

the exchange

Viewpointe's online newsletter

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Message from
Lou Buglioli,
Viewpointe
Chairman & CEO



In the past year, increasing regulatory scrutiny has affected the way many financial institutions do business and this trend will likely continue. The pressure to meet new standards have prompted many in the industry to change the way they manage electronic content, re-examine their relationships with vendors and appraise their own systems for monitoring compliance.

In this issue of *The Exchange*, we'll take a look at the challenges institutions face in the current regulatory environment — and offer a suggestion that may provide significant help in this area.

Also in this issue, we highlight several of the ways Viewpointe fosters interaction among our customers in the industry. We're continually reaching out to address a variety of customer issues; our newest endeavor is the newly-formed Third-Party Roundtable event series. Read more on page 5.

I hope you find this issue of *The Exchange* helpful as it relates to your work in the industry. If there's a way we can make it better or more useful to you, please let us know by dropping a note to info@viewpointe.com.

Regulatory Compliance: Handling Key Data Management Challenges

Financial institutions have historically faced an ever-changing flow of new laws and directives from regulatory agencies. Existing regulations address improving risk management, fighting terrorism financing and defeating money laundering, just to name a few.

With the U.S. Senate passing the financial reform bill, titled the Restoring American Financial Stability Act of 2010, in May, there's a renewed focus on compliance within financial institutions and the potential for even more regulations. Additionally, the bill proposes the creation of new federal agencies to oversee particular aspects of the financial industry.

Consequences of the increased regulatory oversight can affect a business in many ways. On the following pages, *The Exchange* takes a look at three of the more critical data management challenges facing financial institutions.



Ensuring Reliable Data Management

In AIIM's brand new study, State of the ECM Industry 2010, their research shows that many organizations are concerned about their ability to manage their own records. According to AIIM, 41% of organizations are not confident that their electronic information (excluding emails) is "accurate, accessible, and trustworthy." In addition, 60% find it easier to locate "knowledge" on the Web than on internal systems.¹ Recent IBM research supports this finding. "Across all archiving and management objectives, only a minority believe that their current performance is excellent," according to IBM Market Insights: Managed Archiving Offering.² This is a significant concern to those who may face inquiries or an audit of their business activities. The inability to retrieve a requested document or the lack of faith in the accuracy of data can affect not only meeting compliance standards, but can cause problems in day-to-day data management.

Moreover, most business information today is stored electronically, potentially making legally discoverable data more difficult to collect. However, when an audit arises, many companies panic because there is no central, searchable access to all their documents.

Forty-one percent of organizations are not confident that their electronic information is accurate, accessible and trustworthy.

— AIIM Industry Watch: State of the EOM Industry 2010

Keeping IT Costs in Check

As much as an organization can benefit from better data management handling in terms of compliance and business efficiency, according to AIIM, "cost reduction" is one of the key drivers for improving document storage.¹ Indeed, when the archiving and retrieval of information is not streamlined, many teams lack the staff to carry out such time-consuming tasks. Most often, there is a reliance on IT staff to perform legal discovery on electronic records, taking these resources away from more value-generating activities.

Creating and Enforcing Records Management Policies

Financial institutions are more aware than ever that there is an urgent need to implement a structure to find, retrieve, process and archive information. As a result, a number of organizations are embarking on projects to implement new enterprise content management systems. AIIM reports that 40% of organizations have completed or are in the process of implementing such projects since 2009. An additional 16% plan on launching content management improvements in the next 12 months.¹

Furthermore, many feel a significant lack of ownership of the records management function in their company. Thirty-six percent of organizations do not have a senior-level executive specifically tasked with document and records management, including 10% who have no one at all tasked with this.

Viewpointe Can Help

As financial institutions increasingly rely on stable, dependable systems, it is beneficial to consider an industry leader in providing innovative storage and access for all types of data.

Viewpointe manages 19.6 PB of storage, which included a total of 147 billion items. Additionally, Viewpointe's customers securely access an average of 6 million items per day.¹

We have an impressive track record of enabling financial institutions of all sizes to process, store and share data efficiently, affordably and safely.

To learn more, contact us at info@viewpointe.com.

Source: Viewpointe Archive Services, LLC, as of December 2009

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Where to Begin

An organization doesn't need to have expert data management staff on hand to implement an effective system of document archiving. Undeniably, in-house records information management professionals have often untenable burdens to shoulder, which can include meticulous planning and exhaustive oversight to mitigate risk.

Because the need to manage data archiving is constantly growing, many organizations are looking to external vendors as a solution. Often it is easier and more cost effective for institutions to access the latest technology and benefit from records management best practices by engaging an experienced vendor. Tapping into the expertise of an outside resource can positively affect performance, too. According to IBM, "Firms using an external provider are performing better against objectives than those taking an in-house approach."²

Regulators invariably want clear evidence that financial institutions are adopting reliable data management systems and enforcing this governance across their organizations. As a result, we generally recommend that organizations take preemptive action to streamline internal content governance and not wait for regulators to dictate what needs to be done.

"Too often firms struggle with costs, compliance and enforcing consistent policies. Our key finding in this research was how much better firms fared that used external providers. It was clear to us that external providers and managed services solutions are a critical component in doing archiving well."

