

# Case study

## National Bank of Canada implements SWIFTNet Exceptions and Investigations to improve its operational effectiveness and efficiency levels



### About National Bank of Canada

The National Bank of Canada is an integrated group which provides comprehensive financial services to consumers, small and medium-sized enterprises and large corporations in its core market, while offering specialised services to its customers elsewhere in the world. [www.nbc.ca](http://www.nbc.ca).

### About Expertus

A SWIFT Service and Solution Partner, it assists financial institutions and corporations to collaborate in real-time payments and cash management. Expertus has developed the Monetis Global Payment Solution™, based on the latest technologies (including J2EE and XML). MGPS release 3.0 has been accredited the 2007 SWIFT-Ready Gold Exceptions and Investigations label. [marketing@expertus.ca](mailto:marketing@expertus.ca).

### Business challenges

- Standardise
- Automate the business process
- Improve effectiveness and efficiency
- Audit control

### Key features for NBC

- Automation, paperless operations
- Supports FIN & XML messages
- Statistical reporting
- Complete history case management
- Improved customer service
- Multi-language capability
- Reduced exception-processing costs



### Business challenges

At the National Bank of Canada's (NBC) Payment Center Department, an average of 2 to 5 percent of transactions resulted in an investigation. For NBC, this type of investigation led to numerous telephone calls, faxes and SWIFTNet FIN messages with financial institutions involved. The investigations were, for the most part, labour intensive and time consuming. The costs associated with payment investigations are always significant. NBC wanted to reduce costs while improving its payment services.

Before implementing SWIFTNet Exceptions and Investigations (E&I), the NBC investigation team was using the bank's payment processing application to support investigations. The main purpose of that application was to send SWIFT payments using SWIFTNet FIN. This application was not suited to supporting exceptions and investigations.

NBC needed a solution that would improve the effectiveness and efficiency levels of the investigations. This included audit control and, most importantly, customer service.

### Key features for NBC

The key features of implementing the Expertus Monetis Global Payment Solution (MGPS) release 3.0 for E&I are:

- Automating laborious tasks and reducing the overall turnaround time for investigations
- Mitigating operational risks by automating processes
- Injecting flexibility by allowing both FIN and XML messages
- Having access to a state-of-the-art

search engine empowering users to react quickly to issues

- Working in a multilingual environment, which facilitates communication between parties
- Having rapid access to statistical information, a powerful tool for both users and management
- Living in a paperless environment, thus reducing operating costs

In a nutshell, implementing Expertus' MGPS E&I improves the service to customers and reduces the overall exception costs.

### Leadership

NBC leadership in the exceptions and investigations space will bring fruitful benefits to its investments and will enable it to operate at optimal effectiveness and efficiency levels.

Providing excellent service to partners and customers is paramount for NBC. SWIFTNet E&I positions NBC not just to be a leader, but also an excellent provider of services.

A positive return on investment (ROI) for small to large financial institutions is very important, and with SWIFTNet E&I, it is achievable in a relatively short timeframe, as the solution provides a fully documented industry business and communication protocol. Most benefits are immediate for internal functions as well as for customers.

