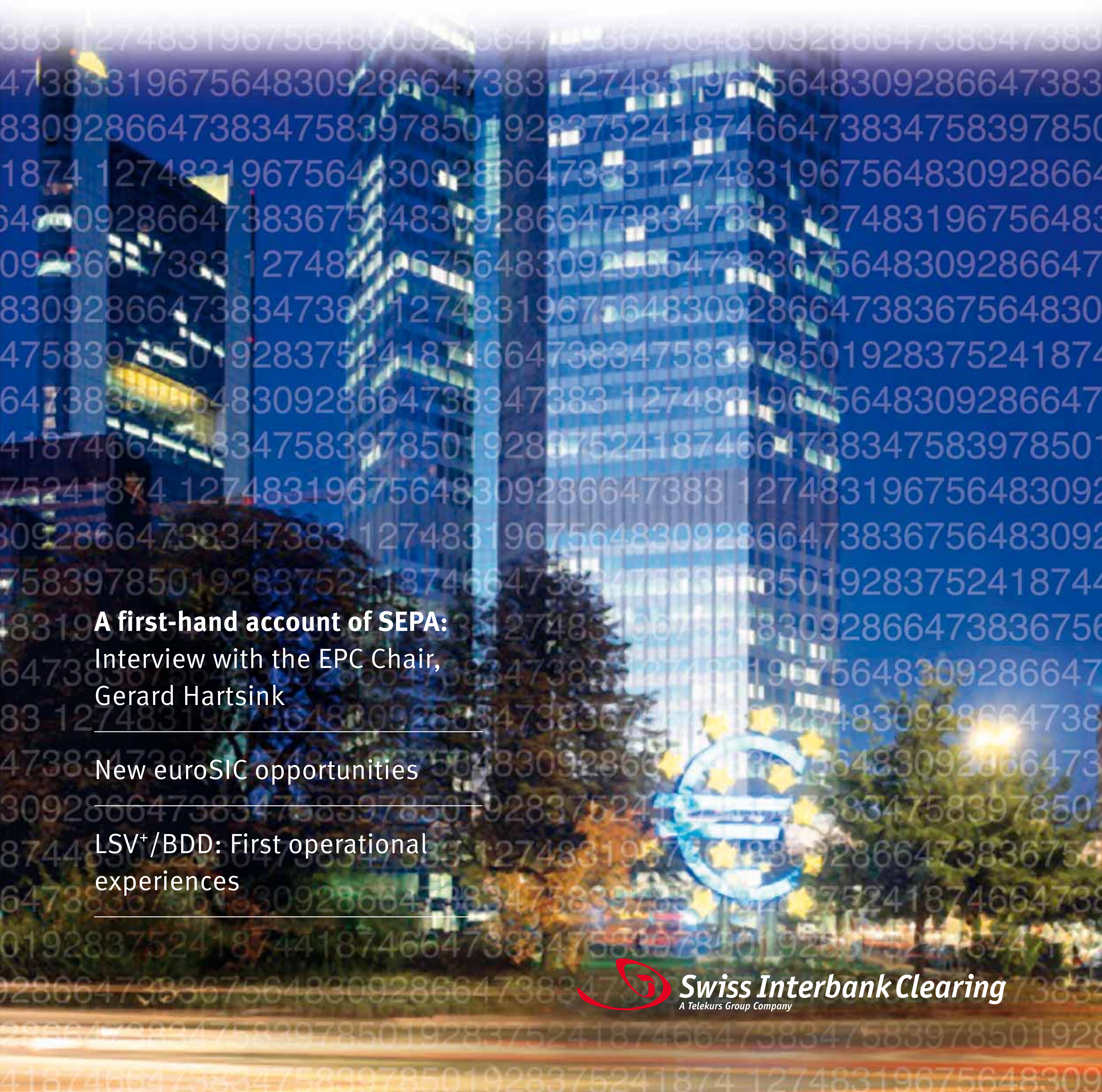
March 2007

ClearIT

The Swiss professional journal for payment traffic



A first-hand account of SEPA:
Interview with the EPC Chair, Gerard Hartsink

New euroSIC opportunities

LSV+/BDD: First operational experiences

Swiss Interbank Clearing
A Telekurs Group Company

CONTENT

EDITORIAL

DEAR READER,

Are you ready for the SEPA? The countdown has begun. When you visit the European Payments Council website (www.europeanpaymentscouncil.eu), you can see in how many weeks the Single Euro Payments Area (SEPA) will become reality and count along. On January 1st, 2008 an entirely new era is introduced, making the euro payment traffic within Europe more efficient and less costly within the next few years. After the European regulators decreed uniform pricing of national and cross-border euro transfers as far back as 2003, it is now definitely time to get a handle on costs. The SEPA should do just that (see the interview with Gerard Hartsink, EPC Chair).

Europe's entire banking industry is called upon to implement the SEPA in a total of 31 countries. It is a mammoth European project, one in which the Swiss banking community has actively participated from the start. At the interbank level, the payment settlement as well as the data formats and procedural rules must be adapted for clearing systems such as EBA STEP2 (see the article about the SECB EBA connection). On the product side, electronic access systems must be made SEPA compatible. These are significant challenges as well as new opportunities for all parties involved. And this is just the beginning. The next years will show, how much time and effort will be necessary to really make the SEPA vision a reality. One thing, however, is obvious to everyone: Just the minimal requirements require massive investments in the infrastructure, products and processes – while, at the same time, prices are sinking and the competition is increasing.

