

HENRY JACK & ASSOCIATES INC  
Form DEF 14A  
October 03, 2012

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934  
(Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant   
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

JACK HENRY & ASSOCIATES, INC.  
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
    - 1) Title of each class of securities to which transaction applies:
    - 2) Aggregate number of securities to which transaction applies:
    - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
    - 4) Proposed maximum aggregate value of transaction:
    - 5) Total fee paid:
  - Fee paid previously with preliminary materials.
  - Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
    - 1) Amount Previously Paid:
    - 2) Form, Schedule or Registration Statement No.:
    - 3) Filing Party:
    - 4) Date Filed:
-

JACK HENRY & ASSOCIATES, INC.  
663 Highway 60, P.O. Box 807  
Monett, Missouri 65708

NOTICE OF 2012 ANNUAL MEETING OF STOCKHOLDERS

TO THE STOCKHOLDERS OF JACK HENRY & ASSOCIATES, INC.:

PLEASE TAKE NOTICE that the 2012 Annual Meeting of Stockholders of Jack Henry & Associates, Inc., a Delaware corporation, will be held in the Company's Executive Conference Center, lower level (Building J-7) at the Company Headquarters, 663 Highway 60, Monett, Missouri, on Wednesday, November 14, 2012, 11:00 a.m. local time, for the following purposes:

- (1) To elect eight (8) directors to serve until the 2013 Annual Meeting of Stockholders;
- (2) To approve the compensation of our named executive officers;
- (3) To approve the Company's 2012 Annual Incentive Plan;
- (4) To ratify the selection of the Company's independent registered public accounting firm; and
- (5) To transact such other business as may properly come before the Annual Meeting and any adjournments thereof.

The close of business on September 20, 2012, has been fixed as the record date for the Annual Meeting. Only stockholders' of record as of that date will be entitled to notice of and to vote at said meeting and any adjournment or postponement thereof.

The accompanying form of Proxy is solicited by the Board of Directors of the Company. The attached Proxy Statement contains further information with respect to the business to be transacted at the Annual Meeting.

ALL STOCKHOLDERS ARE INVITED TO ATTEND THE MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND, PLEASE DATE AND SIGN THE ENCLOSED PROXY. IF YOU DECIDE TO ATTEND THE MEETING, YOU MAY REVOKE YOUR PROXY AND VOTE YOUR SHARES IN PERSON.

By Order of the Board of Directors

/s/ Janet E. Gray  
Janet E. Gray  
Secretary

Monett, Missouri  
October 3, 2012

TABLE OF CONTENTS

Voting	<u>1</u>
Stock Ownership of Certain Stockholders	<u>2</u>
Election of Directors (Proposal 1)	<u>4</u>
Corporate Governance	<u>7</u>
Certain Relationships and Related Transactions	<u>11</u>
Section 16(a) Beneficial Ownership Reporting Compliance	<u>11</u>
Audit Committee Report	<u>12</u>
Executive Officers and Significant Employees	<u>13</u>
Compensation Committee Report	<u>13</u>
Compensation Discussion and Analysis	<u>14</u>
Compensation and Risk	<u>21</u>
Executive Compensation	<u>22</u>
Equity Compensation Plan Information	<u>26</u>
Advisory Vote on Executive Compensation (Proposal 2)	<u>26</u>
Approval of the Company's 2012 Annual Incentive Plan (Proposal 3)	<u>27</u>
Ratification of the Selection of the Company's Independent Registered Public Accounting Firm (Proposal 4)	<u>31</u>
Stockholders Proposals	<u>32</u>
Cost of Solicitation and Proxies	<u>33</u>
Financial Statements	<u>33</u>
Other Matters	<u>33</u>
Annex A - 2012 Annual Incentive Plan	<u>34</u>

JACK HENRY & ASSOCIATES, INC.  
663 Highway 60, P.O. Box 807  
Monett, Missouri 65708

PROXY STATEMENT  
FOR THE 2012 ANNUAL MEETING OF STOCKHOLDERS  
To Be Held Wednesday, November 14, 2012

This Proxy Statement and the enclosed proxy card (the Proxy) are furnished to the stockholders of Jack Henry & Associates, Inc., a Delaware corporation (the Company), in connection with the solicitation of Proxies by the Company's Board of Directors for use at the 2012 Annual Meeting of Stockholders, and any adjournment or postponement thereof (the Annual Meeting), to be held in the Company's Executive Conference Center, lower level (Building J-7) at the Company headquarters, 663 Highway 60, Monett, Missouri, at 11:00 a.m. local time, on Wednesday, November 14, 2012. The mailing of this Proxy Statement, the Proxy, the Notice of Annual Meeting and the accompanying 2012 Annual Report to Stockholders is expected to commence on or about October 3, 2012.

The Board of Directors does not intend to bring any matters before the Annual Meeting except those indicated in the Notice and does not know of any matter which anyone else proposes to present for action at the Annual Meeting. If any other matters properly come before the Annual Meeting, however, the persons named in the accompanying form of Proxy, or their duly constituted substitutes, acting at the Annual Meeting, will be deemed authorized to vote or otherwise to act thereon in accordance with their judgment on such matters.

If the enclosed Proxy is properly executed and returned prior to voting at the Annual Meeting, the shares represented thereby will be voted in accordance with the instructions marked thereon. Directors are elected by a plurality of the votes cast, in person or by proxy, by stockholders entitled to vote at the annual meeting for that purpose. The advisory votes with respect to the compensation of our named executive officers and the frequency of future stockholder votes on executive compensation, as well as the ratification of the selection of the Company's independent registered public accounting firm, will require the affirmative vote of a majority of the shares of Common Stock present at the Annual Meeting in person or by proxy and entitled to vote.

Any stockholder executing a Proxy retains the power to revoke it at any time prior to the voting of the Proxy. It may be revoked by a stockholder personally appearing at the Annual Meeting and casting a contrary vote, by filing an instrument of revocation with the Secretary of the Company, or by the presentation at the Annual Meeting of a duly executed later dated Proxy.

#### VOTING

At the 2012 Annual Meeting, Stockholders will consider and vote upon:

- (1) The election of eight (8) directors;
- (2) Approval of the compensation of our named executive officers;
- (3) Approval of the Company's 2012 Annual Incentive Plan;
- (4) Ratification of the selection of Deloitte & Touche, LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2013; and
- (5) Such other matters as may properly come before the Annual Meeting.

Only stockholders of record at the close of business on September 20, 2012, the record date for the Annual Meeting, are entitled to notice of and to vote at such meeting.

The Company's authorized capital stock currently consists of 250,000,000 shares of common stock, par value \$.01 per share (the Common Stock), and 500,000 shares of preferred stock, par value \$1.00 per share (the Preferred Stock). As of September 12, 2012, there were 86,052,892 shares of Common Stock outstanding and no shares of Preferred Stock outstanding. At such date, our executive officers and directors were entitled to vote, or to direct the voting of, shares of Common Stock representing 2.15% of the shares entitled to vote at the 2012 Annual Meeting. Unless otherwise specified, all share numbers and other share data have been adjusted to reflect all prior stock splits.

All shares represented by Proxy and all Proxies solicited hereunder will be voted in accordance with the specifications made by the stockholders executing such Proxies. If a stockholder does not specify how a Proxy is to be voted, the shares represented thereby will be voted: (1) FOR the election as directors of the eight (8) persons nominated by the Board of Directors; (2) FOR approval of the compensation of our named executive officers; (3) FOR approval of the Company's 2012 Annual Incentive Plan; (4) FOR the ratification of the selection of the Company's independent registered public accounting firm; and (5) upon other matters that may properly come before the Annual Meeting, in accordance with the discretion of the persons to whom the Proxy is granted.

Each share of our Common Stock outstanding on the record date will be entitled to one vote on each matter. The eight (8) nominees for election as directors who receive the most votes "for" election will be elected. Approval of each of the other proposals will require an affirmative vote of the majority of the shares of Common Stock present or represented and entitled to vote at the Annual Meeting.

For the election of directors, withheld votes do not affect whether a nominee has received sufficient votes to be elected. For the purpose of determining whether the stockholders have approved matters other than the election of directors, abstentions are treated as shares present or represented and voting, so abstaining has the same effect as a negative vote. Shares held by brokers that do not have discretionary authority to vote on a particular matter and that have not received voting instructions from their customers are not counted or deemed to be present or represented for the purpose of determining whether stockholders have approved that matter, but they are counted as present for the purpose of determining the existence of a quorum at the annual meeting. Please note that banks and brokers that have not received voting instructions from their clients cannot vote on their clients' behalf on "non-routine" proposals.

#### STOCK OWNERSHIP OF CERTAIN STOCKHOLDERS

The following table sets forth information as of September 12, 2012, concerning the equity ownership of (a) those individuals who are known to be the beneficial owners, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of 5% or more of the Company's Common Stock, (b) the directors, (c) the executive officers named in the Summary Compensation Table and (d) all of our directors and executive officers as a group:

Title of Class	Beneficial Owner	Number of Shares Beneficially Owned (1)	Percentage of Shares Outstanding (1)
\$.01 par value Common Stock	BlackRock Inc. 40 East 52 <sup>nd</sup> St New York, NY 10022	6,022,380 (2)	7%
	The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	4,605,293 (3)	5.3%
	Jerry D. Hall	925,114 (4)	1.1%
	Tony L. Wormington	569,501 (5)	*

John F. Prim

164,075  
(6)

\*

Wesley A. Brown	111,400 (7)	*
Kevin D. Williams	75,700 (8)	*
Marla K. Shepard	42,000 (9)	*
Matthew C. Flanigan	39,400 (10)	*
Mark S. Forbis	25,131 (11)	*
Thomas H. Wilson, Jr.	4,500 (12)	*
Jacque R. Fiegel	1,600 (13)	*
Thomas A Wimsett	1,400 (14)	*
All directors and executive officers as a group (11 persons)	1,959,821 (15)	2.3%

\* Less than 1%

Information is set forth as of September 12, 2012. The persons named in the table have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them, except as noted below.

- (1) With respect to shares held in the Company's 401(k) Plan (the "Retirement Plan"), a participant has the right to direct the disposition of shares allocated to his account. With respect to restricted shares, the executive officers have sole voting power but have no investment or dispositive power until the restrictions lapse.
- (2) According to a Schedule 13G/A filed February 13, 2012, BlackRock Inc. has sole voting and dispositive power with respect to 6,022,380 shares.
- (3) According to a Schedule 13G filed February 8, 2012, The Vanguard Group, Inc. has sole voting power and shared dispositive power with respect to 119,277 shares, and sole dispositive power with respect to 4,486,016 shares.
- (4) Includes 191,882 shares beneficially owned by his wife.
- (5) Includes 42,215 shares held in the Retirement Plan for Mr. Wormington's account and 13,255 restricted shares.
- (6) Includes 23,312 shares held in the Retirement Plan for Mr. Prim's account and 56,087 restricted shares.
- (7) Includes 50,000 shares that are currently acquirable by exercise of outstanding stock options and 7,000 restricted shares.
- (8) Includes 9,754 shares held in the Retirement Plan for Mr. Williams' account and 11,950 restricted shares.
- (9) Includes 30,000 shares that are currently acquirable by exercise of outstanding stock options and 7,000 restricted shares.
- (10) Includes 30,000 shares that are currently acquirable by exercise of outstanding stock options and 7,000 restricted shares.
- (11) Includes 13,050 shares held in the Retirement Plan for Mr. Forbis' account, and 6,616 restricted shares.
- (12) Includes 3,500 restricted shares.
- (13) Includes 1,400 restricted shares.
- (14) Includes 1,400 restricted shares.
- (15) Includes 110,000 shares that are currently acquirable under outstanding stock options, 88,331 shares held in the Retirement Plan for the accounts of the executive officers and 115,208 restricted shares held by executive officers and directors.





PROPOSAL 1  
ELECTION OF DIRECTORS

Procedure

At the meeting, the stockholders will elect eight (8) directors to hold office for one-year terms ending at the 2013 Annual Meeting of Stockholders or until their successors are elected and qualified. The Board of Directors has nominated the Company's eight (8) current directors for reelection at the Annual Meeting.

The stockholders are entitled to one vote per share on each matter submitted to vote at any meeting of the Stockholders. Unless contrary instructions are given, the persons named in the enclosed Proxy or their substitutes will vote "FOR" the election of the nominees named below.

Each of the nominees has consented to serve as director. However, if any nominee at the time of election is unable to serve or is otherwise unavailable for election, and as a result other nominees are designated by the Board of Directors, the persons named in the enclosed Proxy or their substitutes intend to vote for the election of such designated nominees.

Director Qualifications and Selection

Under the Company's Corporate Governance Guidelines, the Governance Committee is charged with the responsibility for determining the appropriate skills and characteristics required of Board members and are to consider such factors as experience, strength of character, maturity of judgment, technical skills, diversity, and age in assessing the needs of the Board. The guidelines specify that a majority of the members shall qualify as independent under applicable NASDAQ listing standards. While the term "diversity" is not specifically defined in the Guidelines and there is no formal policy regarding application of the term, it has been the practice of the Governance Committee to apply the term broadly, resulting in Board composition over the years that has reflected diversity in race, sex and age, as well as diversity in business experience and in representation of the markets served by the Company.

While the Company has a nomination policy by which stockholders may recommend to the Governance Committee that it consider for nomination certain prospective directors (See "Corporate Governance - Nomination Policy," below), to date no such recommendation has ever been received. If such a recommendation is received in the future, it will be evaluated in the same manner as any other recommendation to the Governance Committee. The Governance Committee nomination process to date has been informal and has consisted of members of the Committee soliciting suggestions of possible candidates from other Board members and management, contacting candidates to determine interest level, in-person interviews to determine "fit", and background checks, followed by Governance Committee evaluation and nomination.

Nominees for Election

The nominees for re-election as directors of the Company, as well as certain information about them, are as follows:

Name	Position with Company	Director Since
John F. Prim	Chairman and Chief Executive Officer	2007
Jerry D. Hall	Executive Vice President and Director	1977
Matthew C. Flanigan	Vice Chairman and Lead Director	2007
Wesley A. Brown	Director	2005
Marla K. Shepard	Director	2007
Thomas H. Wilson, Jr.	Director	2012
Jacque R. Fiegel	Director	2012
Thomas A. Wimsett	Director	2012



The following information relating to the Company's directors and nominees for director, all of whom are United States citizens, is with respect to their principal occupations, business experience and positions during the past five years, as well as the specific experiences, qualifications, attributes and skills that led to the conclusion that they should serve as directors of the Company:

John F. Prim, age 57, Chairman and Chief Executive Officer. Mr. Prim was appointed Chairman of the Board on August 24, 2012 and has served as Chief Executive Officer since 2004. He served as President from January 2003 to July 2004 and as Chief Operating Officer from July 2001 to January 2003. Mr. Prim joined the Company in 1995 as part of the acquisition of the Liberty division of Broadway & Seymour, Inc. He previously served as General Manager of the Company's E-Services and OutLink Services Divisions. Mr. Prim has been a director since 2007. Mr. Prim has spent his whole career in our industry, starting as a sales representative for Burroughs Corporation selling products and services to banks and thrifts before joining Broadway & Seymour's community banking unit in 1985, where he served in a number of positions including National Sales Manager. His broad experience in the industry in both operations and sales, as well as his extensive successful experience in various management roles at Jack Henry & Associates, led to his appointment as CEO in 2004, and these same factors informed the decision to appoint him to the Board in 2007 and name him Chairman in 2012. Mr. Prim earned a Master's in Business Administration degree in 1985 from Queens University in Charlotte, N.C.

