

## Monthly Highlights – January 2007

FSTC continues to provide an action-oriented, collaborative forum for our members to address shared business opportunities and challenges through technology-oriented projects and knowledge-sharing. Please contact me, Dan Schutzer at [Dan.Schutzer@fstc.org](mailto:Dan.Schutzer@fstc.org), or the appropriate Managing Executive for more information.

Since our last update, we:

Began work on our **Annual Conference May 16-17 in Dallas at the Hyatt Regency**. It will feature experts to talk about the following:

- Building a Resilient Financial Services Enterprise
- Keeping up and getting ahead of CyberCrime
- Fighting Cross Channel Payment Fraud
- Getting ready for the Mobile eCommerce Revolution
- Building and maintaining applications faster and more securely, at lower cost
- Getting better control over your third party service providers
- Building a business case for security and business continuity

Began work on **Mobile Payments Workshop May 15 in Dallas at the Hyatt Regency**. It will feature experts to talk about the following:

- Current Trends and uses
- Vendor Matrix
- Review of Business Models
- Review of current standards and the need
- Issues discussion
- Framework for a Business Case

And describe FSTC projects and initiatives in these areas. It will also include interactive discussions regarding potential for fruitful collaboration in these areas.

Please see [FSTC.org](http://FSTC.org) for additional details, registration, exhibitor or sponsorship opportunities. Members receive a discount as added value to participation.

**Started several new project initiatives (summarized below):**

- Resiliency Maturity Phase III - The Resiliency Engineering Framework was developed as a tool to measure and improve an organization's operational resiliency capabilities. [Click here for more detail](#). Please contact Charles Wallen ([Charles.Wallen@fstc.org](mailto:Charles.Wallen@fstc.org)) for more information on joining the project and becoming part of the pilot activities planned for Phase 3.
- Spoof 2007 - is to study the capability of biometric systems to resist spoofing, an often overlooked risk to biometric systems, where spoofing is defined as the use

of a fake biometric to trick a system into generating a false match. [Click here for more detail](#)

- [Better Collaboration Tools and real-time sharing of information](#) –Real-time sharing of information on Fraud incidents and patterns to improve fraud forecast, detection and mitigation. Determine the feasibility and benefit of sharing models of fraudulent behavior, in better prediction and mitigation of fraud, and in better forensics and prosecution. We are working closely with BITS to make sure our “similar” initiatives complement and not overlap with each other. [Click here for more detail](#)
- [Financial Services Certificate Authority Bridge](#) – use of Federal Certificate Authority Bridge, as a means of simplifying the management and use of certificates and PKI technology in the financial services industry. [Click here for more detail](#)

**We continue to develop and share ideas on:**

- [Mobile Payments](#) – studying the various trends, business models, technology and standards involved in mobile payments. We have formed a partnership with TheClearingHouse TCH and will be addressing this opportunity together
- [Securing the Extended Enterprise \(SEE-SIG\)](#) – managing and controlling access to information and resources across the Extended Enterprise. At this time we do not have enough participants to kick off the project. We are currently forming a Special Interest Group which will be managed by a PM and therefore there will be a minimal charge to participants.
- [Image Exchange Options \(IEO-SIG\)](#) – documenting the many multiple options available to check processing organizations today to move from paper based check collection to exchanging images with each other is the key behind this new SIG. We are currently forming a Special Interest Group which will be managed by a PM and therefore there will be a minimal charge to participants.

**And have started to develop and share ideas on:**

- [Data Retention](#) – issues of the economic and timely storing and retrieving structured and unstructured documents, including meeting the recent eDiscovery regulatory requirements
- [Insider Threat](#) – the occurrence and cost of insider fraud is escalating. Understand what’s being done and what can be done going forward to stop insider threat
- [A Collaborative Development Environment for Financial Service firm](#) - the possibilities and benefits around an Open Source Development community specifically for financial service firms, and standardization around a set of Software components

**Below is a short highlight of activities in our Standing Committees:**

**Enterprise Architecture Standing Committee (EASCOM)**

1. The first meeting of the SOA SIG was held by conference call on January 10. The call was very well attended with 22 participants. The charter of the SOA SIG was ratified, an initiative to identify a starting point for an SOA reference architecture for the financial services industry was launched and a standard time for the monthly SOA SIG call was identified. Subsequent calls will be held on the second Wednesday of the month at 4:00 Eastern Time.

2. The second monthly EA SCOM call was held on January 11 with an in-depth presentation of EA Maturity assessment from Michael Rollings (Momentum Strategies) and George Paras (EA Directions). The presentation and Q&A was very well received. The next call will be held on February 8 and will feature a discussion on defining a reference architecture for the financial services industry led by Roy Taylor of Wells Fargo. The EA SCOM reference architecture will complement the SOA reference architecture and, between them, will create a powerful industry resource

For more information, please contact Bill Barr at [bill.barr@fstc.org](mailto:bill.barr@fstc.org).