Switzerland a part of SEPA? In November 2006, the Swiss Payments Council (SPC) has generally agreed that the Swiss financial center is to participate in the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD), under the condition that the legal regulatory framework is met in the EU and in Switzerland. Hence, we, too, are to be ready for the SEPA and the new challenges awaiting us.

Stephan Zimmermann
Member of the Group Managing Board at UBS and Chairman of the Telekurs Group Board of Directors

SEPA: WE'RE ALL IN THE SAME BOAT

«A euro area in which all euro payments are domestic, where the current differentiation between national and cross-border payments no longer exists.» According to Gerard Hartsink, Chairman of the European Payments Council (EPC), this single euro payments area (SEPA) vision can only be achieved through active collaboration between all stakeholders on the European and on the national level of the EU-27 member states. Switzerland is an integral part of it.

ClearIT: ***Last June, a study exploring the views and experiences of senior banking executives and key decision-makers in 30 leading European banks, across 15 countries, revealed that only 54% of study respondents understand SEPA requirements in detail. It also became evident that banks are looking for more information and improved communication. What measures have you taken to better promote SEPA?***

Gerard Hartsink: Well, the question is: To whom is this criticism addressed? Let's be quite clear on this issue. According to the EPC Charter we are invited to tell the SEPA story to the European stakeholders. First of all, we take care of the European public authorities, i.e. the European Central Bank (ECB) and the European Commission. Second,

«SEPA will change the payment industry substantially.»

we are committed to ensuring continuous dialogue with customer associations such as the EACT (corporate treasurers), the EuroCommerce (merchants), the UEAPME (small and medium enterprises), the BEUC (consumers), etc. But the EPC cannot take care of communication at the national level – let's say towards the Swiss community. We do not master the four languages in your country *(laughs)*. Kidding aside, we are not even entitled to take on this role. It's up to the EPC members to tell the «Making SEPA reality» story to their respective audiences in their countries. We provide them with the raw material, so to speak, which is meant to be used for the narratives set in the context of the different countries. In other words, the members should initiate the debate and the dialogue between all the parties involved in the local framework in order to implement the SEPA standards.

Are you suggesting that national communication efforts are often inadequate?

Sometimes they are. Some members have an ambiguous behaviour. They are engaged in the EPC story, but are not always front-runners in debates on the national level. My observation is that some central banks are very proactive in their markets and some are not. Many banks do not always feel comfortable because they do not get real backing from the public authorities.

Why not?

My personal experience has been that some countries have in the past been reluctant to conduct tough internal debates. Every SEPA member state needs a strong body in their market that encourages the stakeholders to move forward.

SHORT BIOGRAPHY

Gerard B.J. Hartsink is Chairman of the EPC and a Senior Executive Vice President at ABN AMRO Bank. At the bank, he is responsible for Market Infrastructures in the securities, payments and cards industry and relations with European institutions. He also participates in the governance of the following organisations: Euro Banking Association, CLS, LCH.Clearnet, Euroclear, CESAME, ISO 20022 Registration Management Group and SWIFT Netherlands National Member Group. Mr. Hartsink is a career banker within ABN Amro with a wide experience in retail and commercial banking roles.

The ECB and the European Commission recognise together with the EPC that we must enhance the promotion of SEPA. We are in the process of aligning our communication strategies, as are the European and national public authorities as well. It is to be expected that this alignment of our communication policies will lead to common messages of the introduction of the SEPA payment instruments. The French, for example, started a year ago, by inviting corporations and consumers to partake in a dialogue and to obtain their commitment. They defined the critical mass (75% of the payments and 50% of the customers) of payments that will have to be migrated to the SEPA at the end of 2010. They agreed that the old style of credit transfer will continue to exist for one year, the old style of French direct debit for two years and that only the new instruments will be in place after these criteria have been realised. These are very powerful decisions supported by all French stakeholders – an achievement that is very encouraging in my point of view. Yes, SEPA will change the payment industry substantially and the regulators expect clear-cut concepts and concrete deliverables.

That's why the ECB puts pressure on the banking communities, when, for example, it demands SEPA-compliant business plans by mid-2007 in its recent progress report «SEPA for Cards».

This is in line with the regulators' expectation of the clarification of all technical and contractual provisions, business practices and standards as of January 2008. Let's face it: Three years ago, nobody was interested in creating an additional card scheme on a European level. Visa and MasterCard are there, so why should we create a new scheme? So far the EPC has taken the position that creating an additional card scheme does not create value for banks and their customers. The SEPA Cards Framework spells out high-level principles for banks, card schemes and the service providers that will enable European customers to use cards to make payments and cash withdrawals in euro throughout the SEPA with the same ease and convenience than they do in their home country. Imagine how big a challenge it was to define the scope of this framework. We were engaged, for example – and this is quite important from the Swiss perspective, in a semantic debate on what is meant by the term «European»: »

Does it refer to the EU-13, the EU-27 states or to the EU-27 plus the EEA and Switzerland or even to a broader region? The framework is a result of an extensive dialogue on principles for the card industry. But the aspects for business rules and standards are still to be tackled. As EPC Chairman I may state clearly that the document is a compromise and that it is not as explicit as it should have been, but we are moving in the right direction. I believe we need another year or so to get the standards where we need them to be.

