Nasdaq, 2024 Global Financial Crime Report  
<https://verafin.com/nasdaq-verafin-global-financial-crime-report/>

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for more on instant payments fraud prevention.