Jerry D. Hall, age 69, Executive Vice President and Director. Mr. Hall, a co-founder of the Company, has served as Executive Vice President since 1994. He previously served as Vice Chairman from 2007 through 2012, as Chief Executive Officer from 1990 through 1994, as President from 1989 through 1993 and as Vice President-Operations from 1977 through 1988. Prior to joining Jack Henry in the founding of the Company, Mr. Hall was employed as data processing manager of a large manufacturer. He has been a director since the Company's incorporation in 1977. As the sole remaining founder of the Company and with management and operational experience as CEO, President and in other managerial positions, Mr. Hall brings to the Board deep knowledge of the Company's history, products and markets.

Matthew C. Flanigan, age 50, Vice Chairman and Lead Director. Mr. Flanigan, a director of the Company since his appointment in 2007, is Senior Vice President, Chief Financial Officer and a director of Leggett & Platt, Incorporated. Headquartered in Carthage, Missouri, Leggett & Platt is a leading manufacturer of spring components and other products for furniture, bedding, automobiles and other consumer products. Mr. Flanigan was appointed Senior Vice President in 2005 and became Chief Financial Officer in 2003. From 1999 until 2003, he served as President of the Office Furniture and Plastics Components Groups of Leggett & Platt. Prior to joining Leggett & Platt in 1997, Mr. Flanigan was employed in the banking industry for 13 years, the last 10 of which as executive manager for Societe Generale S.A. in Dallas, the largest non-U.S. lending institution in the Southwestern United States at that time. Mr. Flanigan brings to our Board expertise in banking and in finance, risk and compliance functions as well a unique perspective coming from his wide experience at a large, global S&P 500 manufacturer. Mr. Flanigan was appointed "Lead Director" by the independent directors on August 24, 2012.

Wesley A. Brown, age 58, Director. Mr. Brown, a director of the Company since his appointment in 2005, is a co-founder and Managing Director of St. Charles Capital, LLC in Denver, Colorado, where he also served as its first President and Compliance Officer. At St. Charles Capital, Mr. Brown specializes in merger transactions and financings for financial institutions, completing over 125 transactions totaling in excess of \$3.5 billion over his career. His connections with and to the community banking industry in the Rocky Mountain Region are extensive, as he has personally negotiated approximately half of all bank and thrift merger transactions that have occurred in Colorado since 1993. Prior to founding St. Charles Capital, he served as Managing Director of McDonald Investments, Inc. (2001-2004) and Executive Vice President of The Wallach Company (1991-2003). In addition to experience with finance and compliance, Mr. Brown brings a deep knowledge of the banking industry to the Board as well as unique insight to the Company's mergers and acquisitions. Mr. Brown earned a Master's in Business Administration with Honors from the University of Chicago.

Marla K. Shepard, Age 63, Director. Ms. Shepard, a director of the Company since her appointment in 2007, is the President and Chief Executive Officer of California Coast Credit Union of San Diego, California. California Coast is the surviving entity from a merger in 2008 with First Future Credit Union, also of San Diego, California, where Ms.

Shepard served as Chief Executive Officer for over 25 years. Ms. Shepard brings to the Board a thorough understanding of the credit union markets we serve, having started in 1972 as a teller at a small credit union. As CEO she led her institution through six merger transactions to become one of the largest credit unions in California, with \$1.6 billion in assets and 22 branches. She has received numerous service and other awards from the California Credit Union League as well as serving as the chair of its Governmental Relations Committee and has served on the Credit Union National Administration's Risk Oversight Committee. Ms. Shepard also brings to our Board the perspective of a major credit union customer, as her institution has used the

Company's Symitar core software system for over 25 years and utilizes many of our complementary software products and data processing services.

Thomas H. Wilson, Jr., age 50, Director. Mr. Wilson, a director of the Company since his appointment in January of 2012, is a managing Partner at DecisionPoint Advisors, LLC in Charlotte, N.C., a specialized merger and acquisition advisory firm for mid-market technology companies. Prior to joining DecisionPoint, from 2004 to 2008 he served as Chairman and CEO of NuTech Solutions, a business intelligence software company that was acquired by Netezza. From 1997 to 2004, Mr. Wilson was President of Osprey, a consulting and systems integration firm. Prior to his work at Osprey, Mr. Wilson was employed by IBM for 14 years in a variety of management and sales positions. Mr. Wilson earned a Master's in Business Administration from Duke University and has served on the Boards of various non-profit and community organizations, including North Carolina Innovative Development for Economic Advancement (NC IDEA), Junior Achievement and the Charlotte United Way. Mr. Wilson brings to the Board extensive management and sales experience in technology companies, as well as expertise in technology-oriented investment banking and mergers and acquisitions.

Jacque R. Fiegel, age 58, Director. Ms. Fiegel, a director of the Company since her appointment in July of 2012, is Senior Executive Vice President and Chief Operating Officer of Coppermark Bank in Oklahoma City, Oklahoma. She also serves as a director of the bank, as well as director and treasurer of affiliates Coppermark Bancshares, Inc. and Coppermark Card Services, Inc. She began her career at the bank in 1976 as a teller. Ms. Fiegel is a former member of the Oklahoma City Branch Board of the Federal Reserve Bank of Kansas City and is a current member of the board of directors of the Economic Club of Oklahoma, as well as a number of civic organizations in Oklahoma City. Ms. Fiegel was named in 2008 one of the US Banker "25 Most Powerful Women in Banking" and to the "25 Women to Watch" lists in both 2009 and 2010. Ms. Fiegel brings to the board a broad experience with and understanding of bank technology, banking operations, financial management and the overall banking business.

Thomas A. Wimsett, age 48, Director. Mr. Wimsett, a director of the Company since his appointment in July 2012, is the Chairman and Managing Partner of Wimsett & Company, a payments consulting firm formed this year. He is a 29 year veteran of the payments industry, most recently as a founder in 2003 and the Chairman and Chief Executive Officer of Iron Triangle Payment Systems (renamed NPC in 2006), a leading merchant payment processor, which was acquired by Fifth Third Processing Solutions (now Vantiv) in late 2010. Prior managerial and executive positions in the payments industry include President and CEO of National Processing Company (NYSE: NAP) from 1999 to 2002. He also currently serves as Chairman of Town & Country Bank and Trust Company in Bardstown, Kentucky. Mr. Wimsett brings deep knowledge and experience in the payments industry to the Board, including service for more than 10 years as a director or advisory board member of the Electronic Transaction Association, an international trade association, and prior roles as a director of MasterCard's US Board and on advisory boards for both Discover Card and Visa.

#### Director Independence

Non-employee directors Brown, Flanigan, Shepard, Wilson, Fiegel and Wimsett qualify as "independent" in accordance with the published listing requirements of NASDAQ. Messrs. Hall and Prim do not qualify as independent because they are employees of the Company. The NASDAQ rules have both objective and subjective tests for determining who is an "independent director." The objective tests state, for example, that a director is not considered independent if he or she is an employee of the company, has been an employee within the prior three years, or is a partner in or executive officer of an entity to which the company made, or from which the company received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenue for that year. The subjective test states that an independent director must be a person who lacks a relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The Board of Directors relies upon evaluation of director independence by the Board's Governance Committee. In assessing independence under the subjective test, the Governance Committee took into account the standards in the objective tests and reviewed additional information provided by the directors with regard to each director's business and personal activities as they may relate to the Company and its management. Based on all of the foregoing, as

required by NASDAQ rules, the Governance Committee made a subjective determination as to each of Ms. Shepard and Fiegel and Messrs. Brown, Flanigan, Wilson and Wimsett that no relationship exists which, in the opinion of the Committee, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Governance Committee has not established categorical standards or guidelines to make these subjective determinations, but considers all relevant facts and circumstances.

6

---

In making its independence determinations, the Governance Committee considered transactions occurring since the beginning of its 2010 fiscal year between the Company and entities associated with the independent directors or members of their immediate family. While customer relationships do exist between the Company and the financial institutions associated with Ms. Shepard and Ms. Fiegel, the Governance Committee has determined that, because of the amounts involved in relationship to the total revenues of the Company and such institutions, the relationships do not impair the independence of these directors. The Governance Committee has also determined that the transactions with such financial institutions were on terms no less favorable to the Company than arrangements with other unaffiliated customers. In all cases and in all years reviewed, the amounts received by the Company from these institutions were less than 1% of the Company's total revenue for the year. See "Certain Relationships and Related Transactions", below.

In addition to the Board-level standards for director independence, the directors who serve on the Audit Committee each satisfy standards established by the Securities and Exchange Commission (the "SEC") providing that to qualify as "independent" for the purposes of membership, members of audit committees may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company other than their director compensation.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS. PROXIES RECEIVED BY THE BOARD OF DIRECTORS WILL BE VOTED FOR THE ELECTION OF EACH NOMINEE UNLESS STOCKHOLDERS SPECIFY IN THEIR PROXY A VOTE OF "WITHHOLD" WITH RESPECT TO A NOMINEE.

## CORPORATE GOVERNANCE

The Company and its businesses are managed under the direction of the Board of Directors. The Board generally meets a minimum of four times during the year, but has complete access to management throughout the year.

### Corporate Governance Guidelines

The Board of Directors has adopted Corporate Governance Guidelines which address the following subjects:

- The majority of the Board should be independent under relevant NASDAQ standards
- Independent directors should not be compensated by the Company other than in the form of Director's fees (including any equity awards)
- Membership on the Audit, Compensation and Governance Committees should be limited to independent directors
- The Board should conduct an annual self-evaluation to determine whether it and its committees are functioning properly
- Non-management directors may meet in executive session from time to time without members of management
- The Chief Executive Officer shall provide an annual report to the Board on succession planning
- The Governance Committee is responsible for determining skills and characteristics of Board candidates, and should consider factors such as independence, experience, strength of character, judgment, technical skills, diversity and age
- The Board and its committees shall have the right at any time to retain independent counsel
- Board members should not sit on more than 3 other boards of public companies
- Board members are expected to attend all Annual Meetings of the Stockholders
- Stockholders may communicate with the Board by submitting written comments to the Secretary for the Company, who will screen out inappropriate communications and forward same to the directors
- Directors, executive officers and general managers of the Company should own minimum amounts of Company stock in relation to their base compensation
-



When the Chairman is a member of management, the independent directors shall appoint a Lead Director to coordinate the activities of the independent directors, help to set the agenda and schedule for Board meetings, and chair Board and stockholder meetings in the absence of the Chairman.

### Nomination Policy

The Board of Directors has also adopted a Nomination Policy with respect to the consideration of director candidates recommended by stockholders. A candidate submission from a stockholder will be considered at any time if the following information is submitted to the Secretary of the Company:

- The recommending stockholder's name and address, together with the number of shares, length of period held and proof of ownership

- Name, age and address of candidate

- Detailed resume of candidate, including education, occupation, employment and commitments

- Description of arrangements or understandings between the recommending stockholder and the candidate

- Statement describing the candidate's reasons for seeking election to the Board and documenting candidate's satisfaction of qualifications described in the Corporate Governance Guidelines

- A signed statement from the candidate, confirming willingness to serve

- If the recommending stockholder has been a beneficial holder of more than 5% of the Company's stock for more than a year, then it must consent to additional public disclosures by the Company with regard to the nomination

The Secretary of the Company will promptly forward complying nominee recommendation submissions to the Chairman of the Governance Committee. The Governance Committee may consider nominees submitted from a variety of sources including but not limited to stockholder recommendations. If a vacancy arises or the Board decides to expand its membership, the Governance Committee will evaluate potential candidates from all sources and will rank them by order of preference if more than one is identified as properly qualified. A recommendation will be made to the Board by the Governance Committee based upon qualifications, interviews, background checks and the Company's needs.

### Board Leadership Structure

The Board of Directors does not have a fixed policy regarding the separation of the offices of Chairman of the Board and Chief Executive Officer. These offices have been held by different persons from 2004-2012, but were combined in one person (Mr. Prim) in August of 2012. The members of the Board believe that the Company has been well served in the past by both combined Chairman/CEOs and by separate persons in these offices, and believes that the Board should maintain the flexibility to combine or separate these offices in the future if deemed to be in the best interests of the Company.

In August of 2012, the Board adopted a governance guideline providing for a "Lead Director." Under the new guideline, when the Chairman is a member of Company management, the independent directors will annually appoint from among themselves a Lead Director. The Lead Director will coordinate the activities of the independent directors, coordinate with the Chairman to set the agenda and schedule for Board meetings, advise on materials distributed to directors, Chair meetings of the Board and stockholders in the absence of the Chairman, call and chair executive sessions of the independent directors, and perform other duties assigned from time to time by the Board. The Board is committed to strong, independent Board leadership and believes that objective oversight is critical to effective governance. Six of our eight directors are independent, as are all members of the committees of the Board - Audit, Compensation and Governance. The independent directors regularly meet in executive session without management directors.

### Risk Oversight

Pursuant to the Company's Corporate Governance Guidelines, the Board performs its risk oversight function primarily through its Audit and Compensation Committees. The Audit Committee oversees risks relating to financial statements and reporting, credit, and liquidity risks. The Compensation Committee is charged with oversight of risks in compensation policies and practices. The Board receives regular reports from these committees as well as management, assesses major risks, and reviews with management options for risk mitigation.

Code of Conduct

The members of the Board, as well as the executive officers and all other employees, are subject to and responsible for compliance with the Jack Henry Code of Conduct. The Code of Conduct contains policies and practices for the ethical and lawful conduct of our business, as well as procedures for confidential investigation of complaints and discipline of wrongdoers.

8

---

#### Governance Materials Available

The Company has posted its significant corporate governance documents on its website at <http://ir.jackhenry.com/governance.cfm>. There you will find copies of the current Corporate Governance Guidelines, the Jack Henry Code of Conduct, the Compensation Committee Charter, the Governance Committee Charter (with attached Nomination Policy) and Audit Committee Charter, as well as the Company's Certificate of Incorporation and By-Laws. Other investor relations materials are also posted at <http://ir.jackhenry.com>, including SEC reports, financial statements and news releases.

#### The Board of Directors and Its Committees

The Board of Directors held four regular meetings and three special meetings during the last fiscal year. Each director attended at least 75% of all meetings of the Board and all committees on which they served. The independent directors met in one executive session without management present during the last fiscal year. Our Corporate Governance Guidelines state that all directors are expected to attend the Annual Meeting of the Stockholders, but three directors (Michael Henry, Craig Curry and Jerry Hall) were absent from last year's Annual Meeting held on November 17, 2011 due to travel conflicts and illnesses.