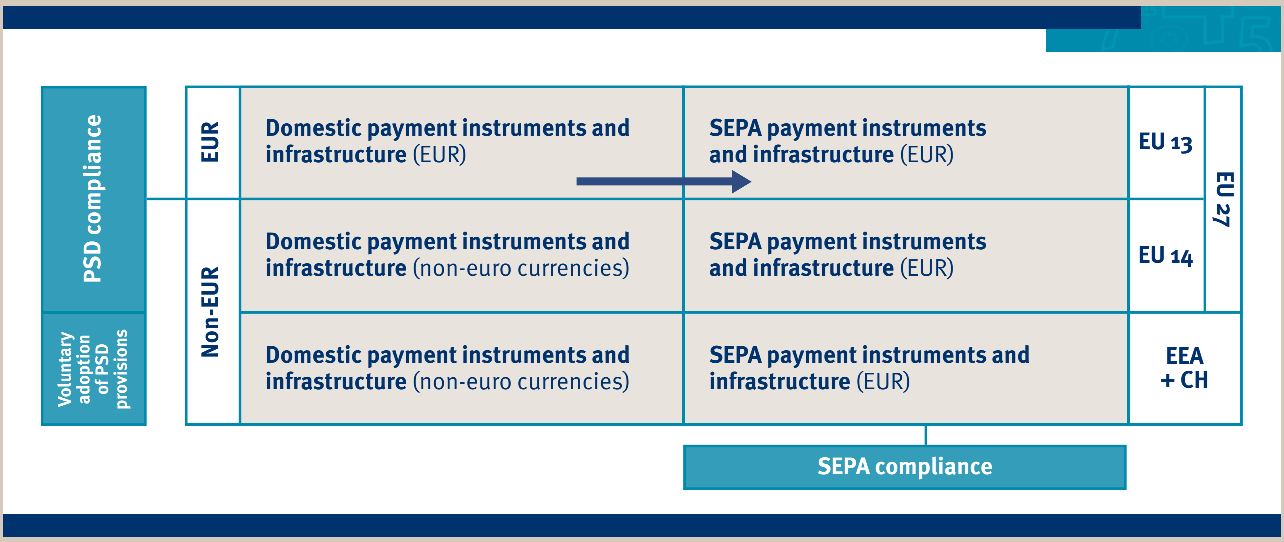
While the repercussions of the SEPA Cards Framework are somewhat problematic, everything seems to be on track for the SEPA Credit Transfer (SCT) and the SEPA Direct Debit (SDD) scheme. Does this impression reflect the situation accurately?

The credit transfer scheme based on version 2.2 of the rulebook is ready for implementation as of January 2008. Direct debit is a very critical part of SEPA. The regulators expect us to make it available to customers as of January 2008 at the latest as well. The scheme is ready, the banks will be ready, but the legal framework for allowing the implementation is not agreed upon yet. The key issues are how to regulate non-bank payment providers and the maximum time for executing a payment.

This so-called Payment Services Directive (PSD) still must be passed by the European Council and European Parliament, hopefully this will happen under the German presidency this April. If not, I'm afraid that the PSD will not be implemented in 2008, considering that the transposition of European law into national legislation requires quite a long time. It is a good sign that the economics and finance ministers of the EU Member States adopted the SEPA aims at their Ecofin Council meeting of 10 October 2006. And I'd also like to mention that the latest letter of the ECB chairman, Mr Trichet, to his fellow central bank governors of 18th December is promising. In it, he asked them not only to support their national communities with the implementation and migration plans but also to urge the public administrations to use the SEPA services. This is a tough debate and in the end, public authorities and national communities should be very clear about how fast everything should go and also convince other stakeholders that in the end it's for the benefit of Europe. I think that the letter of Mr Trichet moves in this direction.

«Direct debit is a very critical part of SEPA.»

SCOPE OF THE PSD AND OF SEPA



Source: EBA Association

Facing the difficult challenges for SEPA implementation, it might be of minor interest to you to know that the Swiss banking community is working on a modus vivendi within SEPA. What do you expect from Switzerland's role?

As feedback the EPC received from the Swiss banking community the message that, although Switzerland is not part of the EU-27 nor of the euro zone, the Swiss banks intend to implement all relevant resolutions of the EPC Plenary.

«Sometimes the Swiss are more compliant with the real rules of the game than some of the EU-27 Member States.»

We observe that the Norwegian banks have taken a similar position. I'm very comfortable with the behaviour and the decisions taken by the Swiss community to accommodate the European game. Sometimes the Swiss are more compliant with the real rules of the game than some of the EU-27 Member States – that's my personal assessment based on concrete facts. You're contributing greatly to the SEPA standards and moving forward quickly, entirely using the existing legal possibilities in your country.

You may have heard about discussions in the EPC Plenary during which members openly asked why the Swiss as non-EU member were sitting around that table. I intervened and said that it was not up to the EPC Plenary to judge on the legal environment in Switzerland. And then I supported a dialogue between the Swiss and other communities. One of my mobilizing statements was: «Are you aware, plenary members that the major Swiss corporations, such as UBS and CS, are also euro zone corporations, because they have bank licenses even in the euro area: so what are we talking about?» Of course, according to the rules of the game, Michael Montoya is representing the Swiss community, but he formally votes for his own institution. In the end, it was very clear to the plenary that the Swiss were global players and key parts of the European banking industry and that we must cooperate.

