

### Global Direct Solution - Key to Attracting and Retaining Customers

#### ❖ Business Challenge

Most existing cross-border payment solutions are expensive to operate and cumbersome to use. They are typically built on EDI technology, which requires specialized expertise to set-up, operate, update and maintain. Enhancements are both time-consuming and expensive. They also lack the Web-based interfaces that have become *de rigueur* for today's Internet-savvy users.

One of the world's largest banking and financial services companies is breaking new ground in this arena with its Global Direct Payment solution. The Bank was utilizing an existing payment platform that allowed large corporate enterprises to send payments worldwide, but needed a modern, flexible and cost-effective global payment solution that would appeal to corporate and government customers.

When considering a new solution, the Bank wanted to leverage its earlier investment in many of the interfaces and solution components of its existing payment platform. To do that would require a partner with expertise in the domestic and cross-border payment domains, deep experience working with many types of electronic payment technologies, and a development methodology that would seamlessly accommodate the incorporation of existing interfaces and previously developed software modules into the new solution – allowing the Bank to meet its aggressive 'go live' date at the lowest delivered cost. Alacriti was a perfect fit for the task.

#### ❖ Building a New Global Payment Platform

The Bank selected Alacriti to design, develop, and implement a new large-scale payment solution. According to Bank executives, Alacriti had the experience and credentials they were looking for. Alacriti has proven its ability to develop highly scalable payment systems that allow customers to make payments and transfer funds, securely and efficiently.

Additionally, Alacriti's developers are skilled at integrating these new software assets with existing systems and applications. Alacriti also had the requisite expertise and experience with financial messaging standards such as SWIFT, NACHA, XML, EDI, OFX and IFX.

Alacriti's team worked with business and technology stakeholders within the Bank to implement the first phase of the solution in five months. Alacriti's turnkey responsibility for the project included:

- Analysis and assessment of the existing payment processing platform
- Working with multiple business units to gather and analyze business requirements
- Defining and documenting the functional specifications for a new payment platform
- Building a prototype of the proposed system
- Technical project management
- Systems architecture and design
- Development, testing and implementation services
- Ongoing 24/7 production support, maintenance and enhancements

The solution, named Global Direct, was well received by all of the stakeholders across the different business units in the Bank, in large measure, because it is both easy to use and comprehensive. The Global Direct solution includes a Web-based interface, rule-based fraud and risk management engine, a fee and pricing module, facilities for account settlement and reconciliation, an inbound payment file adapter framework, an outbound payment file mapping engine, a stand-alone OFAC processing module, and an integrated reporting module.



Alacriti also built, tested and implemented a Customer Service Portal that makes it easier to manage day-to-day tasks for the Bank's Customer Service Representatives and for Customers/ Subscribers. The Bank's fraud, risk and operations teams also use this portal to view and manage risk, monitor OFAC queues, and manage daily inbound and outbound settlements. These capabilities were either cumbersome or non-existent with the Bank's earlier payment system.

### Key technical elements of the solution include the following:

- Interfaces into US and International clearing systems
- Support for multi-currency FX dealing and settlement
- Multi-lingual support
- Support for inbound file formats such as NACHA, SWIFTMT102, SWIFTMT103, XML and flat files
- Support for outbound file formats such as NACHA, SWIFTMT102, SWIFTMT103, XML, EDIFACT, flat files and several proprietary payment file formats used by the Bank

Alacriti used Java, J2EE, Servlets, Enterprise Java Beans, JSP, Jakartastruts, and XML software, deploying the solution on a Linux platform. Security technologies included RSA, TRIPLE DES, SSL, PGP encryption algorithms and nCipherHSM.

### ❖ Putting the Payment System to Work

The United States Social Security Administration is one of the Bank's first customers for this innovative payment solution. This federal agency uses Global Direct to disburse payments to Social Security beneficiaries living abroad. Rather than mailing paper checks, Global Direct allows the U.S. Treasury to disburse payments electronically. The Bank receives a payment file from the Social Security Administration each month. Then, using Global Direct, these payments are automatically processed through the Bank's internal systems. Global Direct enables the Social Security

Administration to send electronic payments to beneficiaries all over the world.

The Global Direct service is evolving quickly as the Bank's other customers begin using the technology. Herbalife, a leading vitamin and nutrition supplements provider, is also using the Global Direct solution to disburse royalty payments to Herbalife distributors worldwide. Authorized distributors simply log onto a secure Web site on the Herbalife distributor portal to set up their payment profiles. Royalty payments are then transferred into named bank accounts or Stored Value Cards, anywhere in the world. Prior to Global Direct, Herbalife had been sending paper checks to these distributors, which is nowhere near as efficient, cost effective, reliable or secure as the Global Direct solution.

### ❖ Better Customer Service Via Online Payment Processes

The Bank's customers such as the United States Treasury and Herbalife are proving the benefits of using the Global Direct solution. The Bank is now able to offer a powerful yet convenient solution for making payments online. Best of all, the solution is easy to integrate with existing back office applications, both within the Bank and among its customer base. Early adopters say the biggest savings come from replacing paper checks with electronic payments, finding more efficient ways to respond to customer service inquiries, and reducing the number of payment disputes.

Global Direct is a powerful solution that aligns with the Bank's strategy to provide leading-edge customer solutions that improve operating efficiencies and retain loyal customers. That's why this Bank continues to engage Alacriti for assistance with many other e-business projects, as managers transform their core information systems to accommodate new types of self-service business processes.