The Governance Committee of the Board has determined that six of the Board's eight members, Brown, Flanigan, Shepard, Wilson, Fiegel and Wimsett are independent directors under applicable NASDAQ standards. The Board maintains an Audit Committee of which Messrs. Brown, Flanigan, Wilson and Wimsett are members. The Board has determined that Matthew Flanigan is an "audit committee financial expert" as defined by the SEC because of his extensive accounting and financial experience. The Board also maintains a Compensation Committee of which Mr. Flanigan, Ms. Shepard and Mr. Wilson are members and a Governance Committee of which Ms. Shepard, Mr. Brown, and Ms. Fiegel are members. All members of the Audit, Compensation and Governance Committees are independent directors.

The Compensation Committee establishes and reviews the compensation, perquisites and benefits of the Executive Officers, evaluates the performance of senior executive officers, considers incentive compensation plans for our employees and carries out duties assigned to the Compensation Committee under our equity compensation plans and employee stock purchase plan. The Compensation Committee operates under a written charter adopted by the Board.

The Governance Committee identifies, evaluates and recruits qualified individuals to stand for election to the Board, recommends corporate governance policy changes and evaluates Board performance. The Governance Committee also operates under a charter adopted by the Board. The Governance Committee will consider candidates recommended by stockholders, provided such recommendations are made in accordance with the procedures set forth in the "Governance Committee Nomination Policy" attached to its charter, discussed in greater detail in "Corporate Governance," above. The new nominees appointed to the Board in 2012 were all first recommended to the Governance Committee by our Chief Executive Officer.

The Audit Committee selects and retains the independent registered public accounting firm, reviews the scope and results of the audit with the independent registered public accounting firm and management, reviews critical accounting policies and practices, reviews and evaluates our audit and control functions, reviews and pre-approves retention of the independent registered public accounting firm for any audit, audit related and non-audit services, reviews and approves all material related party transactions, and regularly reviews regulatory compliance matters, including our outsourcing services and business recovery operations. The Audit Committee operates under a written Audit Committee Charter.

During the last fiscal year the Audit Committee met seven times, the Compensation Committee met six times and the Governance Committee met six times.

The Board has adopted Stock Ownership Guidelines establishing stock ownership goals applicable to directors as well as senior management of the Company. Each non-employee director of the Company is expected to own Company shares having a value of at least four times the annual director base compensation. For this purpose, in addition to shares held outright, directors may include shares held in trust for immediate family members as well as the “in-the-money” value of any vested stock options and all restricted stock. Under the terms of the guidelines, new directors should be in compliance

within five years after joining the Board. As measured on June 30, 2012, all directors on such date were in compliance with these guidelines.

#### Compensation Committee Interlocks and Insider Participation

During our 2012 fiscal year, Messrs. Flanigan, Wilson and Ms. Shepard served on the Compensation Committee. None of the members of the Compensation Committee is currently or was formerly an officer or employee of the Company. Ms. Shepard is President and CEO of California Coast Credit Union, which is a customer of the Company as described below in "Certain Relationships and Related Transactions." There are no other Compensation Committee interlocks and no insider participation in compensation decisions that are required to be reported under the SEC's rules and regulations.

#### Director Compensation

The following table sets forth compensation paid to our directors in fiscal year 2012. The compensation paid to Messrs. Prim and Hall as employees is detailed below at "Executive Compensation." No amounts are shown for Mr. Wimsett and Ms. Fiegel because they were appointed to the Board of Directors following the close of fiscal 2012.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$ (1))	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Wesley A. Brown	67,700	127,898	—	—	—	195,598
Matthew C. Flanigan	73,200	127,898	—	—	—	201,098
Marla K. Shepard	68,200	127,898	—	—	—	196,098
Thomas H. Wilson	38,167	116,692	—	—	—	154,859

These amounts reflect the aggregate grant date fair value of shares of restricted stock granted in the fiscal year (1) ended June 30, 2012, in accordance with FASB ASC Topic 718. For assumptions used in determining the fair value of stock options awards granted, see Note 9 to the Company's 2012 Consolidated Financial Statements.

The directors who are employed by the Company do not receive any separate compensation for service on the Board of Directors. In the fiscal year ended June 30, 2012, each non-employee director received annual compensation of \$35,000 per year plus \$3,500 for attending each in-person Board meeting. Directors newly appointed during the year received a pro-rated portion of the annual compensation amount. Each non-employee director was also reimbursed for out-of-pocket expenses incurred in attending all Board and committee meetings.

Equity compensation is paid annually to the non-employee directors in the form of restricted shares. These restricted shares are issued under the Company's Restricted Stock Plan. Until changed by vote of the Board, the annual grant amount for each non-employee director will be 4,200 restricted shares, to be granted on the third business day following the date of the Annual Meeting, and the restrictions will lapse in three equal installments over three years on each successive anniversary of the grant. Newly appointed directors receive a pro-rated grant of restricted shares based upon the portion of the year served.

Audit Committee members received \$2,000 for each in-person Audit Committee meeting and \$1,000 for each telephone Audit Committee meeting attended. Governance and Compensation Committee members received \$1,000 for each Committee meeting attended. To compensate for additional time spent on Committee matters, the chairmen of the Audit, Compensation and Governance Committees received a premium of 50% of the standard attendance fee for each committee meeting that they chaired.

The directors listed above are not eligible to participate in any non-equity incentive plan compensation from the Company or any pension or deferred compensation plan of the Company.



## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Director and Compensation Committee member Marla K. Shepard is President and Chief Executive Officer of California Coast Credit Union of San Diego, California. California Coast Credit Union is a customer of the Company and during the year ended June 30, 2012, it paid \$583,914 to the Company primarily for software maintenance and implementation services.

Director Jacque R. Fiegel is Senior Executive Vice President and Chief Operating Officer of Coppermark Bank of Oklahoma City, OK. Coppermark Bank is a customer of the Company and during the year ended June 30, 2012, it paid \$1,315,123 to the Company primarily for software maintenance and implementation services.

The Audit Committee has reviewed the above transactions and has concluded that they were on terms no less favorable to the Company than arrangements with other unaffiliated customers. The related party transactions were approved by the Audit Committee. The Governance Committee also considered the above transactions and concluded that Ms. Shepard and Ms. Fiegel remain independent directors despite such customer relationships.

The Board of Directors has adopted a written policy that requires all related party transactions to be reviewed and approved by the Audit Committee of the Board. The Audit Committee is charged with determining whether a related party transaction is in the best interests of, or not inconsistent with the interests of, the Company and its stockholders. In making this determination, the Audit Committee will take into account such factors as whether the related party transaction is on terms no less favorable to the Company than terms generally available to unaffiliated third parties and the extent of the related party's interest in the transaction. No director may participate in any discussion, approval or ratification of any transaction in which he or she has an interest, except for the purpose of providing information concerning the transaction. For transactions in which the aggregate amount is less than \$200,000, the Chairman of the Audit Committee has been delegated the authority to pre-approve related party transactions, subject to later review by the full committee. At least annually, ongoing related party transactions will be reviewed to assess continued compliance with the policy.

For purposes of the Related Party Transaction Policy, a related party transaction is a transaction or relationship in which the aggregate amount involved will be or may exceed \$100,000 in any calendar year, involves the Company as a participant, and in which any related party has or will have a direct or indirect interest (other than solely as a result of being a director or less than 10% beneficial owner of the other entity). A related party is any executive officer, director, or more than 5% beneficial owner of the Company or any immediate family member of such persons.

The policy also contains standing pre-approvals of certain transactions that are not believed to pose any material risk to the Company even if the aggregate amount exceeds \$100,000 in a calendar year, including: employment arrangements with executive officers, director compensation, transactions involving competitive bids, certain banking-related services, and certain Company charitable contributions. Standing approval is also provided for transactions with another company where the related party's only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 10% of that entity's shares, if the aggregate amount does not exceed \$1,000,000 or 2% of that entity's annual revenues.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

The Company is required to identify any director, officer or greater than ten percent beneficial owner who failed to timely file with the SEC a report required under Section 16(a) of the Securities Exchange Act of 1934 relating to ownership and changes in ownership of the Company's Common Stock. The required reports consist of initial statements on Form 3, statements of changes on Form 4 and annual statements on Form 5.



To the Company's knowledge, based solely on its review of the copies of such forms received by it, the Company believes that during the fiscal year ended June 30, 2012 all required Section 16(a) filings were filed timely.

## AUDIT COMMITTEE REPORT

The Audit Committee of the Company's Board of Directors is currently composed of four independent directors. The Board has determined that Audit Committee member Matthew C. Flanigan is an "audit committee financial expert" under relevant SEC standards because of his extensive accounting and financial experience. The Board of Directors and the Audit Committee believe that the Audit Committee's current members satisfy all NASDAQ and Securities and Exchange Commission rules that govern audit committee composition.

The Audit Committee operates under a written charter adopted by the Board of Directors. The Charter requires the Audit Committee to oversee and retain the independent registered public accounting firm, pre-approve the services and fees of the independent registered public accounting firm, regularly consider critical accounting policies of the Company, review and approve material related party transactions, receive reports from the Company's Compliance Officer, and establish procedures for receipt and handling of complaints and anonymous submissions regarding accounting or auditing matters. The charter also contains the commitment of the Board of Directors to provide funding and support for the operation of the Audit Committee, including funding for independent counsel for the Committee if the need arises.

The role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's financial reporting process. Management has the primary duty for the financial statements and the reporting process, including the systems of internal controls. The independent registered public accounting firm is responsible for auditing the Company's financial statements and expressing an opinion as to their conformity to accounting principles generally accepted in the United States.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and the independent registered public accounting firm the Company's audited financial statements. The Audit Committee also has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU section 380), as adopted by the Public Company Accounting Board in Rule 3200T. In addition, the Audit Committee has received from the independent registered public accounting firm the written disclosures and letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the audit committee concerning independence, and has discussed with the independent registered accounting firm its independence.

The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for their respective audits. The Audit Committee meets with the internal auditors and the independent registered public accounting firm, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls and the overall quality of the Company's financial reporting. These meetings without management present are held at least once each year, and one such meeting was held once in the fiscal year just ended.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the Company's audited financial statements be included in the Company's 2012 Annual Report to Stockholders and Annual Report on Form 10-K for the year ended June 30, 2012 for filing with the Securities and Exchange Commission.

Wesley A. Brown, Matthew C. Flanigan, Thomas H Wilson, Jr. and Thomas A. Wimsett  
Members of the Audit Committee



## EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

The executive officers and significant employees of the Company, as well as certain biographical information about them, are as follows:

Name	Position with Company	Officer/Significant Employee Since
John F. Prim	Chairman and Chief Executive Officer	2001
Tony L. Wormington	President	1998
Jerry D. Hall	Executive Vice President	1977
Kevin D. Williams	Chief Financial Officer and Treasurer	2001
Mark S. Forbis	Vice President and Chief Technology Officer	2006

The following information is provided regarding the executive officers and significant employees not already described herein, all of whom are United States citizens:

Tony L. Wormington, age 50, President. Mr. Wormington has served as President since 2004. He previously served as Chief Operating Officer from 2003 to 2004 and as a Vice President from 1998 to 2002. Mr. Wormington joined the Company in 1980 and served as Research and Development Manager from 1993 through 2002. Mr. Wormington's entire career has been spent at the Company, starting in entry-level programming and installation and progressing through levels of management as the Company grew. As President, Mr. Wormington has broad responsibilities with respect to the majority of the Company's operations and his long tenure and varied experience give him intimate knowledge of the Company, its products, employees and customers.

Kevin D. Williams, age 53, Chief Financial Officer and Treasurer. In 2001, Mr. Williams was appointed by the Board to serve as Chief Financial Officer and Treasurer of the Company, having previously served as Controller of the Company since joining the Company in 1998. Prior to joining the Company, Mr. Williams was a practicing CPA as a Senior Manager for the Baird Kurtz & Dobson public accounting firm. Mr. Williams' executive management responsibilities extend beyond finance and accounting to include compliance, internal audit, investor relations, facilities and other office services functions that encompass approximately 500 of the Company's employees.

Mark S. Forbis, age 49, Vice President and Chief Technology Officer. Mr. Forbis has served as Vice President and Chief Technology Officer since 2006 and as General Manager of Technology Services since 2002. Mr. Forbis joined the Company in 1988 and has served in a number of positions, including Manager of Imaging from 1994 to his appointment as a General Manager in 2002. Prior to joining the Company, Mr. Forbis had several prior jobs in bank data processing, including supervisory and management positions with BankTech, Inc. and Systematics, Inc. As Chief Technology Officer and General Manager of Technology Services, Mr. Forbis leads a team of over 260 researchers, designers, programmers, developers and quality analysts charged with maintaining and upgrading current products and services, developing new products, establishing standards and practices and planning "roadmaps" for future technology development.

## COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Company has reviewed and discussed the following Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the following Compensation Discussion and Analysis be included in this Proxy Statement.

Matthew C. Flanigan, Chair

Marla K. Shepard

Thomas H. Wilson, Jr.



## COMPENSATION DISCUSSION AND ANALYSIS

You will have the opportunity to cast an advisory vote on Jack Henry's executive compensation at this year's Annual Meeting (our "say on pay" vote), included as Proposal 2 in this proxy statement (page 26). We encourage you to review this section prior to casting your "say on pay" advisory vote.

At the Company's Annual Meeting of stockholders held in November 2011, 97% of the votes cast on the say-on-pay proposal at that meeting were voted in favor of the proposal. The Compensation Committee believes this vote strongly affirms the stockholders' support of the Company's approach to executive compensation, and the Committee did not change its basic approach to compensation of the Named Executives in 2012. The Compensation Committee will continue to consider the outcome of the Company's say-on-pay votes when making future compensation decisions for the Named Executives.

This Compensation Discussion and Analysis is designed to provide information regarding the philosophy and objectives underlying our compensation policies, the processes we follow in setting compensation and the components we utilize in compensating our top executives. This discussion is focused on our Chief Executive Officer Jack Prim, President Tony Wormington, Chief Financial Officer Kevin Williams, Chief Technology Officer Mark Forbis and Executive Vice President Jerry Hall, who are collectively referred to as the "Named Executives." Specific information about the compensation of the Named Executives is set forth in the Summary Compensation Table and other compensation tables beginning on page 22, which should be read in conjunction with this discussion.

### 2012 Compensation Overview

Our 2012 executive compensation should be viewed in the context of solid fiscal year 2012 performance on the key performance measures used to administer the compensation program. At Jack Henry & Associates, the principle of pay for performance is at the center of our decisions regarding executive compensation:

#### Performance Measure

#### FY 2012 Performance

Budgeted Operating Income

102% of budgeted operating income

Return on Average Assets

104% of budgeted return on average assets

Comparative 3-year, 4-year and 5-year Total Shareholder Return

51<sup>st</sup> percentile (three-year), 67<sup>th</sup> percentile (four-year) and 76<sup>th</sup> percentile (five-year) of Compensation Peer Group, all three above median (50<sup>th</sup> percentile)

In broad terms, the fiscal year 2012 executive compensation program implemented this pay for performance principle with the following elements of compensation:

- No base pay increases for CEO, President and CFO, in accordance with their request;

- Annual incentive cash bonus payments that were above targets (117.6% of target for the CEO, President and CFO), resulting from the operating income and return on average assets noted above.

