2 Day Training Course

Citadel Advantage

www.citadeladvantage.com

Money Moves – A Quick Guide to SWIFT

A 2 day course specially designed for SWIFT back office operations

Why you should attend

Who Should Attend

Staff from Financial Institutions, Investment Banks, Central Banks, Payment Systems Operator Organizations, Clearing Houses, Consultancy Groups, Legal Firms, Auditors and Regulators who regularly deal with:

- Wholesale Payments
- International Payments
- Clearing and Settlement
- Securities Settlement
- Financial Control
- Risk Management and Operational Risk
- Liquidity Risk and Control
- Treasury
- Back Office Operations
- Middle Office Operations

For a substantial percentage of banks around the world, SWIFT provides their communications backbone to the outside financial world. Certainly international transactions, trades and correspondent relationships are almost exclusively funneled through SWIFT. In many countries, domestic high values are exclusively channeled through the SWIFT network as well.

This course aims to provide participants with the skills that they need to develop a clear understanding of the nature and operations of SWIFT in an operations environment. As such the course provides bank staff with a firm foundation into SWIFT, and how it relates to your financial institution. The important topics covered include SWIFT's origins, its role in the financial sector, the nature of its operations, its product and services, message standards, security considerations, business continuity and disaster recovery procedures.

The course is intended as a primer for bank staff at a junior operations level, supervisor and middle management level who are directly involved in day-to-day payments and SWIFT operations.

The course also serves as an ideal overview of SWIFT for auditors senior and executive management of Treasury operations and processes.

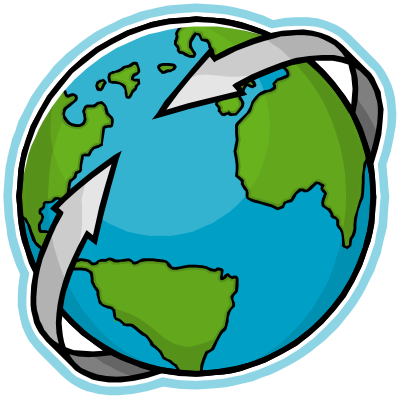
What is the curriculum focus?

What the course covers

International Payments

- An introduction to payment systems
- The nature & purpose of payment systems
- Key characteristics of International payments
- The payments process
- Who makes international payments

What is SWIFT?



- An introduction to SWIFT, its origin, the markets that SWIFT serves and the players involved.
- How SWIFT is organized.
- The world before SWIFT
  - How payments were made
  - The problems
- The creation, development & evolution and expansion of the markets and users served by SWIFT from its inception to the present time & the nature of the traffic handled.
- The crystal ball—what is the future of SWIFT.

The Role of SWIFT

- What is the current role of SWIFT in the financial world
- Mission, Vision & Strategy—how SWIFT sees itself
- The language of SWIFT

How SWIFT works

- SWIFT's technical backbone
  - Multiple operating centers
  - customer service centers
  - 24/7/365 operating philosophy
- SWIFT today – the statistics

SWIFT's Products & Services

- SWIFT's messages as a common world-wide financial standard
- BIC & BEI—Message types, fields, tags—banks and corporate alike
- How BICs are structured
- Testing & Training
- STP—what it it and how it works
- The SWIFT network (SIPN – Secure Internet Protocol Network)
- Specific SWIFT products and their uses in the financial environment
  - FIN (store & forward)
  - Interact (an automated and interactive message exchange)
  - FileAct (exchange of large files and batches including the secure SWIFTnet mail)
  - Browse (providing a standard GUI for market infrastructures such as RTGS systems)
  - SWIFT Interfaces covering SWIFT Alliance, the SWIFT Alliance Gateway – SNL as well as workstations (desktop interfaces) & interfaces for back office systems

  - Practical examples of how these services are configured and used for
    - Y-Copy payment messaging
    - Cash Reporting
    - Statements and Exceptions & Investigations)
  - Also covered are
    - MA-CUG's (Member Administrated Closed User Groups)
    - SCORE (Standardized Corporate Environment)
    - Various SWIFT information tools (such as the SWIFT WATCH Portfolio).

What is the curriculum focus?

Security

- What is operational risk?
- We examine and define fraud (internal & external), employment practices and workplace safety, products & business practices, damage to physical assets, processing problems, systems failures & business continuity.
- The transfer of financial information is always susceptible to interception by outside parties with malicious intent.
- How SWIFT handles concerns
    - at the User site
    - security between the User and SWIFT
    - security at SWIFT itself

- Making certain of confidentiality, integrity, authenticity, availability and accountability.
- SWIFT system security and how it operates in practice
- PKI (Public Key Infrastructure) used in SWIFTNet
- SLS (Secure Login & Select) used in FIN
- BKE (Bilateral Key Exchange) between SWIFT Users
- PKI+RMA (Relationship Management Application).

Message Standards

- SWIFT is a message transfer system based on regulated message standards which ensure a vary high level of process automation, otherwise known as STP (Straight Through Processing). We examine the two standards which currently make up the backbone of the SWIFT infrastructure.
    - FIN Syntax

FIN Syntax

- Message types, categories, flows, acknowledgements and referencing. This embodies the full range of current FIN message types (250 are currently available). We focus on three basic examples, the MT 103, MT 300, "n" requests and FIN system messages through the four stages of processing (Input – ACK/NAK – Output/ UAK/UNK)
- Case Study - detailed examination is made of the MT 103 in terms of
    - its format
    - how it appears in the system network
    - its screen appearance and in printout form covering issues like
        - Optional Fields
        - Mandatory Fields
        - Tags
        - Content Options
        - Content Restrictions
        - Types of Characters Allowed etc., within the context of the message Headers, Text and Trailers.
        - Mapping the message format to the SWIFT Alliance Graphic User Interface.

Standards XML

- We examine the various XML Message Types and the mandatory items covering the Business Identification, Message Definition, Variants and Versions.
- A compassion between FIN & XML

What is the curriculum focus?

Business Continuity

We cover key elements of Business Continuity that relate specifically to SWIFT operations.

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- The three aspects relating specifically to SWIFT operations. These are;
    - SWIFT Technology Aspects – where we address how best to ensure business continuity in SWIFT operations through appropriate backup and securing critical business data. This area covers the main SWIFTNet resiliency aspects such as backup lines, resilience between network partners and the configuration of routers and modems.
    - Various options such as Dialup, Dual I, Dual P and Multiline configurations as well as the SWIFT constraints placed on these.
    - Requirements for SWIFTNet Link backup as well as the SWIFT Alliance Gateway and their configurations.

- Communications, specifically those between SWIFT and the User need to be assured and this is dealt with.
- Backup & recovery strategies including a review of traditionally accepted methods. PCs, servers, LANs and mainframe systems are covered. The session ends with a review of how the SWIFT Alliance database is backed up and restored.

By the end of this course, participants will:

- Understand the nature of SWIFT
- How SWIFT operates in their own business activities
- Have a clear understanding of SWIFT processing
- Have a knowledge of the nature and structure of SWIFT FIN & XML messages
- Know how the various security elements of SWIFT function
- Understand the Business Continuity and Disaster Recovery procedures applicable to SWIFT
- Understand how SWIFT operations integrates into your banks own operations.

For further details please contact

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If you live outside one of these four areas, please call the region located closest to you.