SEPA CREDIT TRANSFER & SEPA DIRECT DEBIT – WORK IN PROGRESS

Scheme Management Principles in chapter 6 of approved rulebooks:
- Upgrading EPC Charter (June 2007)
- Refinement of processes (March 2007)
- Structuring oversight function (June 2007)

Additional Optional Services
(approved in December 2006 for consultation)

Directory
(planned for March 2007)

SEPA Testing Framework
(planned for March 2007)

Source: EPC

The Swiss community may have its own political agenda, but as a partner in the payment, and similarly in the securities industry, they have a stake in the issues – that's the very important political message from my point of view. ■

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MORE euroSIC SERVICES

150 financial institutions rely upon euroSIC for their euro payment traffic: an RTGS system that has remained essentially unchanged at its core for eight years yet continues to meet and exceed the highest demands on quality. And euroSIC is becoming increasingly attractive thanks to being tightly networked with the EU payment systems. euroSIC participants and the entire Swiss financial center are benefiting from new opportunities thanks to the SEPA and the planned linkages with TARGET2 and the EBA (Euro Banking Association) euro systems.

In 2006 euroSIC processed more than 3.1 million transactions. euroSIC has recorded an average annual growth rate of 20%, making it the fifth largest euro high value payment system. And all this in a country where the euro isn't even an official currency.

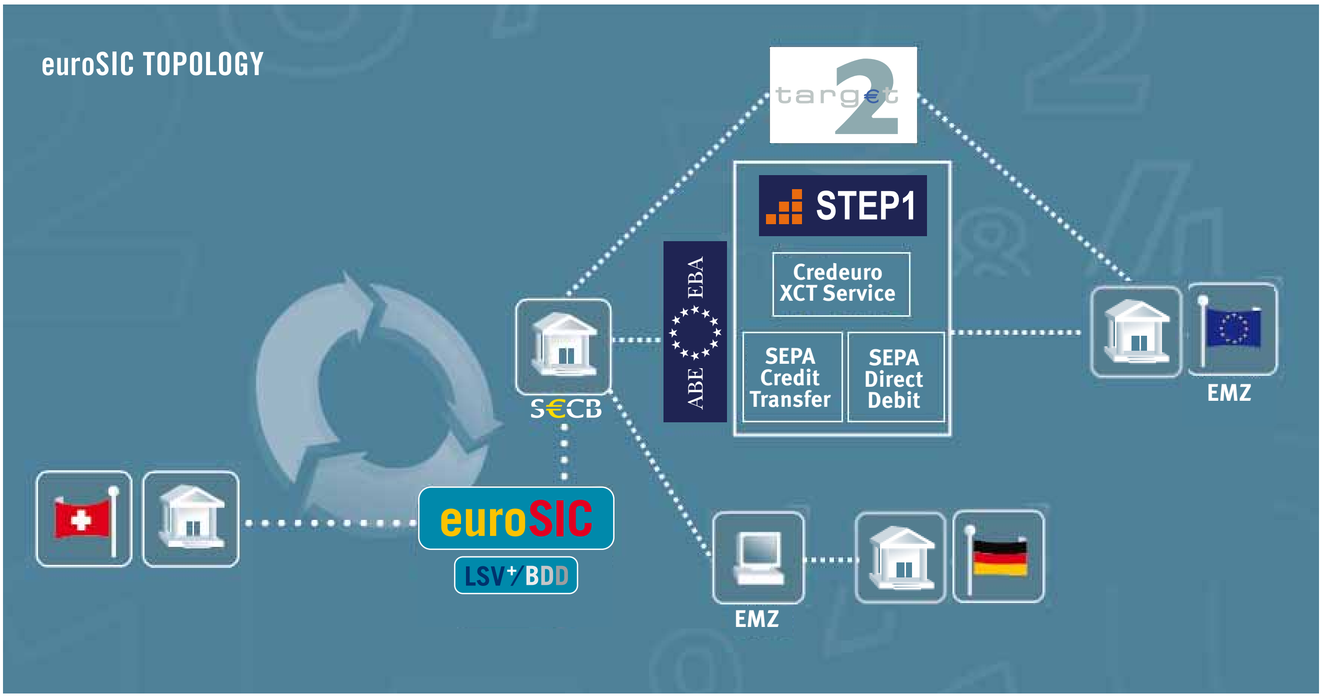
WIDE SERVICE SELECTION

In addition to euro transfers euroSIC settles the cash-side of security transactions in processing repo transactions from the SIS SegaInterSettle securities settlement system SECOM. Euro withdrawals at ATMs also generate transactions, and – last but not least – euro payments originating from the direct debit procedures LSV+ and BDD. Further proof that low-value payments can be executed inexpensively via euroSIC is the affordable processing of non-urgent payments to Germany into the national German bulk payment system (EMZ). All system participants benefit from that including the Swiss financial center as an entity. In addition, euroSIC participants from Liechtenstein and other EU/EEA member countries can have payments forwarded

SYSTEMS ACCESSIBLE VIA euroSIC

System	Operator	Available by
EMZ	Deutsche Bundesbank	Already installed
TARGET	EZB	Already installed
TARGET2	EZB	November 19, 2007
STEP1	EBA	Starting in March 2007
STEP2	EBA	Already installed
SCT (SEPA Credit Transfer Scheme)	EBA	January 1.2008
SDD (SEPA Direct Debit Scheme)	EBA	2009

Source: Swiss Interbank Clearing



within the framework of the EU pricing regulations via STEP2, the EBA pan-European clearing system.

