

July 2006

- ❖ SWIFT Standards 2006 launch of TurboSwift
- ❖ TARGET2 compliance
- ❖ Phase 2 upgrades

What is TARGET2?

- ◆ TARGET2 is a new European Real Time Gross Settlement (RTGS) system which will go live in the second half of 2007.
- ◆ It will replace the 15 existing RTGS systems which currently combine to form today's TARGET, providing a single RTGS system for euro settlement throughout the European Union.
- ◆ To meet TARGET2 requirements, a SWIFTNet FIN Interface must support the TARGET FIN Copy service.
- ◆ The TARGET2 FIN Copy service operates in bypass mode, so that no message is subject to authentication. It operates as a closed-user group, and to avoid all users having to exchange bilateral keys, TARGET2 supports a pre-agreed MAC with a predefined value for use in the absence of a bilateral key.
- ◆ Beginning in January 2007, financial transactions in euro will be settled in TARGET2 for a first group of central banks, whether they are payments, treasury, trade, or securities related.
- ◆ Following a six-month period of testing and live trials, all countries involved are expected to be operating under the TARGET2 system by September 2007.



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International Bulletin

Coming soon: SWIFT Standards update

We are pleased to announce that the initial release of TurboSwift to support the SWIFT Messaging Standards changes due in November 2006 will be released in the week commencing August 7, 2006, under the name TurboSwift 7.4.2. This will enable customers to test the changes long before the November cutover date, ensuring that all those using Message Types subject to change are secure in the knowledge that their business processes are not impacted at the time of cutover. This version will also incorporate TARGET2 readiness ahead of the European banking system's switch to a unified Real Time Gross Settlement system in early 2007.



The full list of upcoming changes to the SWIFT Messaging Standards (24 pages) can be found on the Web in PDF format at: http://www.swift.com/index.cfm?item_id=57476.

TurboSwift 7.4.1 adds new features

A minor release of TurboSwift is now available for download from BankServ's FTP site (<ftp://tsftp.bankserv.com>).

This version includes the following new features:

- ◆ Ability to run TurboConnect on a Citrix/Terminal Services machine;
- ◆ Support for 50 configurable destinations;
- ◆ Incorporation of all enhancements and bug fixes in TurboSwift 7.4.0 into a full product release.

SWIFTNet Phase 2 Readiness

BankServ has received certification as an Interface Vendor for SWIFTNet Phase 2, which, among other things, will involve the replacement of the current Bilateral Key Exchange (BKE) protocol used in SWIFTNet FIN transactions. As part of this project, BankServ will be undertaking an Interface Qualification process with SWIFT and have two customers enrolled in the SWIFTNet Phase 2 Pilot Programme.

To support SWIFTNet Phase 2, there will be a major new release of TurboSwift and TurboGateway and a new product, TurboRMA, that will link dynamically to TurboSwift to provide the new Relationship Management Application (RMA) functionality. The new software is tentatively scheduled for release in November.

Key Dates

Aug. 21-Sept. 1: BankServ qualification with SWIFT
Aug. 28: Phase 2 ready release for pilot customers
Nov./Dec.: Phase 2 readiness in full Turbo product line