- Accelerated vesting of previously granted long-term compensation in the form of restricted stock based on superior four and five-year total shareholder return in comparison with the Compensation Peer Group (67<sup>th</sup> and 76<sup>th</sup> percentile, respectively). 2012 grants were made in amounts approaching market median benchmarks in the form of restricted stock units that vest solely on performance measures.

### Compensation Philosophy and Objectives

Jack Henry's compensation philosophy is to offer compensation programs to our executives that:

- Focus executives on achieving consistent earnings growth and superior return on assets;



Encourage continuation of the Company's entrepreneurial spirit;  
Attract and retain highly qualified and motivated executives;  
Reward the creation of stockholder value; and  
Encourage esprit de corps and reward outstanding performance.

In meeting these objectives, the Compensation Committee strives for the interests of management and stockholders to be the same - the maximization of stockholder value.

The compensation programs specific to our Named Executives are administered by the Company's Compensation Committee. The current members of the Compensation Committee are all non-employee directors who are independent under the NASDAQ rules. The Compensation Committee operates under a written charter, and has the specific charter responsibility to approve the compensation of the Named Executives and the Company's Chief Operating Officer, Controller and other Senior Vice Presidents. At this time, the Company does not have any officer with the title of Chief Operating Officer.

The Compensation Committee designs and maintains compensation programs consistent with our executive compensation philosophy to achieve the following objectives:

To attract, retain and motivate highly qualified executives by offering compensation programs that are competitive with programs offered by companies in our Compensation Peer Group.

To link performance and executive pay by tying bonus amounts to achievement of key objectives under the Company's annual business plans.

To reward competitive performance in comparison with peers in our industry.

To reward the creation of long-term stockholder value through long-term incentive compensation awards and encouragement of significant stock ownership by top management to further align executive interests to those of our stockholders.

In pursuit of these objectives, the Compensation Committee believes that the compensation packages provided to the Named Executives should include both cash and equity-based compensation, with an emphasis on performance-based pay. Base pay and benefits are set primarily to attract and retain highly qualified and effective employees. Variable incentive pay is used to align the compensation of the Named Executives with the Company's short term business and performance objectives such as income targets and overall financial performance. Equity awards are used to retain key employees and to motivate executives to create long-term stockholder value.

#### Process for Establishing Compensation

The Compensation Committee has overall responsibility for making decisions regarding the compensation of the Named Executives. In conducting an annual performance review and determining appropriate compensation levels for our Chief Executive Officer, President and Chief Financial Officer (the "Senior Executives"); the Compensation Committee meets and deliberates outside the presence of the Senior Executives and other members of the executive management team. With respect to the compensation levels for other Named Executives, the Compensation Committee considers input and recommendations from the Senior Executives. Performance reviews of our Chief Executive Officer and each other Named Executive are based on subjective evaluations of individual performance as well as their performance in the preceding fiscal year in achieving Company performance objectives. While our Senior Executives make recommendations concerning salary adjustments, cash bonus programs and award amounts for the Named Executives who are not Senior Executives, the Compensation Committee can exercise its discretion to modify or reject any such recommendations.

In designing compensation programs and determining compensation levels for the Named Executives for fiscal year 2012 (ending June 30, 2012), as well as for fiscal year 2013, the Compensation Committee was assisted by an independent compensation consultant firm. The Compensation Committee engaged Towers Watson, a global human resources consulting firm, to serve as its independent advisor and compensation consultant with respect to fiscal 2012, and has engaged the same firm for fiscal 2013. The Chairman of the Compensation Committee worked directly with Towers Watson to determine the scope of the work needed to assist the Committee in its decision-making processes. The engagement of the consulting firm





included provision of benchmark comparative data for the Named Executives with respect to base salaries, annual cash bonuses, long term incentives, and comparative data regarding severance. Towers Watson does not provide any other consultation or services to the Company or management.

In making compensation decisions, the Compensation Committee compared each element of total direct compensation against a peer group of publicly traded companies in the software, payments and data processing industries against which the Compensation Committee believes we compete in the market for executive talent. We collectively refer to this group as the “Compensation Peer Group.” In selecting companies for the Compensation Peer Group, the Compensation Committee has considered multiple criteria, including industry, annual revenue and market capitalization. The current Compensation Peer Group is comprised of the following 20 companies:

ACI Worldwide, Inc.	Alliance Data Systems Corporation	Bottomline Technologies, Inc.
Cerner Corporation	DST Systems, Inc.	Euronet Worldwide, Inc.
Fair Isaac Corporation	Fidelity National Information Services, Inc.	Fiserv, Inc.
Global Cash Access Holdings, Inc.	Global Payments, Inc.	Heartland Payment Systems, Inc.
Lender Processing Services, Inc.	Micros Systems, Inc.	Official Payments Holdings, Inc.
Online Resources Corporation	SEI Investments Co.	Telecommunication Systems, Inc.
Total Systems Services, Inc.	Tyler Technologies, Inc.	

The Compensation Peer Group is reviewed annually and, as appropriate, updated by the Compensation Committee. The Compensation Peer Group was again reviewed by the Compensation Committee and by Towers Watson in June 2012, with the only change being the removal of S1 Corporation, which was acquired during the year and no longer publicizes its financial data. In addition, Tier Technologies changed its name to Official Payments Holdings during this last year. For comparison purposes, Jack Henry's annual revenues are near the median revenues of the current members of the Compensation Peer Group.

To benchmark each element of total compensation for our Named Executives, Towers Watson provided data from two key sources: an executive compensation survey reflective of our industry and the general industry and proxy statements and other public filings for the companies in our Compensation Peer Group. In reviewing compensation survey data, the Compensation Committee considered data for software companies with annual revenues similar to the Company. Sources of data for compensation surveys and analysis include surveys for our Compensation Peer Group and the software industry, in addition to proxy statements and other public filings by companies in our Compensation Peer Group.

As discussed below, decisions regarding fiscal 2012 total cash compensation continued to be influenced by the ongoing weak economy. As a result, salaries for the Named Executives were not set in reference to Compensation Peer Group or market data for fiscal years 2010, 2011 and 2012.

In setting fiscal 2012 compensation, the Compensation Committee considered benchmarks for total cash compensation (i.e., base salary and annual cash incentives) and approved bonuses for the Named Executives which combined with the salaries approach the 50<sup>th</sup> percentile of the Compensation Peer Group. In targeting total cash compensation and long-term incentive compensation at or near the 50<sup>th</sup> percentile, the Compensation Committee recognized that there are certain limitations in the market data available for the Compensation Peer Group. Thus, in addition to considering levels of compensation suggested by market data, the Compensation Committee also considered other relevant factors including performance against pre-identified objectives under business plans for the preceding fiscal year, individual performance reviews, and internal equity for compensation levels among our executives.

The allocation between cash, non-cash, short-term and long-term incentive compensation is informed by the practices of our Compensation Peer Group and reflects the Compensation Committee's determination of the appropriate compensation mix among base pay, annual cash incentives and long-term equity incentives to encourage retention and performance. Actual cash and equity incentive awards are determined by the performance of the Company and the individual, depending on the type of award, compared to established goals. For the fiscal year ending June 30, 2012, the elements of the compensation mix included:

- Base salary, which is designed to attract and retain executives over time;
- Annual cash incentive bonus compensation, which is designed to focus on business and financial objectives



established by the Board for a particular year;

Long-term incentive compensation, consisting primarily of performance-based restricted stock units which are earned by achieving levels of total shareholder return compared to our peer group, and thus are designed to focus executives on the long-term success of the Company as reflected in the market price of the Company's stock; and

Broad-based employee benefits programs.

#### Base Salary

In light of continuing economic uncertainty and the shared sacrifice of all Company employees in the form of salary reductions in 2009 and 2010, Messrs. Prim, Wormington and Williams requested that the Compensation Committee maintain their base salaries at then-current levels (originally set in fiscal 2009, reduced in May 2009, and restored in March 2010) through fiscal 2012. The Compensation Committee honored this request and maintained the salaries of Messrs. Prim, Wormington and Williams at 2009 levels in fiscal 2012. Mr. Forbis' base salary was increased 3% in fiscal 2012.

The entire base salary structure for our executives was relatively flat in fiscal 2012, with the CEO salary less than 1.3 times the next highest paid executive officer (President) and less than 1.4 times the second highest (CFO).

Mr. Hall's base salary is fixed at \$52,400, the reduced amount he requested in 2009, reflecting his senior, part-time and largely advisory role in management.

Although the Compensation Committee believes that competitive base salaries are necessary to attract and retain a highly qualified and effective executive team, it also believes that a significant portion of executive compensation should be based on pay-for-performance.

#### Annual Incentive Cash Bonuses

It is our practice to provide Named Executives with the opportunity to earn annual incentive cash bonus compensation under programs that reward attainment of key objectives under corporate annual business plans. The objectives that underlie our annual incentive compensation programs may vary between fiscal years and between the Named Executives, but generally include objectives that reward attainment of targeted earnings and returns on assets. In setting the bonus amounts a Named Executive is eligible to earn for achieving specified objectives, in fiscal 2012 the Compensation Committee targeted bonus and total cash compensation levels at or near the 50<sup>th</sup> percentile of the Compensation Peer Group and published survey data. Bonus opportunities for achieving objectives are generally established as a percentage of an executive's base salary and the percentages increase with job scope and complexity. Executives have the opportunity to earn reduced bonus amounts if a minimum level (threshold) of performance against an objective is achieved and can also earn increased bonus amounts for performance in excess of the level of targeted performance.

The decision as to whether to offer an annual incentive cash bonus program to Named Executives for any fiscal year, the type and funding of any program offered, and the objectives that underlie any program, are subject to the discretion of the Compensation Committee and its assessment of general and industry specific conditions existing during the applicable period. In determining the amount of bonus that a Named Executive is eligible to earn under a bonus program, the Compensation Committee may also exercise negative discretion to reduce an award based on its assessment of the executive's contribution and accountability for the objectives that are the subject of the bonus, the internal equity of the executive's bonus opportunity as compared to bonus opportunities for our other executives, and any other factors the Compensation Committee considers relevant.

To provide an appropriate structure for cash bonus incentives for fiscal 2008 and future years, the Compensation Committee proposed the 2007 Annual Incentive Plan, which was approved by the Board of Directors and was ratified by vote of the stockholders. Cash bonus incentives in fiscal year 2012 were structured under the 2007 Annual Incentive Plan.

The fiscal 2012 incentive cash bonus plan established for the Senior Executives (Messrs. Prim, Wormington and Williams) was similar to the 2011 plan and was based 70% upon achievement of annual budget operating income targets and 30% upon achievement of a targeted return on average assets ("ROAA"). ROAA was defined as operating income of the Company divided by average assets (beginning assets plus ending assets divided by two) for the plan year. The ROAA component of the 2012 plan was somewhat different from the 2011 plan in that it was based on actual ROAA in comparison with budgeted ROAA, while the 2011 plan was based on achievement of superior ROAA

in comparison with the members of the Compensation Peer Group. The fiscal 2012 annual incentive plan provided that no bonus was payable unless the Company's performance on both the operating income and ROAA measurements were at or above the thresholds for achievement. The

17

---

operating income and ROAA targets were determined in relation to the annual budget of the Company as approved by the Board, and exclude from consideration operating income and ROAA contributions from operating units acquired during the year.

The 2012 plan called for bonuses of 100% of base compensation for the Chief Executive Officer and 65% of base compensation for the President and Chief Financial Officer at pre-determined performance targets, but also provided for bonuses of 50% of targeted bonuses at threshold performance and as much as 200% of targeted bonuses at maximum performance. The bonus percentages and ranges were determined primarily by reference to comparative compensation data provided to the Compensation Committee by its independent advisor. The operating income component of the annual bonus for the Senior Executives ranged from a threshold of 85% of budgeted operating income to a target at 100% and to a maximum at 115%. The ROAA component of the annual bonus ranged from threshold performance at 8.2% to a target set at 9.6% (budget) and to a maximum at or above 11.1%. The Compensation Committee attempted to set the overall threshold performance levels at a probability of approximately 80%, the target at approximately 50% probability and the maximum at a low probability of approximately 10%. The maximum bonus was thus intended to be payable only upon truly superior performance. The Compensation Committee intended for this bonus plan to provide a strong incentive for management to meet budgetary income goals in fiscal 2012 as well as to encourage high performance in utilization of corporate resources.

Mr. Forbis' plan varied somewhat from the plan for the Senior Executives in that his fiscal 2012 bonus was based 50% upon the same corporate goals used in the plan for the Senior Executives and 50% upon achievement of his specific objectives in his role as Chief Technology Officer as set in his performance review early in the fiscal year. His target bonus was set at 30% of base compensation.

Under continuing anemic economic conditions in fiscal 2012, the Company performed well, producing operating income of \$236.2 million, or approximately 102% of budgeted operating income of \$232.4 million. Above-target 9.92% ROAA performance was also achieved. These factors resulted in payments of incentive cash bonus to the Senior Executives of 117.6% of targeted amounts. Mr. Forbis received 109.4% of his targeted bonus, based on achievement of Company goals and individual achievement of his departmental goals.

Out of the last five fiscal years, bonuses were earned in fiscal years 2010, 2011 and 2012. In the prior two years superior comparative ROAA performance was achieved but "near misses" in operating income resulted in the payment of no incentive cash bonuses to any member of management. The Compensation Committee notes that the plan is not structured to result in the payment of bonus in every year and the threshold performance targets are not set at levels which are easy to achieve. The Compensation Committee continues to believe that annual cash bonus opportunities are highly effective motivators for management employees and are instrumental in obtaining excellent performance in comparison with the Company's competitors in a difficult market and economy.

The Committee believes that the costs to the Company of potentially large incentive bonuses are fully justified by the potential benefits and return to our stockholders. The Compensation Committee will in future years continue to thoroughly review the effects of the bonus plan on results achieved and will make any changes to the bonus plan deemed necessary.

In addition to the cash bonus opportunities under our formal pay-for-performance cash bonus programs, the Compensation Committee may choose to reward extraordinary performance and achievements by awarding discretionary bonuses to the Named Executives and other employees from time to time that are not part of the annual incentive plan or any other plan. With respect to the Named Executives, no discretionary bonuses were awarded based on Company performance or the executives' performance during fiscal 2012.

#### Long-Term Incentive Compensation

We believe that equity awards have been instrumental in building Jack Henry & Associates, in retaining talent, and in encouraging management to take the long-term view with regard to strategic decisions they face. Equity awards also help focus executive and employee attention on managing the Company from the perspective of an owner with an equity stake in the business. Since the adoption of the current Restricted Stock Plan in 2005, the Compensation Committee has had the authority to grant restricted stock awards of various types and to determine the terms of the restrictions on granted shares. With respect to fiscal years 2008 - 2010, the Company granted long-term incentive compensation in the form of shares of restricted stock to our Senior Executives and to Mr. Forbis. In fiscal years 2011

and 2012, long-term incentive compensation granted to these officers was primarily in the form of restricted stock units with performance-based vesting. Because of his senior, advisory status and substantial current holdings, Mr. Hall was not considered eligible for restricted stock or restricted

18

---

stock unit grants.

