

ACI WORLDWIDE, CRAIG RAMSEY

Proposal and Comment Information

Title: Collection of Checks and Other Items by Federal Reserve Banks and Funds Transfers Through the Fedwire Funds Service and the FedNow Service, R-1891

Comment ID: FR-2026-0011-01-C21

Submitter Information

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Organization Type: Company

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Please accept the attached letter of commentary from ACI Worldwide.

June 5, 2026

Benjamin W. McDonough
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Re: Docket No. R-1891; RIN 7100-AH23; Proposed Amendments to Subpart C of Regulation J to Permit Use of Intermediaries in the FedNow Service

Dear Mr. McDonough,

ACI Worldwide submits these comments in full support of the Board's April 8, 2026 proposal to permit FedNow participants to use intermediaries, other than Reserve Banks, to send funds transfers through the FedNow Service. The proposed amendments are a narrow, practical change that aligns the FedNow Service with how the Fedwire Funds Service has operated for decades, and that enables the US domestic leg of cross-border payments to settle instantly. ACI urges the Board to adopt the amendments as filed and without delay.

Executive summary

ACI supports the proposed amendments and recommends adoption as filed. They are operationally sound, consistent with the Board's long-standing approach to intermediated access for the Fedwire Funds Service, and do not introduce new risks to anti-money-laundering enforcement, sanctions compliance, or payment system integrity, a conclusion the Board itself reached in the proposing release.

ACI further recommends that the Board pair adoption with four implementation steps:

1. Publish explicit operational expectations for intermediaries, including ISO 20022 data integrity, real-time sanctions screening, and exception-handling standards consistent with the CBPR+ environment mandatory across cross-border Swift messaging since November 22, 2025.
2. Commit to a corridor-based rollout with published milestones, beginning with high-volume remittance corridors and major trade partners where supervisory dialogue is already mature.
3. Define connection patterns for regulated digital dollar instruments now, addressing how intermediaries may facilitate on- and off-ramps between the FedNow Service and payment stablecoins issued under the GENIUS Act and bank-issued tokenized deposit programs.
4. Signal continuous operation as a baseline expectation. Around-the-clock operation is the precondition for cross-border instant payments, not a consequence of them.

Why act now

Peer jurisdictions are extending domestic instant payment rails into cross-border use at speed. The European Union's Instant Payments Regulation made SEPA Instant Credit Transfer mandatory across the eurozone on October 9, 2025, with ten-second execution, around-the-clock availability, and Verification of Payee obligations. Nexus Global Payments, incorporated in Singapore on March 26, 2025 by the central banks and instant payment system operators of India, Malaysia, the Philippines, Singapore, and Thailand, with Indonesia joining as the sixth participant in 2026, is moving from a Bank for International Settlements Innovation Hub project into live operation. The completion of the Swift MT-to-MX cross-border coexistence period on November 22, 2025 makes ISO 20022 the universal language of cross-border payment instructions, and CBPR+ the operating standard for the messages that carry them. This work fits within the G20 Roadmap for Enhancing Cross-Border Payments, which the Federal Reserve has committed to advancing.

The FedNow Service's domestic momentum makes this the right moment to act. More than 1,500 financial institutions now participate. The per-transaction limit increased to \$10 million in November 2025, the second limit increase that year, in response to growing commercial demand. The Bureau of the Fiscal Service has added the FedNow Service for federal agency disbursements. The Board's October 2025 announcement of expanded Fedwire Funds Service and National Settlement Service operating days, including Sundays and weekday holidays beginning in 2028 or later, shows the broader payment system moving toward continuous operation. The proposed amendments position the instant payment rail to extend US leadership into the segment of cross-border activity where it has not yet operated.

Use cases the amendments would enable

The amendments would support cross-border activity in both directions. Inbound: remittances, supplier payments from foreign buyers, investment funding flows, and corporate and institutional treasury inflows into US-domiciled accounts. Outbound: corporate and small-business supplier payments to international recipients, consumer disbursements such as insurance and pension payments to beneficiaries abroad, and person-to-person payments to family and friends in other jurisdictions.

Cross-border instant payments necessarily involve foreign exchange, and ISO 20022 improves transparency. Structured fields for exchange rates, charges, and fees make the cost of conversion visible to originators and beneficiaries in a way legacy MT messages could not. The same data structures support full originator and beneficiary information, structured remittance data, and the reference data needed for automated reconciliation. With Swift MX now the global standard, the proposed amendments would extend that consistent data and disclosure regime to US instant flows.

The operational shift to real time

What distinguishes cross-border instant payments from traditional correspondent banking is not simply speed. It is the collapse of operational buffers. In batch environments, banks have time to resolve exceptions, reconcile data discrepancies, review sanctions events, and manage liquidity exposures before the payment becomes final. In real-time environments, those processes move directly into the transaction

path. That operational shift is where institutions succeed or fail when scaling cross-border instant services.

From our work supporting banks operating in always-on cross-border instant payment environments, the operational requirements are well understood: real-time fraud and sanctions screening that does not slow transaction processing, exception handling that resolves within required timeframes and depends on the camt return, recall, and investigation message flows that CBPR+ now standardizes, intraday liquidity systems that account for unbatched and unpredictable inflows, and visibility across both the domestic and international legs of each transaction. Always-on settlement changes how institutions manage liquidity; intraday position management becomes a continuous activity rather than a series of scheduled reconciliations. The reduction in settlement time also reduces opportunities for post-transaction intervention and increases the importance of real-time decisioning at initiation. Risk models must evaluate transaction behavior, sanctions exposure, account activity, and payment anomalies within processing windows measured in seconds rather than hours. This is a different operating model from the one most US institutions have built around batch ACH and wire fraud workflows. As volumes grow, real-time orchestration becomes as important as the rail itself.

