



**MAKES PROFITS FROM  
PAYMENTS SOAR**

**CASE STUDY**

**ACI MONEY  
TRANSFER SYSTEM™:  
FLEXIBILITY, RICH  
FUNCTIONALITY  
AND UNPARALLELED  
RELIABILITY**

ACI Money Transfer System™ can operate as a processor for many payment types, an enterprise solution for internal and external message switching, or a payments hub. The banks in these case studies have all used Money Transfer System to successfully improve their transaction processing systems.



**WITH ACI MONEY TRANSFER SYSTEM™, THE BANK HAS A TRUE PAYMENTS HUB TO SUPPORT GLOBAL PROCESSING.**



## **CASE STUDY 1: A BANK WITH A STRICT CUSTOMER SERVICE LEVEL AGREEMENT**

A major European retail bank originally deployed Money Transfer System to manage the workflow and processing of payments that are for the U.K.'s Faster Payments initiative, a new and different payment model.

Shortly afterwards, the bank was acquired by another, larger European banking group, which typically replaces acquired bank systems with their own solutions. It was quickly discovered, however, that the new parent bank's systems, based on a hub, lacked the requisite functionality.

As a result, with the recognition that the acquired bank needed to retain the ACI solution for the payments business of its main commercial activity, an extended license was put in place with ACI.

The ACI solution for the new payments type in the U.K. Faster Payments comprises ACI Proactive Risk Manager™, BASE24® and Money Transfer System. The solution has to be able to process one million payments in a three hour window, with a 12-second end-to-end service level agreement (SLA) for the customer base. Real-time accounting and beneficiary confirmation is included, and Money Transfer System works with Proactive Risk Manager to provide real-time fraud checking, with only a two-second SLA. All payments are processed with a 100 percent straight-through processing (STP) rate.

## **CASE STUDY 2: A REPEATABLE PAYMENTS MODEL**

A leading continental European bank originally purchased Money Transfer System to take over payments processing for all of its international and high-value payments. Instead of multiple products installed in multiple instances around the world, the bank wanted to install a single product to manage their international and high-value wholesale payments to enable it to offer consistent global products and service levels.

While the bank was still in the midst of the installation of Money Transfer System, it was acquired by another European financial institution, extending its geographical reach both in corporate and transaction banking. As a result, the Money Transfer System project was immediately re-scoped and re-deployed.

The decision was made to increase and extend the use of the existing rich functionality of Money Transfer System and the new project was rolled out in an extremely short time frame of approximately nine months.

The new bank had to ensure it could deliver cross-border and domestic payments in all international locations. In addition to retaining clients with high service expectations, the bank also had to attract and support new multi-national corporate clients with consistent levels of service and product offerings. Additionally, the bank had to ensure it had the ability to operate in new countries where it had previously not undertaken direct settlement. In the meantime, ongoing regulatory requirements were met (including the introduction of the SWIFT MT202COV new message type and the European Payment Services Directive).

The bank achieved optimal processing efficiency with decreased operational costs, and consolidated and simplified operations with multiple payment schemes and products being supported. With Money Transfer System, the bank thus has a true payments hub to support global processing — a repeatable solution around the world.

### **CASE STUDY 3: A SHARED INTERNATIONAL PAYMENTS ENGINE**

A European-based banking institution had grown by acquisition to be a major player in regional financial markets. This brought with it, however, a plethora of processing systems with comparatively low STP rates. So an early decision was taken to create a Shared International Payments Center (SIPC) based on Money Transfer System. The SIPC was installed to be a central global hub for all wholesale, international, corporate and high-value payments.

The set-up of the hub is such that all payments enter via a switch and converter box that dynamically routes transactions to the optimal payments engine: ACI's Money Transfer System or the in-house developed SEPA processing solution. Both engines are located in the shared services center. The bank developed a standalone system to deal with the simple low-value, high-volume, standardized SEPA transactions, while the Money Transfer System platform is focused on complex payments as it is configured specifically for a different transaction-based principle. In essence, therefore, Money Transfer System processes all of the complex payments for the bank.

The bank has found its payment processing platform to be extremely reliable, with STP rates of over 95 percent across all payment types. Such high STP rates mean that the bank receives very few claims, which, in turn, means that the productivity of their staff is higher as they do not have to deal with queries and claims. This therefore translates into attractive prices for its customers.

### **CASE STUDY 4: A BANK NEEDING A CLEARING AND LIQUIDITY GATEWAY**

A global bank, headquartered in the U.S., purchased Money Transfer System to replace a fragmented set of siloed financial messaging systems numbering over a dozen globally, and to create a centralized financial messaging hub. Cost reduction was the main driver for the bank and the savings have already been considerable, estimated by the bank to be about 98 percent.

Other issues needed to be addressed, including the liquidity management requirements and the fact that technical knowledge was limited to too few individuals. There was also a specific objective of reducing complexity in the disaster recovery systems — which is an enormous area of risk for the bank — by consolidating, without compromise, on one of the best-of-breed systems.

With one single system, the bank can now respond much more quickly and cost effectively to internal and external changes such as new regulatory requirements or industry trends. Feasibility studies are much faster and time-to-market and operational costs have been significantly reduced.

By utilizing the power of Money Transfer System, the bank improved its existing monitoring tools around the liquidity management process. This was accomplished by utilizing data already stored within Money Transfer System and by coupling that with the development of a feed to a web-based dashboard application. The bank's business managers can now, in real time, identify sources and uses of liquidity and compare those values against trends. This tool permits the business manager to take action in real time either in anticipation of an exception or in reaction to an exceptional condition. Alarms on dashboard changes occur immediately if the event is significant.



## REVOLUTIONIZES PAYMENTS

ACI Worldwide, the Universal Payments company, powers electronic payments and banking for more than 5,600 financial institutions, retailers, billers and processors around the world. ACI software processes \$13 trillion each day in payments and securities transactions for more than 300 of the leading global retailers, and 18 of the world's 20 largest banks. Universal Payments —  — is ACI's strategy to deliver the industry's broadest, most unified end-to-end enterprise payment solutions. Through our comprehensive suite of software products and hosted services, we deliver solutions for payments processing; card and merchant management; online banking; mobile, branch and voice banking; fraud detection; trade finance; and electronic bill presentment and payment. To learn more about ACI, please visit [www.aciworldwide.com](http://www.aciworldwide.com). You can also find us on Twitter @ACI\_Worldwide.

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