SEPA ANTE PORTAS

The SEPA introduction scheduled in the EU for 2008 has been casting its shadow for a long time: While the SEPA countdown is still running, important milestones are set in the background. The introduction of the second generation European Central Bank RTGS platform – TARGET2 – changes and simplifies the processing of cross-border transactions. By mid-2008, TARGET2 will have replaced the current TARGET network; the national RTGS systems are disappearing in favor of a central RTGS solution. For euroSIC participants, this will mean that payments (i.e. to Germany) that are routed via RTGSplus will be subject to the TARGET fee. In order to avoid this and to offer alternatives to the euroSIC participants, the SECB Swiss Euro Clearing Bank will join the EBA clearing systems by this summer. This company, founded in 1998 by 52 European banks and located in Paris, handles high- and low-value clearing systems in euro. In this context, the STEP1 and STEP2 systems are of interest to euroSIC.

STEP1 is one of the few pan-European clearing systems in euro. While settling doesn't take place in real time processing, the credit at the beneficiary bank is still maintained as the same-day value date. The number of reachable banks is comparable with TARGET, which is why in future, cross-border payments are processed via STEP1 to the degree that that is possible. One major advantage over

«euroSIC connection to STEP1 in March 2007»

RTGS processing are lower transaction fees of up to 40%. Of course, euroSIC participants still have their options, since settling via RTGS system (TARGET/TARGET2) will remain possible. For euroSIC participants, the cash-side settlement requirement remains unchanged.

STEP2 payments are representative of payments affected by the EU pricing regulation 2560/2001, which pertains in particular to financial institutions from Liechtenstein. These banks can meet the guidelines contained in this regulation using euroSIC and SECB. Hence, indirect participation in STEP2 via SECB in addition to euroSIC is recommended. »

Through euroSIC, the Liechtenstein financial institutions ensure a simple, low cost means of receiving payments from EU banks quickly and easily. Of course it is also possible to send payments within the framework of the pricing regulations.

SEPA PROCESSES

It is important for Switzerland as a SEPA member to have a platform for its financial center which allows participation in the SEPA for smaller banks, as well, without requiring each institution to build its own, expensive infrastructure. This is why the SEPA Credit Transfer (start: January, 2008) and SEPA Direct Debit (start: 2009) processes will also be available via euroSIC.

ENHANCED CROSS-BORDER GUIDE

For those euroSIC participants using swisseuroGATE for their cross-border euro payments, the knowledgebase on www.crossborderguide.com was restructured. Among otherthings, the compact overview – replete with practical examples around the euro payment traffic – informs about

- Payment option (e.g. German bulk payment traffic or STEP2)
- Reachability of beneficiary financial institutions
- STP and non-STP customer payments.

On a separate page, banks outside Switzerland and Liechtenstein find important information pertaining specifically to them – such as determining whether a bank is reachable via euroSIC by simply accessing the SIC bank master data. ■

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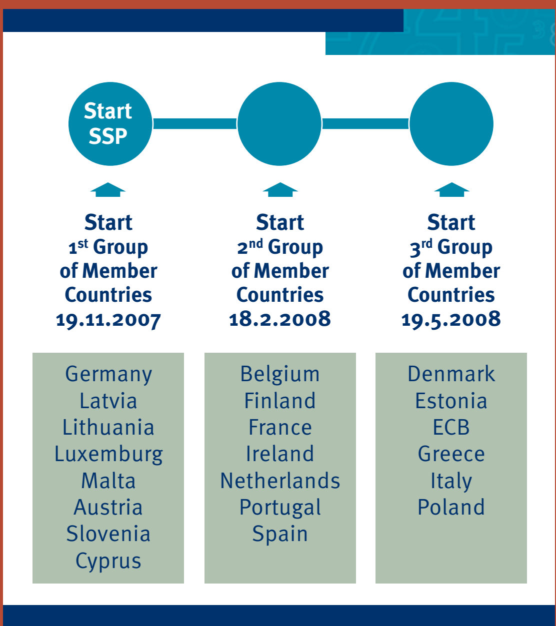
NEW SECB CEO ON BOARD

Roland Böff (52) started work at the SECB in Frankfurt, Germany, on January 2, 2007. During the year 2007, he will take over for Horst W. Sander as CEO. Roland Böff looks back on a 36-year career in the banking industry, starting with his apprenticeship at Commerzbank in Frankfurt, Germany, which he began in 1970. In 2001, he changed from the Commerzbank to the Bayerischen Hypo- und Vereinsbank. During his entire professional career, Roland Böff has always remained involved in payment traffic. At Commerzbank he went from account reconciliation via foreign payment traffic to the specialized area of organization foreign payment traffic/SWIFT. At the Hypo Vereinsbank he was responsible for high-value as well as value date-sensitive payment traffic and the interbank clearing in euro and foreign currencies, account reconciliation of nostro and internal accounts. In addition, Roland Böff was temporarily responsible for the foreign exchange and euro liquidity disposition. He has represented his institutions and the German banks in many national and international payment traffic committees. Among others, he is currently still one of two representatives on the SWIFT Board of Directors.

TOUR D'HORIZON THROUGH THE EXPANDED EU

With Bulgaria and Romania joining the European Union on January 1, 2007, the EU now has 27 member countries. The time of their participation in the EU/EEA is just as unpredictable as it is for Poland, the Czech Republic and Hungary. At the beginning of the year, the first of the countries joining since 2004 to introduce the euro is Slovenia.

TARGET2 – THE MIGRATION



Source: Deutsche Bundesbank

Slovenia's 2 euro coin (back). The new member country brings new coins into the euro zone, since only the «old» Europe was depicted on the front.

Thus, Slovenia with its two million inhabitants has met all convergence criteria of the Treaty of Maastricht that refer to the rate of inflation, national debt, long-term interest rates, exchange rate stability, and various legal requirements.