These capabilities can be implemented successfully, but they require deliberate operational planning and investment. ACI has observed the same pattern repeatedly as instant payment systems mature from domestic person-to-person payments into broader commercial and cross-border transaction environments: manual intervention stops scaling almost immediately.

Interoperability with regulated digital dollar instruments

Several private-sector cross-border solutions in development use payment stablecoins or tokenized commercial bank money for the international leg, with conversion to and from US commercial bank money at the endpoints. The Guiding and Establishing National Innovation for US Stablecoins Act (the GENIUS Act), enacted on July 18, 2025, establishes the federal regulatory framework for payment stablecoins. The Office of the Comptroller of the Currency's notice of proposed rulemaking issued on February 25, 2026 advances implementation, and Treasury, the FDIC, the National Credit Union Administration, and FinCEN have each issued or are advancing related rulemakings.

The proposed Regulation J amendments are infrastructure-neutral on the question of which international rails or instruments private-sector solutions choose to use. That neutrality is appropriate. Permitting non-Reserve Bank intermediaries makes it possible for the conversion endpoint to sit at a US correspondent bank, with the domestic leg settled through the FedNow Service on existing ISO 20022 rails. Clarifying how intermediaries may facilitate on- and off-ramps between the FedNow Service and regulated payment stablecoins or tokenized deposits, under what supervisory expectations and with what message flows, will determine whether the dollar's instant rail captures or cedes that traffic. This work should proceed in parallel with implementation of the present amendments, not after them.

Recommendations for implementation

The four steps summarized above warrant brief expansion.

On operational expectations, clear early guidance will give intermediaries and participants the confidence to invest and will prevent uneven implementation quality across the market. Expectations should include transmission of the full ISO 20022 pacs.008 originator and beneficiary dataset consistent with CBPR+ usage guidelines, real-time sanctions screening compatible with FedNow Service processing windows, and full support for camt return, recall, and investigation message flows.

On corridor-based rollout, phased activation is the operating model for SEPA Instant and the path Nexus Global Payments is using as it moves to live operation. Sequencing, beginning where supervisory dialogue is mature, would allow the Federal Reserve, participants, and intermediaries to learn from real flows before scaling.

On digital dollar instruments, clarifying intermediary expectations under the GENIUS Act, the OCC NPRM, and the Treasury framework for state-qualified issuers will direct industry investment and reduce fragmentation risk.

On continuous operation, many US banks' international operations continue to depend on batch windows, regional cutoffs, and overnight reconciliation cycles that are incompatible with always-on settlement. Setting the expectation now will direct industry investment up front rather than forcing rework after launch.

As cross-border instant payments scale, interoperability with international payment systems, FX providers, and messaging networks will be essential to avoid fragmentation. The Board should encourage intermediaries to design connections on open, standards-based principles, consistent with the ISO 20022 direction the Federal Reserve has already established. This preserves the network effects that make instant payment rails valuable to participants of every size, and avoids closed, proprietary corridors that would undermine the accessibility and interoperability the proposal is intended to support.

Response to the Board's specific requests for comment

Impact on small entities

The proposed amendments are permissive, not mandatory. No depository institution is required to send or receive cross-border payments through the FedNow Service. Not every institution will be prepared to support cross-border instant payments immediately, particularly smaller institutions with limited around-the-clock payments operations. The proposed amendments appropriately leave that choice with participating institutions. Small institutions retain the same domestic FedNow Service they have today and can opt into cross-border participation as their correspondent banking relationships and internal capabilities support it. ACI does not anticipate a meaningful compliance or operational burden on small entities from this rulemaking.

Plain language

The proposed amendments to sections 210.42(a), 210.44(b)(3), and 210.45(b) are clear and parallel the corresponding Fedwire Funds Service language in subpart B. That consistency reduces ambiguity for institutions that participate in both services and will streamline implementation.

Competitive impact

ACI agrees with the Board's assessment that the proposed amendments would not produce a direct or material adverse effect on private-sector competition. The amendments expand the practical applications of an existing public-sector service in line with the Fedwire Funds Service model, leaving private-sector providers of cross-border services free to design and operate their offerings as they choose.

Conclusion

As a global provider of real-time payments infrastructure supporting banks and market infrastructures across instant payment schemes worldwide, ACI has observed a consistent pattern: jurisdictions that moved decisively on cross-border instant payments gained lasting advantages for the financial institutions, businesses, and consumers they serve, and for the international standing of their currency. The question is no longer whether cross-border payments will move toward real-time models; that transition is already underway across major payment markets. The question is whether US payment infrastructure will be positioned to participate directly in that environment. The proposed amendments are a sound, measured step in that direction.

ACI encourages the Board to adopt the proposed amendments as filed and to use the implementation period to address the operational, corridor, digital-asset, and continuous-operation expectations described above. ACI welcomes the opportunity to discuss these comments further and to share operational data and implementation lessons from the international instant payment schemes we support.

Respectfully submitted,

Craig Ramsey
SVP, Head of Account-to-Account Payments
ACI Worldwide