Grants may be made annually in the future, but future grants will continue to be discretionary and amounts may fluctuate based upon the Compensation Committee's evaluation of performance from year to year. In determining the level of award for a Named Executive, the Compensation Committee considers relevant factors such as achievement of previously identified objectives, the executive's performance, comparative data from the Compensation Peer Group and other sources, the current equity ownership and stock options held by the individual executive and the internal equity of the level of award granted to the executive compared to awards granted to other executives. In reviewing the award levels for our Named Executives, the Compensation Committee believes it is appropriate to consider the Company's performance against key objectives under its corporate business plan for the preceding fiscal year, including objectives related to revenue and earnings targets, and whether the Company's performance during the preceding fiscal year benefited stockholders through appreciation in the market price of the Company's Common Stock. In administering the equity compensation programs, the Compensation Committee monitors the level of dilution that can result from equity awards to executives and other employees and considers the dilutive effect of the Company's aggregate equity awards during any fiscal year.

The specific grants to the Senior Executives and to Mr. Forbis for fiscal 2011 and 2012 were primarily structured as restricted stock units ("RSUs") that vest only on achievement of performance goals and thus strongly reflect the principle of pay for performance. A grant of RSUs is a contractual right to receive stock and/or cash in the future when vesting conditions are met. The specific grants of RSUs in fiscal 2011 and 2012 to the Named Executives (other than Mr. Hall) vest at the end of three years based on total shareholder return in comparison to the Compensation Peer Group over the three year period. For this purpose, total shareholder return ("TSR") was defined as ending stock price minus beginning stock price (adjusted for splits and similar changes) plus dividends per share paid over the performance period, all divided by the beginning stock price. A target amount of stock was set for each Named Executive that may be earned if TSR at the end of the three-year period is at the 63<sup>rd</sup> percentile in comparison to the Compensation Peer Group. No shares will be earned if the Company's TSR is below the 25<sup>th</sup> percentile at the end of the period. Vesting ranges from 20% of the RSU shares at the 25<sup>th</sup> percentile to the maximum amount of the grant (175% of target) at or above the 75<sup>th</sup> percentile relative to the Compensation Peer Group. No shares will vest if performance is below the 25<sup>th</sup> percentile threshold. By setting the target amount at the 63<sup>rd</sup> percentile, the Committee continued to convey that long-term superior performance is expected and remains the goal of this incentive program. The 2012 RSU grants to the Named Executives (other than Mr. Hall) were approved in specific share amounts with grant date accounting values roughly set at 5 times base salary for Mr. Prim, 2 times base salary of Mr. Wormington, 1.75 times base salary of Williams, and 1.1 times base salary of Mr. Forbis. The fiscal 2012 grant amounts were determined with reference to comparable grants of long-term incentive compensation by other members of the Compensation Peer Group and published survey data, and were roughly targeted at the 50<sup>th</sup> percentile of the Compensation Peer Group. The 2012 awards were structured to provide incentives for long-term performance and retention and to meet goals for specific accounting treatment. Retention is encouraged by grant terms which immediately forfeit all awards that have not vested or are still restricted in the event that the grantee's employment with the Company is terminated for any reason other than in the event of death, incapacity, retirement or in connection with any change in control.

The use of RSUs allows for flexibility in addressing the orderly retirement of grantees. The RSUs contain terms which allow for the pro-rata vesting of awards upon retirement based on full years of service following the date grant. For this purpose, retirement is defined as termination with the stated purpose of retirement after 30 years of service to the Company or after the age of 57 and 15 years of service. With respect to a retirement during the term, at the end of the three year term of the grant, the award would be calculated and a pro-rata portion would be settled to the grantee based on completed full years of service. For example, if an eligible grantee retires 14 months after the grant date, he would be credited with one full year of service and would be entitled to one-third of any amount that vests on performance measured at the end of the three-year grant. Death or incapacity of a grantee is addressed in the same manner, with pro-rata vesting based on completed full years of service. Upon a change in control of the Company, all RSUs vest and will be settled, regardless of the performance measures achieved.



The Committee notes that as to the 2008, 2009 and 2010 awards of restricted stock to the Senior Executives that contained provisions allowing for accelerated vesting based on three, four and five-year TSR performance, the four and five-year measurement of TSR performance as of June 30, 2012 showed that the Company performed in a superior fashion at the 67th percentile for four years and the 76th percentile for the five-year measurement in comparison with the Compensation Peer Group. This resulted in the early lapse of restrictions with respect to portions of both the 2008 and 2009 awards to each of

the Senior Executives. Three year TSR performance measured for purposes of early vesting of a portion of the 2010 grant was at the 51<sup>st</sup> percentile, and thus did not meet the contractual requirement of superior 65<sup>th</sup> percentile performance. As a result, this two-ninths portion of the 2010 awards did not vest in 2012 and will instead vest in 2016.

#### Termination Benefits Agreements

Each of the Named Executives, other than Mr. Hall, has entered into a Termination Benefits Agreement with the Company that is discussed in this Proxy Statement under the caption "Agreements with Executive Officers." These agreements reflect the concern of the Board of Directors that any future threatened or actual change in control such as an acquisition or merger could cause disruption and harm to the Company in the event of the resulting loss of any of its key executives. The Termination Benefits Agreements are intended to provide a measure of incentive and security to the executives through the resolution of the threat or through a change in control.

The Compensation Committee believes that such agreements should not include provisions that would obligate an acquirer of the Company to make large cash payouts to our Named Executives simply because a change of control has occurred. Because of this concern, the occurrence of a change of control event alone will not trigger any cash payment obligations to our Named Executives under their respective agreements. Payment obligations only arise in the event the Named Executive's employment is terminated or is deemed to be terminated without "Cause" (as defined in the agreements) within the period commencing 90 days prior to and for two years following a change in control for the Senior Executives. The Company does not provide, nor has it ever provided, excise tax gross-up payments to any employee in the event of a change in control and termination.

Payment obligations under the Termination Benefits Agreements with the Named Executives are two times the current annual base salary plus target bonus, payable 50% in twelve equal monthly installments and 50% in a lump sum at the end of the monthly installments. Health and other benefits are also continued for 18 months for the Named Executives, and all stock options and restricted stock awards become fully vested. The benefits provided were determined primarily by reference to comparative data provided to the Compensation Committee by its independent advisor and, at least in relation to base salary, are consistent with the prior agreements which they replaced. The benefits are believed by the Compensation Committee to be sufficient to provide the desired incentive and security to retain crucial personnel in a time of disruption.

The Termination Benefits Agreements have no set term and will continue until terminated by agreement of both the parties. The agreements specify that they do not confer on the executives any right to continued employment and shall not interfere with the right of the Company to terminate the executives at any time.

The awards of long-term incentive compensation to the Named Executives in fiscal 2012 in the form of restricted stock units vest by their terms solely on a change in control and do not also require the actual or deemed termination of the executive for vesting.

#### Broad-Based Benefits Programs

The Company offers certain broad-based benefits programs including benefits such as health, dental, disability and life insurance, health care savings accounts, paid vacation time and company contributions to a 401(k) Employee Savings Plan. Benefits are provided to all employees in accordance with practices within the marketplace and are a necessary element of compensation in attracting and retaining employees. There are no additional benefits programs for our Named Executives.

#### Stock Ownership Guidelines

The Board of Directors has established stock ownership guidelines for the Named Executives, other members of management and the non-employee directors of the Company. These guidelines provide for each covered individual to hold a number of shares of the Company's Common Stock with an aggregate market value that equates to a specified multiple of the employee's base salary or, in the case of directors, of their annual cash retainer. The guidelines are four times base salary for the Chief Executive Officer, three times base salary for President and Chief Financial Officer, one time base salary for the Vice Presidents and General Managers, and four times the annual base retainer for directors. The value of each person's share holdings for purposes of the guidelines includes all unrestricted and restricted shares held, all Company shares held in the person's retirement accounts, all shares held by or for the person's immediate family members, and the in-the-money value of all Company stock options held. Unvested restricted stock units are not counted for purposes of measuring compliance with the stock ownership guidelines. Even

though all members of management now hold a number of shares at or above the number of shares specified under the guidelines, the Compensation Committee recognizes that executive

20

---

officers or employees who were recently promoted to executive officer positions and newly elected directors may require some period of time to achieve the guideline amounts. The guidelines, therefore, contemplate a five-year transition period for acquiring a number of shares with the specified market value. The Compensation Committee will continue to monitor each executive's progress towards and continuing compliance with the guidelines in determining grants of equity awards.

#### Tax Deductibility and Executive Compensation

Section 162(m) of the Internal Revenue Code generally limits the corporate deduction for compensation paid to the Chief Executive Officer and other Named Executives to \$1 million per individual, unless certain requirements are met which establish that compensation as performance-based. The Compensation Committee has considered the impact of this tax code provision and attempts, to the extent practical, to implement compensation policies and practices that maximize the potential income tax deductions available to the Company by qualifying such policies and practices as performance-based compensation exempt from the deduction limits of Section 162(m).

The Compensation Committee will continue to review and modify our compensation practices and programs as necessary to ensure our ability to attract and retain key executives while taking into account the deductibility of compensation payments.

#### COMPENSATION AND RISK

Under its charter, the Compensation Committee is charged with review of risks related to the Company's compensation policies and practices. In 2012, the Compensation Committee directed the Human Resources General Manager of the Company to conduct a compensation risk assessment and to report to the Committee. The assessment reviewed design features, characteristics and performance metrics used in compensating all employees of the Company, including salaries, sales incentives, incentive bonus plans and long-term equity incentive compensation awards. The Compensation Committee reviewed and discussed the report and concluded that the Company's compensation programs, policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. This conclusion was based on a number of factors, including:

- The compensation levels and practices are generally judged to be uncomplicated and fair.

- Benefits are offered to all eligible employees on non-discriminatory base and no material perquisites are offered solely to executives or management.

- Incentive bonuses are determined either wholly or largely on total Company financial performance, and are capped at reasonable levels.

- Compensation of executive and senior managers is balanced between salary, benefits, annual cash incentive bonuses and long-term equity incentive awards, resulting in appropriate balancing of short and long-term interests and goals.

- Executives and senior managers are subject to stock ownership guidelines which align their interests with those of the stockholders.

## EXECUTIVE COMPENSATION

## Summary Compensation Table

The following table sets forth certain information with regard to the compensation paid to our Chief Executive Officer, our Chief Financial Officer and the Company's other three most highly compensated executive officers (collectively, our "Named Executives") during the fiscal years ended June 30, 2012, 2011 and 2010.

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
		(\$)	(\$)	(\$) (1)	(\$)	(\$) (2)	(\$) (3)	(\$)
John F. Prim Chairman and Chief Executive Officer	2012	520,000	—	2,584,313	—	611,520	5,000	3,720,833
	2011	520,000	—	2,029,900	—	655,044	5,000	3,209,944
	2010	495,733	—	392,953	—	625,430	5,000	1,519,116
Tony L. Wormington President	2012	428,480	—	861,438	—	327,530	5,000	1,622,448
	2011	428,480	—	473,021	—	412,755	5,000	1,319,256
	2010	408,484	—	323,802	—	394,094	5,000	1,131,380
Kevin D. Williams Treasurer and Chief Financial Officer	2012	386,250	—	689,150	—	295,250	5,000	1,375,650
	2011	386,250	—	426,389	—	372,075	5,000	1,189,714
	2010	368,225	—	291,891	—	355,253	5,000	1,020,369
Mark S. Forbis Vice President and Chief Technology Officer	2012	250,000	—	284,284	—	84,541	5,000	623,825
	2011	250,000	—	206,981	—	92,436	5,000	554,417
	2010	238,333	—	141,646	—	86,856	5,000	471,835
Jerry D. Hall Executive Vice President	2012	52,400	—	—	—	—	2,620	55,020
	2011	52,400	—	—	—	—	2,620	55,020
	2010	52,400	—	—	—	—	3,849	56,249

Reflects restricted stock grants made on September 10, 2009 and grants of restricted stock units on September 10, 2010 and September 10, 2011 under the Company's Restricted Stock Plan to Messrs. Prim, Wormington, Williams (1) and Forbis. Also reflects a grant of 40,000 shares of restricted stock to Mr. Prim on September 10, 2010.

Information about the assumptions used to determine the fair value of equity awards is set forth in our Annual Report on Form 10-K in Note 9 to our consolidated financial Statements for the year ended June 30, 2012.

Reflects amounts paid following the end of the fiscal year based upon achievement of performance goals under the (2) 2007 Executive Bonus plan as to Messrs. Prim, Wormington and Williams and under the 2007 General Manager Bonus Plan as to Mr. Forbis. These amounts were earned in the fiscal year listed and paid in the following fiscal year.

(3) Reflects matching contributions to the individual's accounts pursuant to the Company's 401(k) retirement plan.

## Grants of Plan-Based Awards Table

The following table presents information on awards granted to the Named Executives during the fiscal year ended June 30, 2012 under our 2007 Annual Incentive Plan with respect to performance targets set for fiscal 2012 and grants of restricted stock units made during fiscal year 2012.



Name	Grant Date	Estimated Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards (1)			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Grant Date Fair Value of Stock and Option Awards (\$)(2)
		Threshold	Target	Maximum	Threshold	Target	Maximum	(#)	(#)	
		(\$)	(\$)	(\$)	(#)	(#)	(#)	(#)	(#)	
Jack Prim	9/10/2011	260,000	520,000	1,040,000	26,250	75,000	131,250	—	—	2,584,313
Tony Wormington	9/10/2011	139,256	278,512	557,024	8,750	25,000	43,750	—	—	861,438
Kevin Williams	9/10/2011	125,532	251,063	502,126	7,000	20,000	35,000	—	—	689,150
Mark Forbis	9/10/2011	38,625	77,250	154,500	2,888	8,250	14,438	—	—	284,284
Jerry Hall	—	—	—	—	—	—	—	—	—	—

(1) Restricted stock units granted on September 10, 2011 under the Company's Restricted Stock Plan.

The amounts in the table represent the grant date fair value of the Awards. Information about the assumptions used (2) to determine the grant date fair value of the awards is set forth in our Annual Report on Form 10-K in Note 9 to our consolidated financial Statements for the year ended June 30, 2012.

#### Additional Information Regarding Summary Compensation and Grants of Plan-Based Awards

In response to the economic crisis and its effects on the Company's business, the annual base salaries of Messrs. Prim, Wormington and Williams at their request remained fixed at 2008 levels in fiscal years 2009, 2010, 2011 and 2012, and were subject to a 7% temporary reduction from June 1, 2009 to March 1, 2010. The fiscal 2012 annual base salary of Mr. Prim thus remained at \$520,000, the base salary of Mr. Wormington was \$428,500, and the base salary of Mr. Williams was \$386,300. The annual salary of Mr. Forbis was \$250,000 from 2008 through 2011, was subjected to the same reduction in 2009 and 2010, and was increased by 3% to \$257,500 in fiscal 2012. Reflecting his advisory role in management and at his request, Mr. Hall's base salary was reduced to \$52,400 in 2010 and continued at that level in fiscal 2011 and 2012.