— Jason Spaulding,
IBM Market Insights,
Segment Analyst

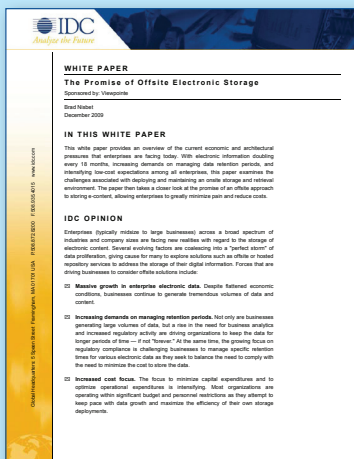
Sources:

¹ Industry Watch: State of the ECM Industry, © AIIM 2010, www.aiim.org

² IBM Market Insights, Managed Archive Offering: Executive Summary Report, ©2010 IBM Corporation

³ Viewpointe Archive Services, LLC, as of December 2009

"The Promise of Offsite Electronic Storage" Whitepaper Available for Download



To explore the cost issues associated with data storage further, download the new whitepaper sponsored by Viewpointe and developed by the research and consulting company IDC. Titled "The Promise of Offsite Electronic Storage," the paper provides an overview of the current economic and architectural pressures that organizations are facing today as electronic information doubles every 18 months, increasing demands on managing data retention periods and intensifying low-cost expectations among all enterprises.

This paper examines the challenges associated with deploying and maintaining an onsite storage and retrieval environment and takes a closer look at an offsite approach to storing e-content, which may allow enterprises to minimize pain and reduce costs.

To download "The Promise of Offsite Electronic Storage," visit <http://www.viewpointe.com/offsitestorage/>.

Viewpointe Focuses on Customers and Members: New Third-Party Roundtable Events

Viewpointe regularly looks for opportunities to engage the people and organizations we serve. Our commitment to ongoing communication and support manifests in a variety of ways. For example, our annual Customer Satisfaction Survey assesses the attitudes of our customers and their level of contentment with our services. The feedback we collect from the survey directly shapes our approach to customer care and product development.

For our clearing customers, the Viewpointe Users Group (VPUG) typically meets three times a year to exchange ideas and discuss industry-related issues. Viewpointe Clearing, Settlement & Association Services members and affiliate participants are given the opportunity to voice their opinions and recommendations related to the ACH industry through our ACH Association Committee. Committee members vote on amendments to the NACHA Rules and respond to NACHA requests for comment.

Our newest method of supporting our customers is our recently formed Third-Party Roundtable event series. These roundtable meetings, held via conference call, focus on the unique needs and concerns of third-party senders on topics such as ACH Rules, NACHA requests for comment, and the relationships between third-party senders, their originating customers and financial institutions.

For more information on Viewpointe's support of third-party senders, contact Marsha Jones, AAP and product manager at marsha.jones@viewpointe.com.

Viewpointe Hosts First Online VPUG Meeting

The second Viewpointe Users Group (VPUG) meeting of 2010 was held May 12. For the first time, members participated online rather than in person. The convenient format was meant to encourage greater attendance for a more robust conversation. This session attracted 48 customers; a substantial increase over previous gatherings. During the session, the discussion covered accomplishments of the VPUG operations and requirements sub-committees and updates on Viewpointe's corporate direction and product/service status.

Additionally, customers participated in several polls regarding UCD readiness, Viewpointe product adoption and sub-committee effectiveness. Thanks to all the VPUG members for making our first online meeting a success.

For more information about VPUG, contact janelle.nash@viewpointe.com.

Viewpointe Education Programs: Online and In Person



Accredited ACH Professional (AAP) »

Education Calendar »

Custom Training »

ACH and Check Certification Programs »

Recertification Credits »

Education Club »

Viewpointe offers a wide array of educational programs by webinar to deliver high-quality training regardless of location. Topics include the latest technologies, rule compliance procedures and risk management techniques in the payments industry.

New for 2010, Viewpointe has introduced Face-2-Face training, in depth, instructor-led programs conducted in person. Our next Face-2-Face will be held in Denver, Colorado, September 1-3. The workshop planned is a comprehensive 2010 AAP Review, designed for those preparing to take NACHA's Accredited ACH Professional program exam.

For more information on the Denver workshop as well as a complete schedule of our offerings, see the [Viewpointe Education Calendar](#).

Key Dates

UPCOMING EVENTS

For more information on specific Viewpointe events, please contact your Customer Care representative.

JULY 18-22, 2010

The Payments Institute (East)
Emory Conference Center Hotel
Atlanta, GA

JULY 19-20, 2010

The Institute of International Payments
Emory Conference Center Hotel
Atlanta, GA

JULY 27-28, 2010

Global Concepts Payments Operations & Strategy Forum
The Ritz-Carlton
Chicago, IL

VIEWPOINTE EDUCATION PROGRAMS

See the [Viewpointe Education Calendar](#) to learn more about upcoming sessions on various topics including the latest technologies, rule compliance procedures and risk management techniques in the payments industry.

Welcome New Customers

We are proud to welcome two new organizations into the Viewpointe family:

- **Corporate America Credit Union** has joined Viewpointe's image exchange service, providing Pointe2Pointe® with Internet connectivity to its member organizations. The Irondale, Alabama-based organization has 200 members across the U.S. including credit unions and credit union-organizations, with \$2.8 billion in assets.

Pointe2Pointe with Internet connectivity provides a quick, cost-effective method of conducting image exchange for moderate volumes and eliminated the need for a dedicated telecom line. The service provides a safe, simple and secure platform to connect with other exchange partners by leveraging commonly used file transfer software.

- **Western Corporate Federal Credit Union (WesCorp)** has become a Viewpointe Pointe2Pointe® customer. WesCorp, the San Dimas, California-based financial services cooperative, has chosen Viewpointe's check image exchange network to connect to their exchange partners. WesCorp provides investment credit, funds-transfer, payment and settlement services to its 950-plus member owner credit unions.

Pointe2Pointe enables financial institutions to safely send and receive electronic check images to Viewpointe's other exchange customers.

For more information on Pointe2Pointe or any of our services, contact us at info@viewpointe.com.