

# *ValiCert* Treasury

ValiCert is transforming the banking industry by helping to replace antiquated treasury and cash management processes with trusted and secure solutions—for data access and transaction management over the Internet.



“We found that ValiCert could provide us with secure transaction technology that was proven. Another major consideration in our acquiring ValiCert solutions was that we envision using their technology in support of future business propositions.”

Rachel Atkinson, Acting CEO, Barclays B2B.com

## Secure Cash Management

Every business needs to disburse and collect cash. Traditionally, this process has been paper-based, rigid, and inefficient. A recent TowerGroup study indicates that whereas, in 1999, paper-based transactions generated two-thirds of cash management revenues for banks, by 2005, half of all revenues will be generated by electronic processes. Clearly, the banking industry is witnessing a rapid migration to electronic cash management and treasury solutions. Furthermore, banks and corporations increasingly want to leverage low-cost public networks and move away from expensive and inflexible proprietary solutions.

There are good reasons for this evolution. Corporations wish to have the flexibility of managing cash through an Internet-based ‘electronic window’. The electronic window is the interface or gateway for client requests; it directs requests to the bank’s back office systems.

Some examples of the highly-efficient services that an electronic window can deliver include:

**Demand Deposit Account Services**, such as Positive Pay, that allow banks to reconcile check issuances with checks paid to decrease the risk of check fraud across multiple accounts and sub-accounts.

**New Collection Services** that offer faster access to cash and simplified collections among multiple locations.

**Disbursement Services**, which allow businesses to quickly and efficiently initiate and manage transactions such as employee direct deposits and vendor payments.

**Corporate Electronic Banking Services** that facilitate near real-time balance information access, and extended offerings such as real-time stop payment.

## Transactions Require Confidence

Today, banks with primitive electronic cash management tools, and those without any electronic services, are looking to the Internet to provide expanded offerings. The Internet promises to help retain old clients and add new ones, thereby giving banks a competitive advantage. Furthermore, Web-based cash management solutions present an even greater attraction: long-term, fee-based income and increased customer satisfaction. But, banks and corporations need confidence in order to make this transition successfully. They need the assurance that transactions over public networks are safe and secure.

According to the TowerGroup, the U.S. treasury market grew at a Compound Annual Growth Rate of seven percent in the 90s, with higher growth expected in the

coming years. Revenue generated by this market will grow from \$10.5 billion in 1999 to roughly \$16 billion by 2005. Only banks with robust electronic treasury solutions will be poised to cash in on that explosive growth.

Today, most corporate banking systems are based on old-fashioned 1970’s technology that was developed for text-based on-line banking. Placing a Web-screen in front of these old legacy system does little; true Web-enablement of a banking system must include:

- A personalized Graphical User Interface—the electronic window—for customers.
- Globalization and localization of content, including multi-language support.
- A scalable architecture.
- Flexible deployment and configuration, including multiple database options.
- Easy integration with existing ERP systems.
- Robust security, encryption, and audit trails.
- High-reliability and 24x7 availability.

## Identrus

Identrus, a global network of financial institutions, provides a legal and technical framework that enables banks to serve corporate clients as trusted third parties

for financial transactions. ValiCert products comply with the Identrus specifications and are installed in a majority of Identrus banks.

## High-Value is High Risk

Corporate treasury information is sensitive data. And, cash management transactions typically range from tens to hundreds of thousands of dollars. Such transactions easily lend themselves to fraud—the FBI estimates that check fraud alone costs businesses over \$10 billion annually.

Therefore, these important, sensitive, and high-value transactions require strong security and trust. ValiCert delivers the following trust elements:

- **Authentication and Authorization**—verifying the identities of communicating parties.
- **Privacy**—preventing eavesdropping on confidential communications.
- **Integrity**—ensuring that while in transit, information is not tampered with.
- **Non-repudiation**—providing auditability and legal-grade proof.

## Flexibility and Trust

ValiCert offerings include products and services that resolve the trust issues associated with high-value and highly sensitive e-Transactions. Each of the above offerings is available as software that can be installed at the customer site, or as a managed service maintained by ValiCert.