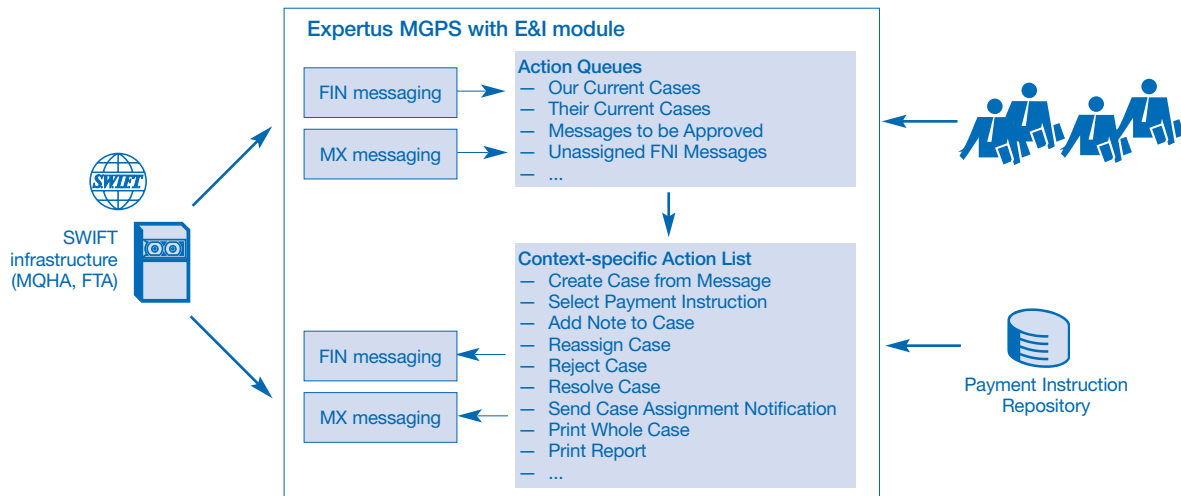
### User-friendly features

The overall design of the application was focused on providing a user-friendly graphical interface.

With MGPS for SWIFTNet E&I, users can

“Our key objectives were to support XML messages and improve our investigation processes. We decided to partner with Expertus, a SWIFT application provider well known in the payment industry. Expertus' E&I solution is flexible, secure and reliable and fully meets our requirements for payment investigation.”

Robert Caviola, Head of Payments for National Bank of Canada



SWIFTNet Exceptions and Investigations implementation for National Bank of Canada

quickly identify cases requiring attention using a user-friendly dashboard, including real-time statistical reporting functions, creating a clear audit trail for future reference and audit functions.

In addition, a notification feature is embedded into the application and displayed at the dashboard level for user action.

#### Ease of adaptability

Expertus' MGPS E&I application is easy to adapt to any environment.

The integration of this E&I application is quick and easy to deploy. It is a ready-made solution, specifically designed to function with SWIFTNet and back-office platforms. By using J2EE technologies, it is scalable and flexible to adapt to future changes at the application and infrastructure levels. Moreover, the application is fully platform independent.

#### Solution overview

NBC opted for a solution based on SWIFTNet Exceptions and Investigations, and decided to team up with Expertus to implement a flexible and secure application. Featuring a simple queue-driven case management system, it supports all the workflows of the SWIFTNet E&I solution.

The application designed and implemented by Expertus, integrated in their existent MGPS core module, handles both FIN and XML messages. At the time of deployment, SWIFTNet FIN traffic still represents the bulk of the communications involved in resolving exceptions and investigations, but the XML messages of the SWIFTNet E&I solution are expected to increase – and eventually replace the FIN ones. The flexibility of the application ensures a sound transition period while

correspondents migrate to SWIFTNet E&I message standards.

Incoming XML and FIN messages are automatically routed to new or opened cases, and are automatically assigned to an operator. They can also be reassigned to provide efficient workload distribution. Messages that cannot be assigned to existing cases are placed in a queue that the operators check to manually complete the match or to create a new case.

For upper level management, statistical reports provide statistics on cases and messages at any point in time.

To simplify the process of creating one of the 16 standardised SWIFT E&I messages, Expertus' application provides a user-friendly interface with helpful 'pickers' and 'suggestion lists'. Messages are validated online to reduce human errors. Also, the application enables the 'four-eyes' principle.

The application connects with SWIFTNet using the existing MQ Series infrastructure at the bank. It also connects with a FIN payment message repository for the purpose of providing input to cases. FIN messages are securely extracted from the bank's existing repository as E&I cases are opened against them.

#### Next steps

As the industry evolves, future phases will aim at integrating ACH payments investigations.

"The MGPS E&I application provides a very good return on investment, and will definitely allow small and medium-sized institutions to fully capture the benefits of SWIFTNet Exceptions and Investigations."

National Bank of Canada

#### Solution overview

- SWIFTNet InterAct
- SWIFTAlliance Access
- SWIFTAlliance Gateway
- Windows
- IBM Websphere Application Server
- IBM MQ Series
- Expertus MGPS E&I

#### About SWIFT

SWIFT is the industry-owned co-operative supplying secure, standardised messaging services and interface software to nearly 8,200 financial institutions in 208 countries.

#### Contact us

For more information please contact your SWIFT account manager or visit [www.swift.com](http://www.swift.com).

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