NO NATIONAL RTGS

Slovenia has opted out of developing its own national EUR RTGS system in light of the introduction of the TARGET2 euro system. Approximately 20 Slovenian banks and the Slovenian central bank temporarily process their euro payment traffic via the German RTGSplus and TARGET – exactly as the Cypriot banks have been doing since December 2006. And similar to the Deutsche Bundesbank, the Italian central bank offers both the central banks of Poland (since March 2005) and Estonia (since November 2006), respectively, TARGET access via the Italian RTGS system BI-REL. Together with the central banks and financial institutions of Germany, Latvia, Lithuania, Luxembourg, Malta, Austria and Cyprus the Slovenian banking community will migrate to the TARGET2 platform on November 17, 2007. Additional country groups are scheduled to switch to TARGET2 next year.

STEP2

Estonia, Latvia, Poland, Slovenia, Hungary, Cyprus and one financial institution from Bulgaria and Romania each are reachable via the pan-European payment system for bulk payments STEP2 for payments within the EU/EEA. This means that the Liechtenstein banks participating in euroSIC can process euro transactions with the new STEP2 participants at any time. ■

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GLOBAL PAYMENTS STRATEGIES 2007

This year, the annual Global Payments Strategies conference of the Global Payments Forum took place on January 22 and 23 in Monte Carlo. The common thread running thought all presentations and contributions was the question: How does the payment traffic industry deal with the increasing pressure in the areas of pricing, quality and innovation within an increasingly regulated environment?

One important aspect of the payment traffic industrialization topic which was discussed throughout the conference was the processing breadth and depth of the value chain. What range of services should still be offered individually? Where can the value chain be opened up and which services could be outsourced? These were the questions posed to the attending bank representatives when talk turned to product innovations within the area of mobile payment devices and card-based payment systems or to competitors new to the market such as retail chains, non-banks (PayPal) or banks from emerging markets. Globalization makes the volume, fee per transaction, and investment financing into key factors and forces the banking industry to automate and concentrate its range of product selection. Two thirds of the products offered are still produced entirely by the banks to this day. By comparison, other industries have a vertical integration of approximately 25%. The critical factor in payment traffic for both the packaging of volumes and the segmenting of the value chain is the standardization of the payment formats and processes. Gerard Hartsink, EPC Chair, illustrated how advanced those efforts are within the SEPA framework. While he betrayed no doubts about the timely SEPA credit transfer by January 1, 2008, he did mention certain challenges of a legal nature with the SEPA direct debit implementation (see also interview on page 4).

The contributions by representatives of international companies using specific examples to present their problems, needs and expectations in the payment traffic area were also met with great interest. The design and implementation of industry-wide standards was requested from that side, as well. This would help realize synergy potential which could, for example, be gained from the cash pooling and payment traffic at one single company location rather than dissipated by enforced use of 35 different proprietary payment formats in the subsidiary countries. ■

***Andreas Galle**, Swiss Interbank Clearing Ltd., andreas.galle@sic.ch*

GLOBAL PAYMENTS FORUM

The Forum is a NACHA (North American Automated Clearing House Association) committee for international payment traffic issues. It meets thrice yearly and organizes the Global Payments Strategies Conference taking place each January in Europe. The forum promotes initiatives, new concepts and projects enabling the efficient, economical exchange as well as the processing of cross-border payments. For additional information, see www.nacha.org.

Monte Carlo, the conference venue

LSV$^+$/BDD – FIRST OPERATIONAL EXPERIENCES

By November 1, 2006 the approximately one-year migration phase of the Swiss banks' direct debit procedure to the new LSV$^+$ and BDD (Business Direct Debit) products was successfully completed. Credit Suisse takes stock.

LSV SPECIFICATIONS: EXPECTED AMENDMENTS

	T-3	T-2	T-1	T	T+1	T+2
current	sub.: 10.00/12.00 del.: ca. 17.00		Payment within three to five business days	Payment	Payment	Payment
planned			sub.: 15.00/16.00 del.: ca. 17.00 Payment within one to two (three respectively) business days	Payment	Payment	(Payment)

sub.: = submission / del.: = delivery

Source: CS

Even though all creditors had repeatedly been informed about the planned migration starting as far back as 2004, at four months before the discontinuation of the LSV platform, only 10% had completed the transition to LSV$^+$/BDD. Apparently lulled into complacency by the existing direct debit processing, which had – for all intents and purposes – run without any need of maintenance ever since 1977, many organizations didn't pay much attention to the impending changeover.

ORGANIZATIONAL BOTTLE NECKS

Only after viewing the specifications, did many companies become aware that adapting and upgrading software and business processes would be necessary. In some cases, the migration date could only be met by bringing in outside help. As a result, a significant number of creditors did not transition to LSV$^+$/BDD until October 2006. This led to above-average utilization of our advisor and consultant teams along with the IT, project, and product management and the support and service centers.

Additional effort for all parties involved was needed for the introduction of BDD-IDs (without right of objection); particularly since the creditors needed to obtain new debit authorizations from their debtors for the change to BDD. The financial institutions offered companies with large accounts receivable master files mass mutations of «LSV without right to object» to BDD. »

All intensive customer support notwithstanding, a very few participants were unable to complete the transition to LSV+/BDD on time. In some cases this was a result of outside influences (dependence on software providers, etc.). These organizations had to pursue a short-notice conversion solution in order to be able to participate in the new process by November 1, 2006.

