



IdenTrust™ Trust Link

**Accountability at Both the Individual and Company Level
for Payment Instructions**

The IdenTrust Trust Link Concept

The IdenTrust Trust Link solution provides a consistent, global mechanism that allows payment instructions to carry the electronic equivalent of an individual's signature. This ability gives corporates the ability to move their entire payment processes to an electronic format, creating very secure, highly-efficient and easy to audit payment trails.



The Background

Today, individual officers within corporations use handwritten signatures to authorize and initiate messages associated with payment instructions. However, there is now a growing demand for an electronic equivalent, one that will allow payment instructions to be signed at the individual or user level. This type of capability is referred to as personal digital signatures.

This demand is driven both by a need for improved process efficiencies as well as a need for regulatory compliance. As the world moves to an ever-increasing electronic format, the need for strong identification proofing in that electronic environment continues to grow. Regulatory regimes reflect that requirement, creating the need for audit trails and other demonstrations of proof, with Sarbanes Oxley from the USA, the EU's 8th Company Law Directive, and Japans J-SOX as examples.

Historically both banks and their corporate customers have relied upon "entity level" (i.e. organizational) digital signatures as the methodology for achieving privacy, authentication, message integrity and non repudiation for payment instructions executed over SWIFT. However, the knowledge that an instruction comes from an entity, and not knowing exactly from whom within the entity, is no longer a sustainable option. Sharpened corporate governance and regulatory requirements are both demanding greater transparency.

Another driver for the adoption of User-level Signing can be found inside the evolving structure of corporate treasuries. As the volume of payment instructions continues to grow year on year, an average Fortune 500 corporation will execute between 100,000 and 500,000 payment instructions per month- anything from 1 to 6 million per annum. This growth, combined with the move to centralized treasury functions, creates payment processes with many points of vulnerability. As a result, corporate treasurers are looking for ways to ensure that payment instructions are locked, linked and controlled at not only the entity, but also the end user level.

How can this demand be addressed?

The first key to the solution is a framework that allows each individual to have a single, personal digital signature. That single personal digital signature, issued by a bank, needs to function across multiple geographies, regulatory regimes, applications, and most important, multiple banks. IdenTrust provides such a solution.

The second key to the solution is a treasury management application that leverages the interoperable personal digital signature. These applications would be built to natively support/accept the personal digital signatures, allowing corporates to move their payment processes from paper to a fully electronic environment. IdenTrust Trust Link provides such a solution.

Benefits

*"Peace of Mind" for
Financial
Transactions -
regulatory backing*

*Non-repudiation of
Transactions*

*Individual
Accountability and
Auditability*

*Simplified dispute
resolution*

*One digital credential
can be used across
Multiple Banks*

*"Future-proofing" in
multiple geographies*

*Multi-bank, not point
to point solution*

*Future extension for
usage with other
applications*

*Any electronic
document signing*

*Supply Chain
automation*

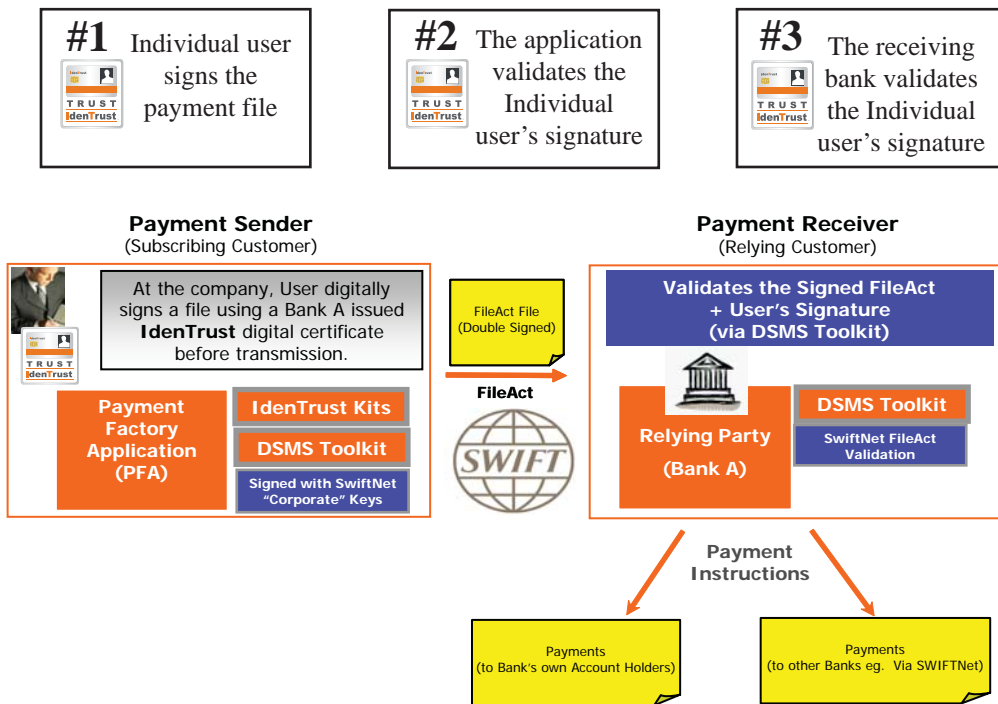
How does this fit together? The steps are as follows:

- i) Take a set of payment instructions in an unsigned payment file and apply an individual's high assurance digital signature to it.
- ii) Validate the individual signature (using online validation) to ensure that it has not been revoked or expired.
- iii) Insert this signed payment file into a SWIFT FileAct envelope (or other similar messaging tool) and forward it to the receiving banks and payee.
- iv) Decrypt the payment instruction so that it can be routed correctly.

The IdenTrust Trust Link solution, delivered through IdenTrust bank-issued identities used with IdenTrust-compliant treasury management providers, ensures the integrity of payment instruction messaging. It also provides a structure that can be used across multiple messaging networks, both internal and external to a corporate, including SWIFT. It gives corporates the ability to closely control their payment flows by linking the payment authorization to individual authorizers, and at the same time, it delivers a payment instruction file to the bank with full details of the specific content and the authorizers of the instruction(s).

The IdenTrust Trust Link capability allows corporates to more closely control their payment instruction flows, while also providing banks with more details on the specific contents and authorizers of large payment instruction files.

How Trust Link Works - Payment Files Signed at Both Entity and Individual Levels



About IdenTrust™

IdenTrust is the global leader in trusted identity solutions, recognized by global financial institutions, government agencies and departments, and commercial organizations around the world. IdenTrust enables organizations to effectively manage the risks associated with identity authentication; work interoperably with countries around the world; minimize investment in creating their own policies and legal frameworks; and deploy a spectrum of products insuring trust, smarter, faster, and more cost effectively.

The only bank-developed identity authentication system, IdenTrust provides a unique legally and technologically interoperable environment for authenticating and using identities worldwide. The IdenTrust Trust Infrastructure is predicated on a proprietary framework that combines policies, legal framework, trusted operations and technology (P.L.O.T.) to create a comprehensive environment for issuing trusted identities. IdenTrust is the only company to provide a solution incorporating all four of these elements. Customer agreements are valid, binding and enforceable in 172 countries. IdenTrust identities are globally interoperable under uniform private contracts recognized in countries around the world. Competing offerings, in contrast, require participants to navigate a confusing maze of public laws that vary from jurisdiction to jurisdiction. Additionally, the IdenTrust Trust Infrastructure maintains the privacy of each and every transaction processed by reading only digital certificate information, not the message itself.

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