### **Business Continuity Standing Committee (BCSCOM)**

- We are pleased to announce that Marty Plevel is the new BCSCOM Co-Chair. Marty serves as the Northeast Region Business Continuity Management Services leader for KPMG LLP's Advisory Services Practice. He replaces Damian Walch as the BCSCOM Vendor Co-Chair. A big thank you to both Marty and Damian for their support of FSTC's BCSCOM.
- A meeting was held of the BCSCOM on January 21<sup>st</sup> to plan BCSCOM activities, meeting agendas and plans for 2007. The BCSCOM meets at 1 et on the fourth Monday of each month.
- February 22<sup>nd</sup> will be the next meeting of the BSCOM – Randy Till of MasterCard will discuss his organization's use of the Incident Command System.
- We participated in the first meeting of the DHS-NCS Pandemic Impact on Communication Networks working group. Regular follow-up meetings are planned for next few months. Please let Charles Wallen know if you wish to receive updates on activities of this working group.
- The Resiliency Maturity Phase III (see projects above) is holding an in-person meeting in Washington DC on Feb 21-22.

For more information, please contact Charles Wallen at [Charles.Wallen@fstc.org](mailto:Charles.Wallen@fstc.org).

### **Payments and Check Imaging Standing Committee**

## Continued support of Special Interest Groups

- Source Document Forum SIG - have documented contacts for MoneyGrams, Travelers Checks, Postal Money Orders, Canadian checks, Treasury Checks, etc.
- Check Field Usability SIG - completing definition metrics for field level image usability and will submit to X9.
- Image Exchange Options (IEO) SIG – new group being formed. Will document the image exchange options to help encourage image exchange adoption.

## Account-based Payments

- Discussing various payment related trends and opportunities, monthly bank-only meetings are last Thursday of the month
- The next few monthly meetings will focus on Mobile Payments with vendors presenting various mobile payment solutions. Tyfone and Firethorn have presented their solutions to the group; going forward we are scheduling Yodlee, Mfoundry, Obopay, PayPal, Clairmail, Visa, MC, etc. If you have a solution or would like to hear about a certain vendor solution, please get in touch with us.
- We formed a partnership with TheClearingHouse in the area of Mobile Payments

For more information, please contact Chris Nautiyal at [chris.nautiyal@fstc.org](mailto:chris.nautiyal@fstc.org).

## **Security and Infrastructure Standing Committee**

In addition to Columbia, FSTC has formed a partnership with the Center for Advanced Technology in Telecommunications at Polytechnic University last month.

- Securing the Extending the Enterprise (SEE) SIG – new group being formed. Will focus on compliance concerns and protecting the FI's from breaches.

Held meetings on:

- Trustworthy Interfaces for Passwords and Personal Information (TIPPI) Workshop Update – John Linn
- Electronic Authentication Partnership (EAP) update – Mike Sessa

- Biometric Spoofing Testing pilot – Samir Nanavati
- PCI Data Security Standards for Bank Account number protection – Barbara Mitchell
- LUCID collaborative database platform for sharing investigation information between law enforcement agencies and private sector firms - Charlie Marshall
  
- Bob Griffin from RSA gave a talk about key management

For more information, please contact Chris Nautiyal at [chris.nautiyal@fstc.org](mailto:chris.nautiyal@fstc.org), or Steven Bellovin at [Steven.Bellovin@fstc.org](mailto:Steven.Bellovin@fstc.org).

### **Vendor Advisory Committee**

This is a new committee of the board and a representative did attend the November board meeting. This group meets monthly on the second Friday of the month at 1:00 PM ET. All associate members are welcome and encouraged to participate. This committee was established for our associate members to have a process to bring project ideas to the attention of the Executive Committee and Board member. The committee is charged with creating ‘white papers’ on subjects that would be of general interest to our members. We also want the committee to help provide an educational arm to Financial Institutions on topics that they have knowledge on and would be helpful to our community.

A white paper that highlights the issues around the change in Day Light Savings time has been distributed to members and will be addressed again in the Feb monthly meeting.

### **Projects**

We view our projects as our core activity, and one of the key benefits of FSTC membership is eligibility to participate in these projects. Below are some details on some of our currently ongoing and newly launched projects. The beginning of this document gives description of some of our Projects in development.

#### **ACTIVE PROJECTS:**

**1. Image Capture System Benchmark – run and test “benchmark” documents to provide consistent image quality capture. Click here [for more detail](#)**

The project is on schedule; currently [finalizing project results and test benchmark documents](#).

For information, please contact Chris Nautiyal at [chris.nautiyal@fstc.org](mailto:chris.nautiyal@fstc.org).

**2. Resiliency Model: Phase III – launched November 6 and will be completed in May 2007.**

The Resiliency Engineering Framework was developed as a tool to measure and improve an organization's operational resiliency capabilities. [for more detail – <http://www.fstc.org/projects/index.php#rmm3>]. Please contact Charles Wallen ([Charles.Wallen@fstc.org](mailto:Charles.Wallen@fstc.org)) for more information on joining the project and becoming part of the pilot activities planned for Phase 3.

**3. Improving Information Security for Financial Services Processes. [Click here for more information](#)**

This is a joint OMG-FSTC initiative aimed at examining key financial processes, such as Account Opening and Payments, with the goal of minimizing the amount of sensitive personal information exchanged and shared. If you are interested in participating, please contact Dan Schutzer at [dan.schutzer@fstc.org](mailto:dan.schutzer@fstc.org).

**4. Authenticating the FI to consumers. [Click here for more information](#)**

This project involves the development of use cases dealing with authenticating the FI to Consumers, along with applicable threat analyses, processes, evaluation metrics and the testing of combinations of various important emerging technology solutions against these Financial Services community use cases and requirements. It's not too late to join, we are still accepting participants. We are currently designing and building a testbed at Columbia University. The in-person project meeting was well attended and had very interesting informative guest speakers.