LSV+/BDD SPECIFICATIONS

Shortly after start up of the new procedures, the service consultants were faced with diverse problems:

Collection orders must be submitted for processing in LSV+/BDD by 10 am three business days before value date. Based on the additional two-day waiting period after value date, payments can be carried out up to five business days after being submitted. For many clients, this extension is less than ideal and is worse than within the frame of the old direct debit procedure, in which submission was possible until 2 pm on the day preceding value date. This change creates a problem in some situations:

> **«The waiting period should be reduced to one day past value date.»**

- Purchase of securities and investment funds which have a predetermined value date which cannot be met if collection occurs using LSV+/BDD.
- Business transactions «goods-for-money», where the period between ordering and delivering increases (especially BDD).
- Increased credit risk for transactions with higher amounts (e.g. crude oil suppliers), since new payment demands are created before deliveries are paid, due to a high and repea-ting delivery frequency.

These customer concerns – affecting small and medium sized-businesses as well as major international corporations – have prompted Credit Suisse to initiate product improvements at the interbank level. Since most financial institutions had similar experiences, an interbank task-force comprised of CS, RBA, SVRB, UBS, ZKB and TKB representatives in close cooperation with Swiss Interbank Clearing has developed the following product criteria:

- Shortening the delivery period for debit orders to one business day before value date (like the original LSV) and moving of the cutoff time from 10 am to 3 pm for the beneficiary, representing an actual improvement over the original LSV.
- The waiting period, which is purely a regulatory period, should be reduced to one day past value date, thus granting the financial institutions enough time for intervention, should the need arise.

What's next?

We at Credit Suisse see a potential merging of the direct debit and EBPP (Electronic Bill Presentment and Payment) services. In that case, the electronic debit authorization (e.g. in online banking) could be an interesting add-on feature; guaranteed to soon be a topic for innovative debtor banks!

Telekurs PayNet currently implements a new interface for the financial institutions offering debtors an «automatic permanent authorization» function. This allows the debtor to automatically authorize payment of the invoices of selected EBPP billers up to a self-determined maximum amount – a kind of direct debit procedure with payment on ESR basis. Credit Suisse is planning the introduction of automatic permanent authorization by the end of 2007. ■

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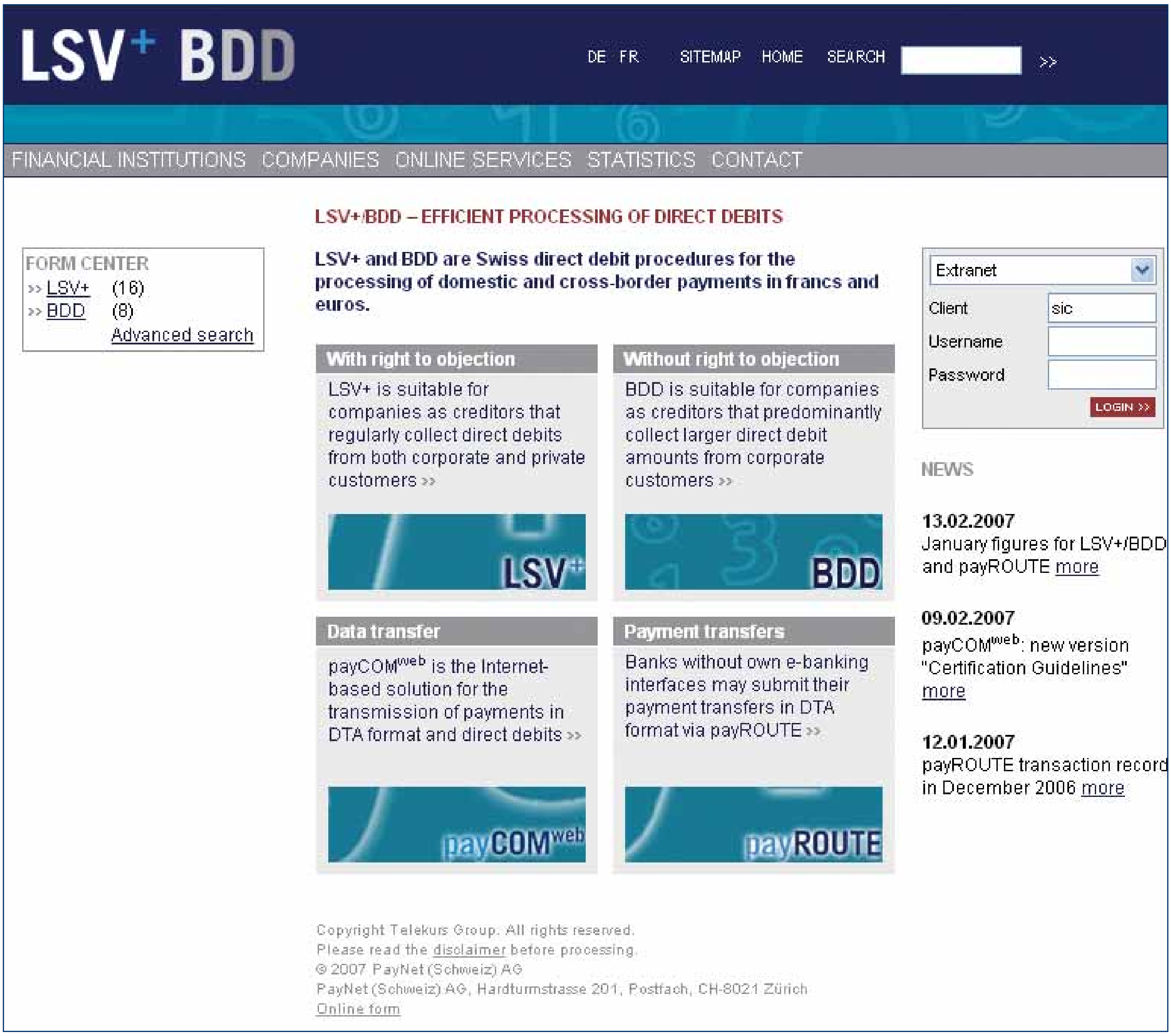
DIRECT DEBIT PROCEDURE SERVICES GO TO PAYNET

