



Financial Services Technology Consortium

FSTC Monthly Highlights – June 2007

NEW PROJECT INITIATIVES (summarized below):

- **Securing the Extended Enterprise (SEE-SIG)** – This month’s meeting featured a presentation by Phil Windley; managing and controlling access to information and resources across the Extended Enterprise. The SEE Special Interest Group has been formed; if you would like to join, please submit your participation letter as soon as possible.
- **Better Collaboration Tools and Real-Time Sharing of Information** – Member responses has been tremendous. The kick-off meeting was held on June 27 and the participation was very good. The four workgroup leads have been identified. The work groups will begin holding weekly meetings. E&Y will document these meetings and a full team meeting will be scheduled monthly. The work groups will use the FSTC web site to store and share documents and each team will have a list serv to reach team members. These tools provide a repository for project documents archive and for those who miss a meeting to be able to review the documents. We will be working closely with BITS, FS ISAC, and NCHA. It’s not too late to sign up for project participation!
- **I2PADS Account Opening and Funds Transfer with OMG** – FSTC is partnering with OMG to investigate and come up with recommendations for next-generation business process models for account opening and funds transfer, where the financial processes are modified to be more efficient and secure. The project team will consist of two parallel working groups: one group will develop reference models for the retail space, while another group will work on reference models for business-to-business (B2B). Initial focus will be on identifying an initial set of privacy-enhancing mechanisms to be applied in developing the innovative processes; and an initial set of means for minimizing transmission and storage of sensitive information. It’s not too late to sign up for project participation!
- **Financial Services Certificate Authority Bridge** – based upon feedback from members, this project is being redefined. The goal of this project will be to introduce an Inter-financial institution framework for high assurance identity authentication built on top of the existing heterogeneous PKI infrastructure in place today. The project will demonstrate how this will allow a financial services provider to employ PKI solutions in support of specific business processes and use cases under a common set of operating policies, rules and control practices agreed to by the FI community. The use cases will include Safe Web Browsing and a B2B application. The project will be discussed on the July Security SCOM call. Please submit your participation letter or contact Dan Schutzer or Chris Nautiyal for more detail.

- **Capture System Calibration** –. This is a mini project during which we will test the current version of the Harland printed Capture System Calibration documents developed as a result of the FSTC Project. During the initial project, the FSTC project team reviewed over 20,000 images of test documents from over 45 capture runs on 30 different systems to identify key drivers of differences between captured images. As a result of this testing, FSTC developed a calibration document which can be used throughout the industry to ensure that image capture systems are creating consistent images within desired ranges of performance. This will be particularly useful for **remote capture equipment**. While this project will help all participants to get familiar with the calibration documents, the output will be to update the scoring document produced as a result of the initial project. Please submit your participation letter; the project will kick off the end of July.

We continue to develop and share ideas on:

- **Mobile Payments** – Interest in the FSTC/TCH project is running very high. FSTC and TCH has entered discussion on what are the next steps.
- **First Responder Credentialing** – We are working with a variety of organizations including FSSCC (Financial Services Sector Coordinating Council), ChicagoFIRST, SIFMA (Securities Industry and Financial Markets Association), Treasury, and DHS to facilitate the development of an effective approach to implementing a standardized and widely accepted credentialing solution. A Public/Private exercise of the DHS/NIST proposed standard is planned for July 19. Please let Dan Schutzer know if your organization would like to participate in the exercise or in the Special Interest Group forming to consider standards and opportunities associated with Credentialing.
- **Pandemic Preparedness** – FSTC is working with FSSCC and SIFMA to plan and conduct a three week financial sector pandemic exercise beginning on September 24th of this year. All financial services firms are encouraged to participate and take advantage of this unique opportunity to refine their pandemic plans. The Pandemic Exercise website is now available which will be the primary vehicle to participate and keep informed on the event. The website will soon be setup as the portal for organizations to register to participate in the exercise. www.fspanflueexercise.com Below are the objectives of the exercise: Highlight ways to improve the sector's preparedness by providing an opportunity to review test and update plans.
 - Identify and think through the strategic decision-making
 - Aid development of communications strategies for use in a pandemic
 - Increase participant awareness and provide opportunities for training
- **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. A revised project schedule and kick off date will be announced shortly. The project will be revised to include Speaker Verification and Fingerprints as the first two biometric systems to be evaluated.

- **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. There will be an NSF Research Workshop in June. Contact Dan Schutzer for details.
- **A Collaborative Development Environment for Financial Service firms** - the possibilities and benefits around an Open Source Development community specifically for financial service firms, and standardization around a set of Software components.
- **Data Retention** – issues of the economic and timely storing and retrieving of structured and unstructured documents, including meeting the recent eDiscovery regulatory requirements. The recommendation of the VAC is to establish a SIG to discuss the issues and to reach a consensus if additional work is required. Contact John Fricke or Dan Schutzer for details.