For the year ended June 30, 2012, the Named Executives (other than Mr. Hall) had the opportunity to earn cash incentive bonuses under the Company's annual incentive cash bonus plan. Mr. Hall was not eligible under any bonus plan due to his senior advisory status. As set forth in greater detail in "Compensation Discussion and Analysis - Annual Incentive Cash Bonuses" above, the performance goals for Messrs. Prim, Wormington and Williams were based on achieving operating income and return on average assets targets established in the Company's annual budget. Mr. Forbis' performance goals included the Company's achievement of budgeted operating income as well as achievement of his departmental goals. The incentive plan set performance targets, thresholds for minimum performance, maximums for superior performance and required that for any bonus to be paid, all minimum thresholds had to be achieved. For the year ended June 30, 2012, actual operating income was 102% of budgeted operating income and actual return on average assets was 104% of budgeted return on average assets, yielding a payout at 117.6% of target for Messrs. Prim, Wormington and Williams. Mr. Forbis' performance goals were also met and exceeded resulting in a payout of 109.4% of his target bonus. Incentive cash bonuses were paid with respect to fiscal year 2012 performance in the following amounts to the Named Executives in August 2012: Mr. Prim: \$611,520, Mr. Wormington: \$327,530, Mr. Williams: \$295,250, and Mr. Forbis: \$84,541.

On September 10, 2011, the Company entered into Restricted Stock Unit Agreements with each of the Named Executives (other than Mr. Hall), in the following threshold, target and maximum share amounts:

Name	2012 RSU Threshold Grant	2012 RSU Target Grant	2012 RSU Maximum Grant
------	--------------------------	-----------------------	------------------------

Edgar Filing: HENRY JACK & ASSOCIATES INC - Form DEF 14A

John F. Prim	26,250	75,000	131,250
Tony L. Wormington	8,750	25,000	43,750
Kevin D. Williams	7,000	20,000	35,000
Mark S. Forbis	2,888	8,250	14,438

23

---



The Restricted Stock Unit Agreements entered into with each of the above Named Executives in fiscal year 2012 are identical except for the number of restricted stock units. All agreements settle three years following the grant date based upon the performance of the Company in comparison to the Compensation Peer Group in producing total shareholder return over the three year period. Amounts may be settled in Common Stock of the Company or cash or any combination thereof. Comparative performance in total shareholder return at less than the 25<sup>th</sup> percentile will result in no settlement. The target award is earned with total shareholder return at approximately the 63<sup>rd</sup> percentile in comparison to the Compensation Peer Group and the maximum amount is earned with performance at the 75<sup>th</sup> percentile or higher.

#### Outstanding Equity Awards at Fiscal Year End Table

The following table provides information regarding outstanding stock options, shares of restricted stock and restricted stock units held by the Named Executives as of June 30, 2012.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market Value of Unearned Shares, Units or Other Rights That Have Not Vested
			(#) (1)			(#) (3)	(#) (4)
Jack Prim	—	—	—	70,691	2,440,253	201,250	6,947,150
Tony Wormington	—	—	—	25,323	874,150	73,745	2,545,677
Kevin Williams	—	—	—	22,828	788,023	62,038	2,141,552
Mark Forbis	—	—	—	12,081	417,036	27,563	951,475
Jerry Hall	—	—	—	—	—	—	—

(1) With respect to the restricted stock grants made to Messrs. Prim, Wormington and Williams in 2007, 2008 and 2009, the restrictions on one-third of the shares lapse three years after the date of each grant and the remainder lapse at the end of seven years from the grant date, but may lapse earlier if at the end of years three, four and five the Company has achieved average shareholder returns over such periods which are at or in excess of the 65<sup>th</sup> percentile in comparison with other members of the Compensation Peer Group. Mr. Prim was granted additional shares of restricted stock in fiscal year 2011 as to which all restrictions lapse at the end of three years. The restrictions on Mr. Forbis' restricted shares will lapse over five years from each grant date, with one-ninth lapsing at the end of each of the first three years and one-third lapsing at the end of each of years four and five.

(2) Amounts calculated by multiplying the closing market price of our common stock on June 29, 2012 (\$34.52 per share) by the number of unvested shares of restricted stock.

(3) The restricted stock units vest three years from the date of grant based on achievement of total shareholder returns in comparison with other members of the Compensation Peer Group. No restricted stock units vest if total shareholder return over the three year period is below the 25<sup>th</sup> percentile and the full amount vests with performance at or above the 75<sup>th</sup> percentile. Share amounts disclosed reflect the maximum number of shares that could vest upon performance at the highest level of 75<sup>th</sup> percentile or above.

(4) Amounts calculated by multiplying the closing market price of our common stock on June 29, 2012 (\$34.52 per share) by the maximum number of shares issuable under the restricted stock units.

#### Option Exercises and Stock Vested Table

The following table provides information on stock option exercises by the Named Executives and restricted stock that vested during fiscal year 2012.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$ (1))	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$ (2))
John F. Prim	50,000	1,196,857	15,628	437,428
Tony L. Wormington	50,000	1,187,365	12,912	361,407
Kevin D. Williams	25,000	596,913	11,639	325,776
Mark S. Forbis	—	—	3,830	107,202
Jerry D. Hall	—	—	—	—

(1) Represents difference between exercise price and market value of the Company's Common Stock on the date of exercise.

(2) Value of the shares acquired on September 10, 2011, at the closing market price of such shares on September 9, 2011.

#### Agreements with Executive Officers and Potential Payments upon Termination or Change in Control

The Company has no employment contracts with any of its executive officers.

The Company has entered into Termination Benefits Agreements with each of Messrs. Prim, Wormington, Williams and Forbis. Under these agreements, change in control is defined as an acquisition of 20% or more of the stock of the Company, termination of service of a majority of the members of the Board during any two year period for reasons other than death, disability or retirement, approval by the stockholders of liquidation of the Company or sale of 50% or more of its assets, or approval by the stockholders of a merger or consolidation if the Company stockholders own less than 50% of the combined voting power of the resulting corporation. The Termination Benefits Agreements provide a cash payment severance benefit equal to 200% of the executive's annual salary plus target bonus then in effect, with half payable in 12 monthly installments and half in a lump sum at the end of such 12 months. In addition, all outstanding stock options will fully vest, all restrictions on restricted stock will lapse and the terminated executive will receive a welfare benefit consisting of payments equal to COBRA health insurance premiums and continuation of coverage under the Company's life insurance, disability, and dental plans for 18 months or until the executive becomes eligible for comparable benefits under a subsequent employer's arrangements. The termination benefits will be paid upon any termination of the executive during the 90 days prior to and the two years following any change in control unless the termination occurs by reason of the executive's death, disability, or if the termination is for cause. The termination benefits will also be paid if the executive terminates his employment after a change in control for good reason, such as a material diminution in authority, duties or responsibilities, a forced move, or a material diminution in annual salary. The Termination Benefits Agreements have no set term and will continue until terminated by agreement of both the parties.

The table below reflects the cash severance benefit payments and estimated welfare benefit payments that would be paid under the Termination Benefits agreements as if the triggering events occurred on June 30, 2012, the last day of the last completed fiscal year. The table also shows the value as of June 30, 2012 of all issued shares of restricted stock with respect to which restrictions would lapse upon a change in control and termination, and all RSUs with respect to which vesting would occur upon a change in control:

Name	Cash Payment Severance Benefit (\$)	Welfare Benefit (\$)	LTIP Restricted Stock and RSU Vesting (\$)
John F. Prim	2,080,000	19,158	9,387,403
Tony L. Wormington	1,413,984	16,375	3,419,827

Edgar Filing: HENRY JACK & ASSOCIATES INC - Form DEF 14A

Kevin D. Williams	1,274,625	24,082	2,929,574
Mark S. Forbis	669,500	34,072	1,368,511

Pursuant to the terms of the Restricted Stock Agreements previously entered into with Messrs. Prim, Wormington, Williams and Forbis, all restrictions on restricted shares immediately lapse in the event of a change in control of the Company. Similarly,

25

---

the Restricted Stock Unit Agreements entered into on September 10, 2010 and 2011 with these same executives provide that all restricted stock units shall be settled as soon as practicable following a change in control. For purposes of these Restricted Stock Agreements and Restricted Stock Unit Agreements, the definition of "change in control" as set forth in the Company's Restricted Stock Plan is virtually the same as set forth the Termination Benefits Agreements discussed above.

## EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of June 30, 2012 with respect to the Company's equity compensation plans under which our Common Stock is authorized for issuance:

Equity Compensation Plans approved by security holders:	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities in the first column of this table)
1995 Non-Qualified Stock Option Plan (Non-employee Directors)	50,000	\$19.05	—
1996 Stock Option Plan (Employees)	283,623	\$12.36	—
2005 Restricted Stock Plan	—	\$0.00	1,802,386
2005 Non-Qualified Stock Option Plan (Non-employee Directors)	130,000	\$23.43	520,000

## PROPOSAL 2

### ADVISORY VOTE ON EXECUTIVE COMPENSATION

As required by section 14A of the Securities Exchange Act, we include in this proxy statement a non-binding stockholder vote on compensation of the officers named in the Summary Compensation Table on page 22. We currently conduct annual advisory votes on executive compensation, and we expect to conduct the next advisory vote at our 2013 annual meeting of stockholders. With this year's "say on pay" proposal you can elect to endorse or not endorse our executive compensation programs and policies and the compensation we paid our Named Executives in fiscal 2012.

The say on pay vote is advisory and not binding on the Company, the Compensation Committee or the Board of Directors. However, the Compensation Committee and the Board of Directors value the opinions of our stockholders and will consider the outcome of the vote when making future decisions regarding executive compensation.

As described in the Compensation Discussion and Analysis, the Compensation Committee has designed the executive compensation program to encourage continuation of the Company's entrepreneurial spirit, attract and retain highly qualified and motivated executives, reward the creation of stockholder value, and encourage esprit de corps and reward outstanding performance. In designing the overall executive compensation program, the Company's Compensation Committee strives for the interests of management and stockholders to be the same—the maximization of stockholder value.



Our executive compensation package for Named Executives includes both cash and equity-based compensation, with an emphasis on performance-based pay. The Compensation Committee each year reviews and updates our executive compensation program to ensure they achieve the desired goals.

The Board of Directors believes that the compensation of the Named Executives is appropriate and effective in achieving the Company's objectives. Accordingly, the Board of Directors recommends that you vote to approve, on an advisory basis, the following resolution:

“RESOLVED, that the compensation paid to the Named Executives, as disclosed in the Company's Proxy Statement for the 2012 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables and related narrative disclosure, is hereby approved.”

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVES. PROXIES RECEIVED BY THE BOARD OF DIRECTORS WILL BE VOTED FOR THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVES UNLESS STOCKHOLDERS SPECIFY IN THEIR PROXY A VOTE OF "AGAINST" OR "ABSTAIN".

### PROPOSAL 3

#### APPROVAL OF THE COMPANY'S 2012 ANNUAL INCENTIVE PLAN

##### Introduction

Subject to stockholder approval at the 2012 Annual Meeting, the Company's Board of Directors, on the recommendation of the Compensation Committee, has unanimously approved the adoption of the Jack Henry & Associates, Inc. 2012 Annual Incentive Plan (the "Plan") and the Performance Criteria set out in the Plan. A copy of the Plan is included in this proxy statement as Annex A. The reason for seeking stockholder approval of the Plan is to satisfy requirements of the Internal Revenue Code of 1986, as amended (the "Code"), which require stockholder approval in order for the Awards under the Plan to satisfy conditions of Code Section 162(m) applicable to performance-based compensation (referred to as "Code Section 162(m) Awards"). It is the intent of Jack Henry that the Annual Incentive Plan and any Code Section 162(m) Awards granted under the Annual Incentive Plan satisfy the applicable requirements of Code Section 162(m). The Annual Incentive Plan does not preclude a participant who is a covered employee within the meaning of Section 162(m) from receiving an Award that is not a Code Section 162(m) Award. The Plan replaces the Company's 2007 Annual Incentive Plan which expired on August 30, 2012.

The Annual Incentive Plan was effective as of September 1, 2012 (referred to as the "Effective Date"). However, no Award under the Annual Incentive Plan will be payable to a covered employee within the meaning of Code Section 162(m) until the Annual Incentive Plan has been approved by the stockholders.

By approving the Annual Incentive Plan, stockholders are also approving the material terms of the Performance Criteria, as defined below, upon which the Compensation Committee may issue Code Section 162(m) Awards that qualifies as "performance-based" compensation for purposes of Code Section 162(m). See "Awards and Performance Criteria" below for a description of Performance Criteria.

##### Summary of the Annual Incentive Plan

Set forth below is a summary of the material terms of the Plan. This summary is not intended to be complete and is qualified in its entirety by the detailed provisions of the Plan attached to this proxy statement as Annex A. Capitalized terms have the meanings assigned to them in the Plan.

#### Purpose of the Annual Incentive Plan

The purpose of the Plan is to provide an annual performance based incentive for employees who are in a position to contribute materially to the success of Jack Henry and its Affiliates. The Compensation Committee and the Board believe that Jack Henry will significantly benefit from having Jack Henry's employees receive cash bonus Awards under the Plan. Jack Henry's success depends, in large measure, on its ability to attract and reward talented employees with outstanding abilities and experience. To achieve this objective, the Board adopted the Plan as a tool to attract, retain and motivate key employees to use their best efforts in performing their respective duties and obligations at Jack Henry.

#### Eligibility

All present and future employees, including executive officers, of Jack Henry or any of its Affiliates will be eligible to receive Awards under the Plan. The Compensation Committee will from time to time select which employees will participate in the Plan.

Status as an employee eligible to receive Awards under the Plan will not be construed as a commitment that any Award will be made under the Plan to such eligible employee. Nothing contained in the Plan or in any Award confers upon any participant any right to continue in the employ or other service of Jack Henry or its Affiliate or limit in any way the right of Jack Henry or its Affiliate to change such person's compensation or other benefits. As of September 1, 2012, approximately 115 employees were participants in the Plan.

#### Awards and Performance Criteria

An Award under the Plan entitles a participant to receive an amount in cash depending upon the level of performance goal achievement as set forth in the Plan award.