**ValiCert SecureTransport™** delivers secure, enterprise-class file transfer capability that

facilitates the exchange of sensitive information in a confidential, reliable, and guaranteed manner.

**ValiCert Digital Receipt Solutions™** provide secure proof management, including digital notarization and vaulting of transaction confirmations.

**ValiCert Validation Authority™** is the market leader in high-performance, vendor-neutral digital certificate validation—providing the confidence banks need to digitally authenticate clients.

For banks or corporations that are concerned about time-to-market, rapid return of investment, frequent technology changes, or staff turnover, outsourcing to ValiCert Trust Services<sup>SM</sup> brings a host of benefits:

- Quick and easy deployment.
- Security and reliability of a bank-grade data center.
- Mission-critical availability and support guaranteed by strong Service Level Agreements.
- Comprehensive, business-ready services which include customization, user management, 24x7 support and monitoring, and integration with third-party applications.

Organizations may choose the managed service as a quick start mechanism, and then implement an integrated ValiCert solution in their enterprise infrastructure at a later date.

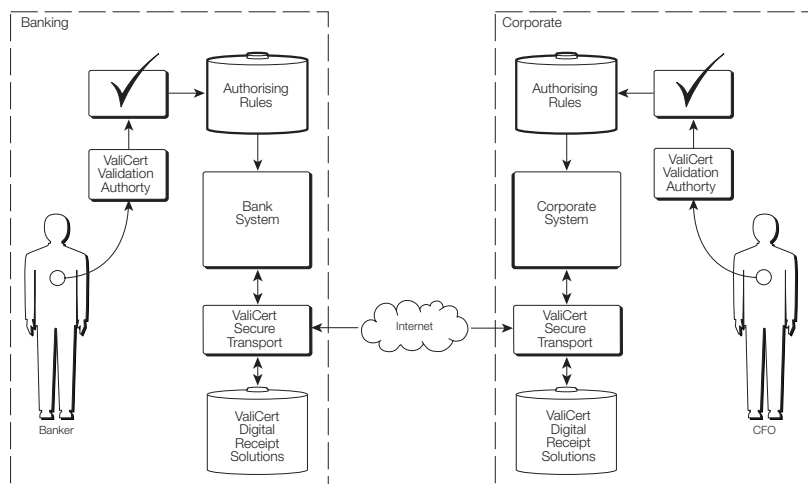
## Business Benefits

### For Banks:

- Increased customer satisfaction by offering an important additional delivery channel—the Internet
- Quick and easy deployment by outsourcing to ValiCert
- Reduced risk of fraud in electronic fund transfers and other treasury activities
- Use of a low-cost public network infrastructure eliminates the need for dedicated leased lines or VPNs
- Legal-grade, tamper-evident audit trails can be used to address regulatory requirements for best practices

### For Corporate Treasurers:

- Real-time cash management with their strategic banking partners
- Ensures that access to key treasury information and systems is granted only to authorized personnel
- Assurance that only specific users can execute certain high-value transactions
- Increased profits resulting from faster and more proactive cash management
- Ready integration with legacy systems
- Reduced costs—eliminates need to use costly VPNs or leased lines to communicate with the bank
- Secure audit trails for quick dispute resolution.



Bank-Corporate Treasury Management Solution Architecture

### ValiCert Gives Banks and Corporates the Confidence to Connect over the Internet

- Confidence of the identities of communicating parties
- Confidence that transactions are conducted by authorized personnel
- Confidence that transaction data is transmitted confidentially, reliably, and accurately
- Confidence that all transactions have a legal-grade audit trail
- Confidence that the system will be available, and perform effectively at all times.

ValiCert offers a complete trust infrastructure for conducting electronic transactions that are legal-grade, valid, secure, and provable. Our customers include many of the world's leading financial institutions, healthcare organizations, government agencies, and enterprises. These customers enjoy significant cost savings and increased efficiencies by migrating paper processes onto the Internet and by moving away from private networks towards open solutions.

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