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

Business Continuity Standing Committee (BCSCOM)

- The BCSCOM held its regular monthly meeting on June 25th. Marty Plevel of KPMG presented the results of the Continuity Insights/KPMG Benchmarking Study. There was a discussion by the Committee about the value of expanding future surveys to include BC spending trends. The Committee also briefly discussed the Pandemic Exercise and Credentialing.
- The next BCSCOM teleconference meeting will be held on Monday July 23rd at 1 pm EST. The bridge line for the meeting is 512-225-3050, ID 42623. This next meeting will be an “Information Sharing Session”. We anticipate that we will be discussing the Pandemic Exercise, Credentialing and to receive a summary of the CXO BC Conference being held in the coming weeks. Please let us know if you would like to include an additional topic at the meeting.
- A Resiliency Model briefing session was held for a variety of organizations on June 27th 2007 co-hosted by JPMC, FSTC and Carnegie Mellon CERT. Some of the organizations represented included:
 - The Alliance For Security Risk Management
 - American National Standards Institute (ANSI)
 - Federal Reserve Bank of NY
 - New York Stock Exchange
 - FSSCC R & D Committee
 - DRI International
 - Battelle
 - Bank of America
 - Citigroup

For more information, please contact Charles Wallen at charles.wallen@fstc.org.

Enterprise Architecture Standing Committee (EASCOM) – This group meets monthly on the 2nd Thursday at 3:00 PM ET. The dial in number is 512-225-3050 pc 992451. In June the team discussed the following items.

- Portfolio Management from an architectural standpoint
 - What do you have in the portfolio?
 - What role do you want that technology to play in the portfolio?
 - If we bring in other things, how does that impact the things we already have?
- Patterns
 - Building models that describe a desired practice that may be used in many implementations.
- Building models of individual implementation
 - Application associated with a particular business function.
 - What specific business functional role might be played by a particular application?
- Governance
 - Characteristics of Tools, specifically the techniques and valued outcome
 - Requirement characteristics
- Next meeting July 12th at 3:00 PM ET.

Service Oriented Architecture – Special Interest Group (SOA-SIG) - This group meets monthly on the 2nd Wednesday at 4:00 PM ET. The dial in number is 512-225-3050 pc 992451. In June the team discussed the following items:

- Budgeting for a 2008 project - FTP Web Services binding
- OMG – FSTC joint project I2PADS - Account Opening & Wire Transfer improve security and reduce passes for sensitive data
- AS2 Invitation to participate in “Advisory Group for B2B Interoperability”
- Seek volunteers for speaking at the SOA future meetings
- Reviewed the Dallas meeting
- Next meeting July 11, 2007 at 4:00 PM ET

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.

Account-based Payments

- Over the last eight months we focused on Mobile Payments with vendors presenting various mobile payment solutions. Tyfone, Firethorn, Yodlee, Mfoundry, Obopay, Phire, MobileEarth, Clairmail, Visa, MobileComplete and Voisign have presented their solutions.

Many of the vendors displayed at the FSTC annual meeting Mobile Workshop. We are working with TheClearingHouse on planned next steps

- This month we reconstituted the monthly Payments SCOM meetings. The agenda included;
 - Mobile Payment activities – Dan Schutzer
 - SEPA (Single European Payment Area) implementation update – Joe Pawelczyk
 - Review of a Cross Border Mobile Micropayments initiative – Dan Schutzer
 - Review of W3C Mobile Web initiative – Dan Schutzer
 - Discussion of future topics and speakers you would like covered – All
- If you have any questions and or would like to be included on these calls the last Thursday of the month at 2PM ET, please contact us.

For more information, please contact Chris Nautiyal at chris.nautiyal@fstc.org.

Security and Infrastructure Standing Committee

- Securing the Extending the Enterprise (SEE) SIG – Monthly SIG meetings are being held.
- Certificate Authority Bridge – in project formation
- Spoof 2007 - in project formation
- First Responder Credentialing
- A Safe Web Browsing concept is being developed in conjunction with the W3C WSC working group

Previous SCOM meetings included the following discussion topics:

- 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 - sharing investigation information between law enforcement and private sector firms – C. Marshall
- Bob Griffin from RSA gave a talk about key management
- Mobile data security - Cristina Roa, Credant Technologies
- Cyber Security and Insider threats - Jerry L. Archer, *Global Competitive Strategies*
- Government's First Responder Credential system (FRAC) – Anthony Cieri

- Steve Crocker spoke about Domain Name System Security Extensions (DNSSEC) for securing information provided by the DNS

Next meeting on Thursday July 12 at 1pm, 512 225 3050, 272373# will include a discussion of encryption issues and pending Congressional legislation, the redefined FI CA Bridge project and Safe Web Browsing

For more information, please contact Chris Nautiyal at chris.nautiyal@fstc.org

Vendor Advisory Committee

This group comprised of both the FSTC Advisory and Associate members is held on the 2nd Friday of the month at 1:00 PM ET. The dial in number is 512-225-3050 pc 272373. The Financial Institutions are encouraged to attend. There was discussion at the last meeting where the vendors were asked to write articles for the FSTC Insight quarterly publication. Vendors were also asked to submit project ideas that would help the industry. Participation in this meeting is a way to get your ideas in front of the FSTC staff, and other members.

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](#)
2. **Resiliency Model: Phase 3A** – launched in November 2006 and will complete in July 2007.

The Model will serve both as a process improvement tool and a roadmap to refining resiliency capabilities for financial institutions and their partners. Click here to [**read the proposal.**](#)

3. **Authenticating the FI to consumers.**
4. **Better Collaboration Tools and Real-Time Sharing of Information.**
5. **I2PADS Account Opening and Wire Transfer with OMG**