The Compensation Committee selects Performance Criteria (to be determined either in the aggregate or on a per-share basis, individually, or in any combination and either on a consolidated basis, or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combination thereof) from any of the following: net sales; pretax income; pretax income before allocation of corporate overhead and bonus; budget; operating income; net borrowing; cash flow from operations; cash flow returns (including cash flow returns on invested capital); earnings per share; market share; net income; capital expenditures; credit quality or debt ratings; division, group or corporate financial goals; return on shareholders' equity; total shareholder return; productivity increases; customer acquisition, expansion or retention; customer satisfaction (as measured by independent or other customer surveys); employee satisfaction (as measured by employee surveys); acquisitions or divestitures (in whole or in part); implementation, completion or attainment of measurable objectives with respect to research, development, commercialization, products or projects; production volume levels; recruiting and maintaining personnel; return on assets; preservation of Company or shareholder value during adverse business conditions; return on average assets; return on net assets; internal control achievement or improvement; return on investment capital; gross margin return on investment; gross margin dollars or percent; insurance renewal goals (premium savings, coverage improvement or bid improvement); payroll as a percentage of sales; employee turnover; sales; general and administrative expense; attainment of strategic and operational initiatives; appreciation in and/or maintenance of the price of the Company's common stock or any other publicly-traded securities of the Company, if any; market share; gross profits; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; economic value-added models or equivalent metrics comparisons with various stock market indices; and/or reductions in costs. For all awards other than Code Section 162(m) Awards, the Compensation Committee may select Performance Criteria based on any other performance metric it so chooses.

Anything else in the Plan to the contrary notwithstanding, the aggregate maximum amount payable under the Plan to any participant in any Plan Year will be the lesser of 300% of the participant's Base Salary or \$2,000,000. In the event of any conflict between an Award and the Plan, the terms of the Plan will govern.

The Compensation Committee will establish the performance goals (i.e., one or more levels of performance as to each Performance Criteria selected by the Compensation Committee) for the Company and the participants, as applicable, with respect to each specified performance period. Generally, all performance periods will be the Company's fiscal year. The Compensation Committee will also determine the extent to which each applicable Performance Criteria will be weighted in





determining Awards. The Compensation Committee may vary the Performance Criteria, Performance Goals and weightings from participant to participant, Award to Award and performance period to performance period. Except as the Compensation Committee otherwise determines and subject to the provisions of the Plan, with respect to all Code Section 162(m) Awards, all Performance Criteria and performance goals will be established not later than 90 days after the commencement of the applicable performance period (or, in the case of a performance period of less than 12 months' duration, not later than by the end of the first 25% of such period).

The Compensation Committee will establish for each participant the amount payable at specified levels of performance, based on the Performance Goal for each applicable Performance Criteria and the weighting established for such criteria. All such determinations regarding the achievement of any Performance Goals will be made by the Compensation Committee; provided, however, with respect to any Code Section 162(m) Award, the Compensation Committee may not increase during a performance period the amount of such Award that would otherwise be payable upon achievement of the Performance Goal or Goals.

Awards will be paid, in a lump sum cash payment, as soon as practicable during the first fiscal year that begins after the close of the performance period for which they are earned, but in no event later than the 75<sup>th</sup> day after the end of such fiscal year; provided, however, that no Code Section 162(m) Awards will be paid except to the extent that the Compensation Committee has certified in writing that the Performance Goals have been met.

An Award will not be assignable or transferable by the participant except by will or by the laws of descent and distribution.

The Compensation Committee will have the right to allow participants to elect to defer the payment of Awards subject to such terms and conditions as the Compensation Committee may determine; provided, however, that the participants' election to defer the payment of Awards complies with Code Section 409A and Treasury Regulations, Rulings and Notices of IRS, including, but not limited to, the requirement that the election to defer such payment is made before the first day of the taxable year during which the participants' services are performed or such other date as is permitted under Section 409A.

#### Administration

The Plan generally will be administered by the Compensation Committee comprised of not less than two members who each qualifies as an "outside director" within the meaning of Code Section 162(m) and the regulations thereunder. The Compensation Committee will have general authority to impose any limitation or condition upon an Award the Compensation Committee deems appropriate to achieve the objectives of the Award and the Plan.

The Compensation Committee will have the power and complete discretion to determine which employees will receive an Award and the nature of the Award, (ii) the amount of each Award, (iii) the time or times when an Award will be granted, (iv) the terms and conditions applicable to Awards, and (v) any additional requirements relating to Awards that the Compensation Committee deems appropriate.

The Compensation Committee will be entitled to make non-uniform and selective determinations and to establish non-uniform and selective Performance Criteria, Performance Goals and the weightings thereof.

The Compensation Committee may adopt rules and regulations for carrying out the Annual Incentive Plan. The interpretation and construction of any provision of the Annual Incentive Plan by the Compensation Committee will be final and conclusive.

#### Change in Control

In the event of a Change in Control, in addition to any action required or authorized by an Award, the Compensation Committee may, in its sole discretion, take any of the following actions as a result, or in anticipation, of any such event to assure fair and equitable treatment of participants: (a) accelerate time periods for purposes of vesting in, or, except in the case of deferred payments of Awards, receiving any payment with regard to, any outstanding Award; (b) make adjustments or modifications to outstanding Awards as the Compensation Committee deems appropriate to maintain and protect the rights and interests of participants following such Change in Control; or (c) terminate the Plan. Any such action approved by the Compensation Committee will be conclusive and binding on the Company and all participants.



#### Termination and Amendment

If not sooner terminated by the Board, no Code Section 162(m) Award can be made under the Plan after the Company's first stockholder meeting in 2017. The Board may terminate the Plan or may amend the Plan in such respects as it will deem advisable; provided that, if and to the extent required by the Code, no change will be made that changes the Performance Criteria, or increases the maximum potential benefits for participants under the Plan, unless such change is authorized by the stockholders of the Company. The Board may unilaterally amend the Plan and Awards as it deems appropriate to cause Awards to meet the requirements of Code Section 162(m) and regulations thereunder. Except as provided in the preceding sentence, a termination or amendment of the Annual Incentive Plan will not, without the consent of the participant, adversely affect, in any material respect, a participant's rights under an Award previously granted to such participant.

#### Summary of U.S. Federal Income Tax Consequences

A participant will realize ordinary income upon payment of an Award under the Plan. Generally, whenever a participant realizes ordinary income under the Plan, a corresponding deduction is available to the Company provided the Company complies with certain reporting requirements. Under Code Section 162(m), the Company's tax deduction may be limited to the extent total compensation paid to the Chief Executive Officer, or any of the three most highly compensated executive officers (other than the Chief Executive Officer) exceeds \$1 million in any one tax year. The deduction limit does not apply to payments that qualify as "performance-based" provided certain requirements are met.

One of those requirements is that the Company must obtain stockholder approval of the material terms of Performance Criteria for such compensation. In accordance with Code Section 162(m) and the Treasury regulations issued thereunder, the material terms of the Performance Criteria that the stockholders approve form the basis upon which the Compensation Committee may issue Code Section 162(m) Awards providing for compensation from the Company that qualifies as "performance-based" compensation for purposes of Code Section 162(m). Under Code Section 162(m), the Compensation Committee must be comprised solely of two or more outside directors.

The material terms that must be approved by stockholders of the Company include: (i) the employees eligible to receive compensation; (ii) a description of the business factors upon which the Performance Criteria are based; and (iii) the maximum dollar amount of compensation that could be paid to the employee.

Generally, it is the intent of the Compensation Committee to structure the Company's cash and stock-based compensation programs so that compensation payments and stock-based awards are tax deductible. We are seeking stockholder approval of the Plan and the material terms of the Performance Criteria set forth thereunder in order to ensure future bonus awards under the Annual Incentive Plan meet the requirements for deductibility under Code Section 162(m). However, the Compensation Committee reserves the discretion to make an Award to a covered employee within the meaning of Section 162(m) that is not a Code Section 162(m) Award.

#### New Annual Incentive Plan Benefits

On August 23, 2012, the Compensation Committee announced potential fiscal 2013 awards under the Annual Incentive Plans to Messrs. Prim, Wormington, Williams and Forbis, subject to stockholder approval of the new Plan and its Performance Criteria. The following table sets forth information regarding potential new plan benefits that may be received pursuant to the Plan for those awards.

Name and Position	Dollar Value <sup>(1)</sup>
John F. Prim, Chief Executive Officer and Chairman of the Board	\$0 - \$1,102,400
Tony L. Wormington, President	\$0 - \$662,100
Kevin D. Williams, Chief Financial Officer and Treasurer	\$0 - \$557,060
Mark S. Forbis, Vice President and Chief Technology Officer	\$0 - \$160,680
All Executive Officers as a Group	\$0 - \$2,482,240
Non-Executive Director Group	0
Non-Executive Officer Employee Group <sup>(2)</sup>	\$0 - \$2,500,000

Represents the range of the potential Awards to the listed Named Executive Officers based on meeting the applicable Performance Goals as specified in the Annual Incentive Plan. The potential bonuses range from \$0 if

(1) performance is below threshold to the maximum amounts shown if Performance Goals are achieved at or above set maxima. Awards for future periods may be different from the amounts indicated, and the dollar value of future awards is not currently determinable.

(2) Amounts approximated from prior year eligible employees and Awards.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE JACK HENRY & ASSOCIATES, INC. 2012 ANNUAL INCENTIVE PLAN. PROXIES RECEIVED BY THE BOARD OF DIRECTORS WILL BE VOTED FOR THE APPROVAL OF THE ADOPTION OF THE PLAN UNLESS STOCKHOLDERS SPECIFY IN THEIR PROXY A VOTE OF "AGAINST" OR "ABSTAIN".

#### PROPOSAL 4 RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP, an independent registered public accounting firm, performed an audit of our consolidated financial statements for the fiscal year ended June 30, 2012 and the effectiveness of our internal control over financial reporting as of June 30, 2012. The Audit Committee has selected Deloitte & Touche, LLP to serve as our independent registered public accounting firm for the current fiscal year, and the committee is presenting this selection to stockholders for ratification. Representatives of Deloitte & Touche are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and to be available to respond to appropriate questions.

If prior to the Annual Meeting Deloitte & Touche LLP declines to act as our independent registered public accountant or the Audit Committee decides not to use Deloitte & Touche LLP as our independent registered public accountant, the Audit Committee will appoint another independent registered public accounting firm. The Audit Committee will present any new independent registered public accounting firm for the stockholders to ratify at the Annual Meeting. If the stockholders do not ratify the engagement of Deloitte & Touche LLP at the Annual Meeting, then the Audit Committee will reconsider its selection of Deloitte & Touche LLP.

To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2013, a majority of the shares present and entitled to vote must vote to approve. For purposes of determining the vote regarding this proposal, abstentions will have the same impact as a no vote. Unless you specify otherwise in your proxy, the persons you have appointed will vote your shares "For" ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2013.

#### Audit and Non-Audit Fees

The following table presents fees for professional audit services rendered by Deloitte & Touche LLP for the audit of the Company's annual consolidated financial statements for the fiscal years ended June 30, 2012 and 2011 and reviews

of the financial statements included in the Company's Forms 10-Q for those fiscal years, the audit of the Company's assessment

31

---

and effectiveness of internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, and fees for other services rendered during those periods.

	2012	2011
Audit Fees	\$645,839	\$510,930
Audit-Related Fees (1)	528,611	559,642
Tax Fees (2)	134,327	173,003
All Other Fees	—	3,128
Total Fees	\$1,308,777	\$1,246,703

Audit-related fees for 2012 and 2011 included audits performed in accordance with SSAE 16 and review of other (1)SEC filings. SSAE 16 reviews are conducted to evaluate the effectiveness of operational controls in various regulated business operations of the Company, including our data processing service bureaus.

(2)Tax fees for 2012 and 2011 relate to U.S. federal, state and local tax planning and compliance.

In making its decision to continue to retain Deloitte & Touche LLP as the Company's independent registered public accounting firm for the next fiscal year, the Audit Committee has considered the above information to ensure that the provision of non-audit services will not negatively impact the maintenance of the firm's independence.

The Audit Committee has in its Charter expressed its policy governing the engagement of the Company's independent registered public accounting firm for audit and non-audit services. Under the terms of the Charter, the Audit Committee is required to pre-approve all audit, audit related and non-audit services performed by the Company's independent registered public accounting firm. All non-audit services for 2012 were pre-approved by the Audit Committee.

At the beginning of each fiscal year, the Audit Committee reviews with management and the independent registered public accounting firm the types of services that are likely to be required throughout the year. Those services are comprised of four categories: audit services, audit-related services, tax services and all other permissible services. The independent registered public accounting firm provides documentation for each proposed specific service to be provided. At that time, the Audit Committee pre-approves a list of specific services that may be provided within each of these categories, and sets fee limits for each specific service or project. Management is then authorized to engage the independent registered public accounting firm to perform the pre-approved services as needed throughout the year, subject to providing the Audit Committee with regular updates. The Audit Committee reviews all billings submitted by the independent registered public accounting firm on a regular basis to ensure that their services do not exceed pre-defined limits. The Audit Committee or its Chairman reviews and approves in advance, on a case-by-case basis, all other projects, services and fees to be performed by or paid to the independent registered public accounting firm. The Audit Committee also approves in advance any fees for pre-approved services that exceed the pre-established limits, as described above.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" RATIFICATION OF THE SELECTION OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED ACCOUNTING FIRM. PROXIES RECEIVED BY THE BOARD OF DIRECTORS WILL BE VOTED FOR THE RATIFICATION UNLESS STOCKHOLDERS SPECIFY IN THEIR PROXY A VOTE OF "AGAINST" OR "ABSTAIN".

## STOCKHOLDER PROPOSALS

Stockholders who intend to present proposals for inclusion in the proxy statement and form of proxy for the 2013 Annual Meeting of Stockholders must submit their proposals to the Company's Secretary on or before June 5, 2013. A stockholder who wishes to present a proposal at the 2013 Annual Meeting, but who does not request inclusion in the proxy statement, must submit the proposal to the Company's Secretary by August 16, 2013. The Company's bylaws specify requirements for the content of the notice that stockholders must provide.





## COST OF SOLICITATION AND PROXIES

Proxy solicitation is being made by mail, although it may also be made by telephone, telegraph, or in person by officers, directors and employees of the Company not specifically engaged or compensated for that purpose. The Company will bear the entire cost of the Annual Meeting, including the cost of preparing, assembling, printing, and mailing the Proxy Statement, the Proxy and any additional materials furnished to stockholders. Copies of the solicitation materials will be furnished to brokerage houses, fiduciaries and custodians for forwarding to the beneficial owners of shares held of record by them and, upon their request, such persons will be reimbursed for their reasonable expenses incurred in completing the mailing to such beneficial owners.

## FINANCIAL STATEMENTS

Consolidated financial statements of the Company are contained in the 2012 Annual Report which accompanies this Proxy Statement.

## OTHER MATTERS

The Board of Directors knows of no matters that are expected to be presented for consideration at the 2012 Annual Meeting which are not described herein. However, if other matters properly come before the meeting, it is intended that the persons named in the accompanying Proxy will vote thereon in accordance with their best judgment.

By Order of the Board of Directors

/s/ John F. Prim

John F. Prim  
Chairman of the Board

Monett, Missouri  
October 3, 2012

A copy of the Company's Annual Report is included herewith. The Company will furnish without charge a copy of its Annual Report on Form 10-K as filed with the Securities and Exchange Commission upon written request directed to Kevin D. Williams, Chief Financial Officer, Jack Henry & Associates, Inc., 663 Highway 60, Post Office Box 807, Monett, Missouri, 65708. The Form 10-K is also available at our investor relations website, [www.jackhenry.com/ir/](http://www.jackhenry.com/ir/).