As of January 1, 2007, Swiss Interbank Clearing Ltd. has transferred the direct debit business field LSV to Telekurs PayNet Ltd. The consolidation of the two companies' related electronic payment business fields, LSV and EBPP, facilitates product design synergies.

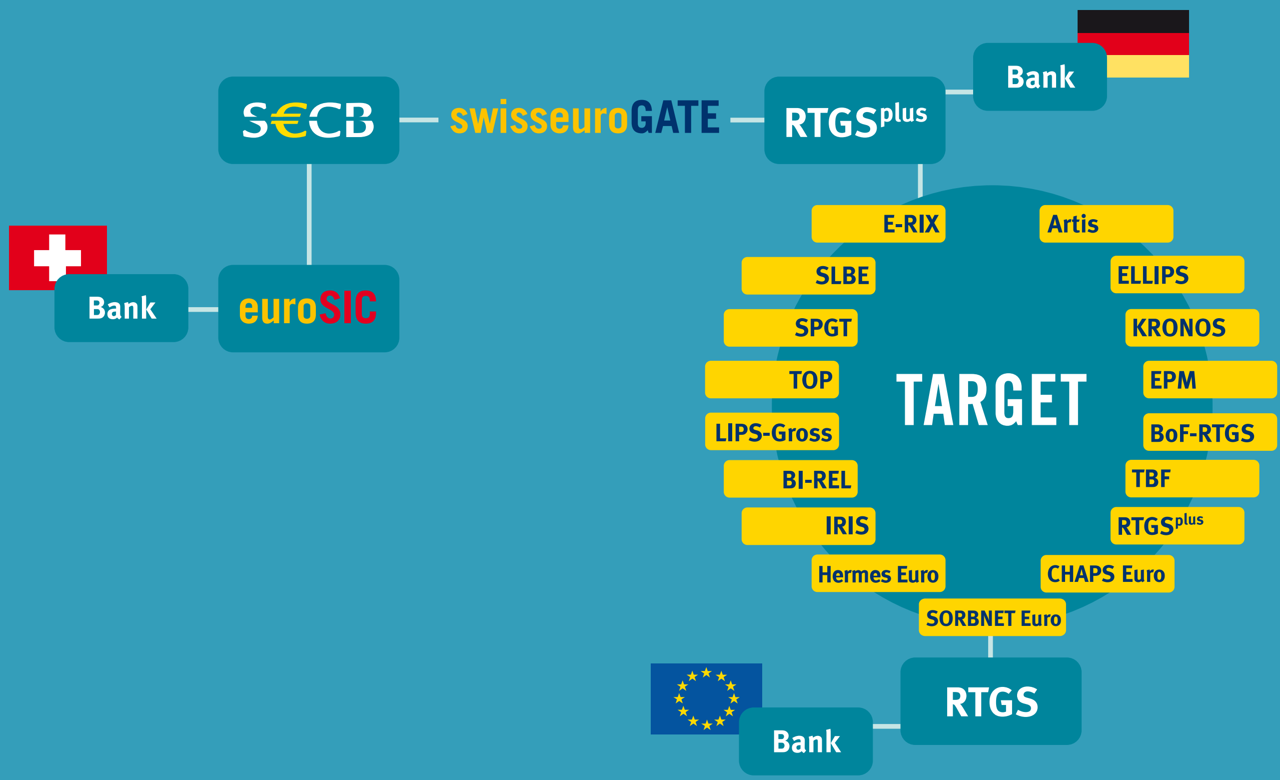
LSV⁺/BDD – A QUICK OVERVIEW

Both procedures are ideal for those companies collecting repeat amounts in Swiss francs or euro and wishing to offer their clients a simple, comfortable payment method. LSV⁺ and BDD differ in that LSV⁺ was developed for collection with right to object and BDD for collection in the B2B area and specifically without right of objection. The debit authorization still serves as the contractual basis between creditor and debtor, just as it did in the original LSV. For more info, visit www.lsv.ch.



www.lsv.ch, the new website all around direct debit services.

UPDATED CROSS-BORDER GUIDE: For the euroSIC participants using swisseuroGATE for their cross-border euro payments, the knowledgebase on www.crossborderguide.com was restructured.



MASTHEAD

PUBLISHER
Swiss Interbank Clearing Ltd., Hardturmstrasse 201, CH-8021 Zurich, Switzerland

ORDERING/FEEDBACK
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EDITION
Nr. 31 – March 2007
Published regularly. Circulation German (1300 copies), French (400 copies) and English (available in electronic format only on www.ClearIT.ch)

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TRANSLATION
French: Word + Image, English: HTS

LAYOUT
Felber, Kristofori Group, Advertising agency

PRINTER
Binkert Druck Ltd., Laufenburg

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Additional information about the Swiss payment traffic systems can be found on the Internet at www.sic.ch