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on November 14, 2012:

The Proxy Statement and the 2012 Annual Report are available at [www.edocumentview.com/JKHY](http://www.edocumentview.com/JKHY).



Annex A

JACK HENRY & ASSOCIATES, INC.

2012 ANNUAL INCENTIVE PLAN

Purpose. The purpose of the Jack Henry & Associates, Inc. 2012 Annual Incentive Plan (the "Plan") is to provide an annual performance based incentive for eligible Participants who are in a position to contribute materially to the success of the Company and its Affiliates.

2. Definitions.

"Affiliate" means any corporation or other entity owning, directly or indirectly, 50% or more of the outstanding stock of the Company, or in which the Company or any such corporation or other entity owns, directly or indirectly, 50% or more of the outstanding capital stock (determined by aggregate voting rights) or other voting interests.

"Award" means an award made pursuant to the Plan. All Award payments shall be in cash.

"Board" means the Board of Directors of the Company.

"Change in Control" means (i) if there is an employment agreement or at will offer letter between the Participant and the Company or any of its Affiliates in effect, "Change in Control" shall have the same definition as the definition of "Change in Control" contained in such employment agreement or at will offer letter; or (ii) if "Change in Control" is not defined in such employment agreement or at will offer letter or if there is no employment agreement or at will offer letter between the Participant and the Company or any of its Affiliates in effect, "Change in Control" of the Company shall be deemed to have occurred upon any of the following events:

The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act (a "Person")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% of either (i) the then-outstanding shares of Common Stock (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities");

(1) provided, however, that for purposes of this subsection (1), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (3) of this definition; or

Individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(2)

Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination,

(3) (i) all or substantially all of the individuals and

entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then-outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, more than 50% of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination, or the combined voting power of the then-outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(4) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Code Section 162(m) Award" means an Award intended to qualify as "performance-based compensation" as described in Code Section 162(m)(4)(C).

"Committee" means the committee appointed by the Board as defined in Section 5 below.

"Company" means Jack Henry & Associates, Inc.

"Covered Employee" means a covered employee within the meaning of Code Section 162(m)(3).

"Effective Date" means the effective date of the Plan as defined in Section 12 below.

"Employee" means an employee of the Company or any of its Affiliates whether now existing or hereafter created or acquired.

"Exchange Act" means Securities Exchange Act of 1934, as amended.

"Participant" means an Employee selected from time to time by the Committee to participate in the Plan.

"Performance Criteria" means an objectively determinable measure of performance relating to any of the following (determined either in the aggregate or on a per-share basis, individually, or in any combination and either on a consolidated basis, or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combination thereof): net sales; pretax income; pretax income before allocation of corporate overhead and bonus; budget; operating income; net borrowing; cash flow from operations; cash flow returns (including cash flow returns on invested capital); earnings per share; market share; net income; capital expenditures; credit quality or debt ratings; division, group or corporate financial goals; return on shareholders' equity; total shareholder return; productivity increases; customer acquisition, expansion or retention; customer satisfaction (as measured by independent or other customer surveys); employee satisfaction (as measured by employee surveys); acquisitions or divestitures (in whole or in part); implementation; production volume levels;

recruiting and maintaining personnel; return on assets; preservation of Company or shareholder value during adverse business conditions; return on average assets; return on net assets; internal control achievement or improvement; return on investment capital; gross margin return on investment; gross margin dollars or percent; insurance renewal goals (premium savings, coverage improvement or bid improvement); payroll as a percentage of sales; employee turnover; sales; general and administrative expense; completion or attainment of measurable objectives with respect to research, development, commercialization, products, projects, or strategic and operational initiatives; appreciation in and/or maintenance of the price of the Company's common stock or any other publicly-traded securities of the Company, if any; market share; gross profits; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; economic value-added models or equivalent metrics; comparisons with various stock market indices; and/or reductions in costs. For any Awards other than Code Section 162(m) Awards, the Compensation Committee may base or measure performance on any of the above business or performance criteria or any other performance metric it so chooses.

The foregoing criteria shall have any reasonable definitions that the Committee may specify, which may include or exclude any or all of the following items as the Committee may specify: extraordinary, unusual or non-recurring items; effects of accounting changes; effects of financing activities; expenses for restructuring or productivity initiatives; other non-operating items; spending for acquisitions; effects of divestitures; and effects of litigation activities and settlements.

"Performance Goal" means one or more levels of performance as to each Performance Criteria, as established by the Committee that will result in the Performance Percentage that is established by the Committee for each such level of performance.

"Performance Period" means the period over which performance with respect to an Award is to be measured. Unless otherwise specified with respect to an Award, the Performance Period will always be a Plan Year.

"Plan Year" means the fiscal year of the Company.

3. Eligibility. All present and future Employees shall be eligible to receive Awards under the Plan.

4. Awards.

(a) The Committee shall determine, in respect of each Award, the Performance Goals for each Performance Criteria, the maximum bonus payable and such other terms and conditions applicable to the Award, as determined by the Committee, not inconsistent with the terms of the Plan. Anything else in this Plan to the contrary notwithstanding, the aggregate maximum amount payable under the Plan to any Participant in any Plan Year shall be the lesser of 300% of the Participant's Base Salary or \$2,000,000. In the event of any conflict between an Award and the Plan, the terms of the Plan shall govern.

(b) The Committee shall establish the Performance Goals for the Company and the Participants, as applicable, each Performance Period. The Committee shall also determine the extent to which each applicable Performance Criteria shall be weighted in determining Awards. The Committee may vary the Performance Criteria, Performance Goals and weightings from Participant to Participant, Award to Award and Performance Period to Performance Period.

(c) The Committee shall establish for each Participant the amount(s) payable at specified levels of performance, based on the Performance Goal for each applicable Performance Criteria and the weighting established for such criteria.

(d) Except as the Committee otherwise determines and subject to the provisions of the Plan, with respect to all Code Section 162(m) Awards, the foregoing determinations shall be established not later than 90 days after the commencement of the Performance Period (or, in the case of a Performance Period of less than 12 months' duration, not later than by the end of the first 25% of such period).

(e) Following the end of each Performance Period, the Committee shall determine whether, and the extent to which, the Performance Goals were satisfied. All such determinations regarding the achievement of any Performance Goals shall be made by the Committee; provided, however, that the Committee may not increase during a Plan Year the amount of any Code Section 162(m) Award that would otherwise be payable upon achievement of the Performance Goal or Goals.

(f) Awards shall be paid, in a lump sum cash payment, as soon as practicable during the first fiscal year that begins after the close of the Performance Period for which they are earned, but in no event later than the 75th day after the end of such fiscal year; provided, however, that no Code Section 162(m) Awards shall be paid except to the extent that the Committee has certified in writing that the Performance Goals have been met. Notwithstanding the foregoing provisions of this Section 4(f), the Committee shall have the right to allow Participants to elect to defer the payment of Awards subject to such terms and conditions as the Committee may determine; provided, however, that the Participants' election to defer the payment of Awards must be pursuant to a Company-adopted nonqualified deferred compensation plan or agreement and must comply in all respects with Code Section 409A and Treasury Regulations, Rulings and Notices of the Internal Revenue Service.

(g) Whenever payments under the Plan are to be made, the Company and/or the Affiliate will withhold therefrom an amount sufficient to satisfy any applicable governmental withholding tax requirements related thereto.

(h) Nothing contained in the Plan will be deemed in any way to limit or restrict the Company, any of its Affiliates, or the Committee from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

5. Administration. The Plan generally shall be administered by a committee (the "Committee"), which shall be the Compensation Committee of the Board or another committee appointed by the Board from among its members. Unless the Board determines otherwise, the Committee shall be comprised solely of not less than two members who each shall qualify as an "outside director" within the meaning of Code Section 162(m) and the regulations thereunder. The Committee shall have general authority to impose any limitation or condition upon an Award the Committee deems appropriate to achieve the objectives of the Award and the Plan and, in addition, and without limitation and in addition to powers set forth elsewhere in the Plan, shall have the following specific authority:

(a) The Committee shall have the power and complete discretion to determine (i) which Employees shall receive an Award and the nature of the Award, (ii) the amount of each Award, (iii) the time or times when an Award shall be granted, (iv) whether a disability exists, (v) the terms and conditions applicable to Awards, and (vi) any additional requirements relating to Awards that the Committee deems appropriate.

(b) The Committee may adopt rules and regulations for carrying out the Plan. The interpretation and construction of any provision of the Plan by the Committee shall be final and conclusive. The Committee may consult with counsel, who may be counsel to the Company, and shall not incur any liability for any action taken in good faith in reliance upon the advice of counsel.

(c) As to any Code Section 162(m) Awards, it is the intent of the Company that this Plan and any Code Section 162(m) Awards hereunder satisfy, and be interpreted in a manner that satisfy, the applicable requirements of the "performance-based compensation exemption" under Code Section 162(m). If any provision of this Plan or if any Code Section 162(m) Award would otherwise conflict with the intent expressed in this Section 5(c), that provision to the extent possible shall be interpreted so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, such provision shall be deemed void as applicable to Covered Employees. To the extent that, even with such conflicting provision deemed void, the Award will not qualify as exempt under Code Section 162(m), such Award shall nevertheless continue in effect as an Award that is unable to qualify for the "performance-based compensation exemption" under Code Section 162(m). Nothing herein shall be interpreted to preclude a Participant who is or may be a Covered Employee from receiving an Award that is not a Code Section 162(m) Award.

(d) The Committee's determinations under the Plan need not be uniform and may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are



similarly situated. Without limiting the generality of the foregoing, the Committee shall be entitled, among other things, to make nonuniform and selective determinations and to establish nonuniform and selective Performance Criteria, Performance Goals and the weightings thereof.

6.Change in Control. In the event of a Change in Control of the Company, in addition to any action required or authorized by the terms of an Award, the Committee may, in its sole discretion, take any of the following actions as a result, or in anticipation, of any such event to assure fair and equitable treatment of Participants: (a) accelerate time periods for purposes of vesting in, or, except in the case of deferred payments of Awards, receiving any payment with regard to, any outstanding Award; (b) make adjustments or modifications to outstanding Awards as the Committee deems appropriate to maintain and protect the rights and interests of Participants following such Change in Control; or (c) terminate the Plan. Any such action approved by the Committee shall be conclusive and binding on the Company and all Participants.

7.Nontransferability of Awards. An Award shall not be assignable or transferable by the Participant except by will or by the laws of descent and distribution.

8.Termination, Modification, Change. If not sooner terminated by the Board as provided in Section 6 above or otherwise, no Code Section 162(m) Award may be made pursuant to this Plan after the first shareholder meeting that occurs in 2017. The Board may terminate the Plan or may amend the Plan in such respects as it shall deem advisable; provided that, if and to the extent required by the Code, no change shall be made that changes the Performance Criteria, or materially increases the maximum potential benefits for Participants under the Plan, unless such change is authorized by the shareholders of the Company. Notwithstanding the foregoing, the Board may unilaterally amend the Plan and Awards as it deems appropriate to cause Awards to meet the requirements of Code Section 162(m), and regulations thereunder. Except as provided in the preceding sentence, a termination or amendment of the Plan shall not, without the consent of the Participant, adversely affect in any material respect a Participant's rights under an Award previously granted to him.

9.Unfunded Plan. The Plan shall be unfunded. No provision of the Plan or any Award will require the Company or any of its Affiliates, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor will the Company or any of its Affiliates maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants will have no rights under the Plan other than as unsecured general creditors of the Company and its Affiliates, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they will have the same rights as other employees under generally applicable law.

10.Liability of Company. Any liability of the Company or an Affiliate to any Participant with respect to an Award shall be based solely upon the parties' contractual obligations as set forth in the Plan and the Award. Neither the Company nor an Affiliate, nor any member of the Board or of the Committee, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken in good faith under the Plan. Status as an eligible Employee shall not be construed as a commitment that any Award will be made under this Plan to such eligible Employee or to eligible Employees generally. Nothing contained in this Plan or in any Award (or in any other documents related to this Plan or to any Award) shall confer upon any Employee or Participant any right to continue in the employ or other service of the Company or an Affiliate or constitute any contract or limit in any way the right of the Company or an Affiliate to change such person's compensation or other benefits.

11.Interpretation. If any term or provision contained herein will to any extent be invalid or unenforceable, such term or provision will be reformed so that it is valid, and such invalidity or unenforceability will not affect any other



provision or part hereof. The Plan, each Award and all actions taken hereunder or thereunder shall be governed by, and construed in accordance with, the laws of the State of Delaware without regard to the conflict of law principles thereof.

12. Effective Date of the Plan. The Plan shall be effective as of September 1, 2012 (the "Effective Date") and shall be submitted to the shareholders of the Company for approval. No Award shall be payable to a Covered Employee until the Plan has been approved by the shareholders.

38

---

[PROXY CARD]

Jack Henry & Associates, Inc.

IMPORTANT ANNUAL MEETING INFORMATION

Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on November 14, 2012.

Vote by Internet

- Go to [www.envisionreports.com/JKHY](http://www.envisionreports.com/JKHY)
- Or scan the QR code with your smartphone
- Follow the steps outlined on the secure website

Vote by telephone

- Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone
- Follow the instructions provided by the recorded message

Using a black ink pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas. x

Annual Meeting Proxy Card

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

A Proposals - The Board of Directors recommends a vote FOR Proposals 1, 2, 3, and 4.

1. Election of Directors	For	Withhold		For	Withhold		For	Withhold
01 - J. Hall			02 - M Flanigan			03 - W. Brown		
04 - M. Shepard			05 - J. Prim			06 - T. Wilson		
07 - J. Fiegel			08 - T. Wimsett					
			For Against	Abstain			For Against	Abstain

2. To approve the compensation of our named executive officers.

3. To approve the Company's 2012 Annual Incentive Plan.

4. To ratify the selection of the Company's independent registered public accounting firm.

Note: Such other business as may properly come before the meeting or any adjournment thereof.

B Non-Voting Items

Change of Address - Please print new address below.

C Authorized Signatures - This section must be completed for your vote to be counted. - Date and Sign Below

Please sign exactly as name appears below. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

Date (mm/dd/yyyy) - Please print date below.

Signature 1 - Please keep signature within the box.

Signature 2 - Please keep signature within the box.



IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

Proxy - Jack Henry & Associates, Inc.

This proxy is Solicited on Behalf of the Board of Directors

The undersigned hereby appoints John F. Prim and Kevin D. Williams as Proxies, each with the power to appoint his or her substitute, and hereby authorizes them to represent and to vote, as designated below, all the shares of common stock of Jack Henry & Associates, Inc. held of record by the undersigned on September 20, 2012, at the annual meeting of shareholders to be held on November 14, 2012 or any adjournment thereof.

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this proxy will be voted FOR Proposals 1, 2, 3, and 4. In their discretion, the Proxies are authorized to vote upon such other matters as may properly come before the meeting.

Edgar Filing: HENRY JACK & ASSOCIATES INC - Form DEF 14A

PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.