



IFX Forum, Inc.

IFX Overview Datasheet

Organizations have long had to find ways in which to connect and share financial information between internal and external applications. The challenge has always been in making sure that information can be exchanged among all of these applications in a cost-effective manner while maintaining the integrity of the transaction.

For the most part, maintaining data integrity has been relatively easy to achieve in closed environments, usually between a small handful of communicating parties working together in defining the exchange. However, interoperability of these exchanges is not easy. It has been expensive to implement and to extend this solution to incorporate new business models. In particular, these closed systems have not proven to be very easy to use when extending to B2C, B2B or a combination of the two environments.

One key aspect to the ideal solution to this problem is to use one common language that that has been designed for large-scale interoperability. This is ostensibly solved through the adoption of XML as the standard intersystem language. XML has been widely accepted and therefore provides the foundation for development towards interoperability.

XML alone does not constitute a total solution. XML is the universal foundation but is lacking a universal dictionary. What is needed is the definition of what constitutes a rich, value-add understandable conversation among all communicating parties. The rules of the con-

versation should be strict enough to be unambiguous, yet flexible enough to handle a wide range of transactions. The rules must maintain enough flexibility to support even the most complex business rules while minimizing the cost of participation.

What is IFX?

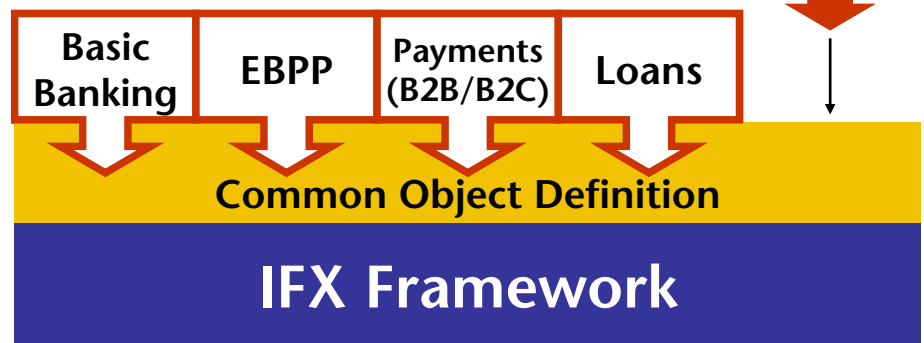
The Interactive Financial eXchange (IFX) is a mature, well-designed XML-based, financial messaging protocol, built by financial industry and technology leaders incorporating decades of combined experience and best of breed design principles.

The goal for IFX has been twofold:

- 1) To use real business use cases and develop content that is meaningful and useful to the financial services industry.
- 2) To create a strong, flexible, open architecture that will support extending the protocol in an efficient, interoperable manner.

Defining the Conversation

While there are many emerging XML based standards available,



the differentiating factors when choosing which to use are usefulness, maturity, extensibility and, most importantly, the amount of investment necessary to implement and go to market with a solution.

IFX is content-rich. Many other newer standards provide frameworks in which to apply business rules, addressing only the most rudimentary standardization needs. However, this requires parties wishing to implement the standard to work together outside the scope of the standard to agree on specific definitions. This eliminates much of the benefit of using a single standard. IFX encompasses years of development on the part of industry experts who have painstakingly defined, modeled and incorporated real-life use cases to produce relevant, useful, and clearly defined business data objects. Additionally, the interaction among these objects has been thoroughly analyzed.

IFX is built with the recognition that no single financial transaction stands on its own, but rather is an integral part of the relationship among all of the communicating parties; a payment is not complete until a remittance is sent, an ATM withdrawal is not complete until a consumer's account has been debited, and so forth.

IFX currently provides content-rich conversations in the areas of:

- Electronic Bill Presentment and Payment
- Business to Business Payments
- Business to Business Banking (such as balance and transaction reporting, remittance information)
- Automated Teller Machine communications
- Consumer to Business Payments

IFX is designed specifically for interoperability of systems seeking to

exchange financial information, both internally and externally. This means that IFX not only addresses the data exchange requirements for the environments defined above, but also allows for interoperability among all of the business areas.

Addressing Uniqueness

IFX is also made up of a powerful framework that allows for customization and extensibility while adhering to strict design principles needed for large-scale interoperability.

IFX is built with the recognition that not every single nuance of the conversation will be captured perfectly by the objects that have been defined. The content provided can be used as a great starting point, however; the architecture allows for easy customizations that will maintain compatibility with other IFX implementations if applied in accordance with the IFX standard.

Additionally, the architecture has been designed so that entire new areas of financial conversation can be incorporated in a manner compatible with the ones that have already been defined.

The IFX architecture has been built with the following design principles:

- Consistent design
- Rich set of common objects
- Platform independent (from PDA to mainframe)
- Cross-industry compatible

With the popularity of the World Wide Web, customers are increasingly likely to use multiple applications, either desktop-based or Web-based, to perform financial activities. IFX allows a user to use multiple client applications to access the same data at a Service Provider.

Who is IFX?

IFX is governed by the IFX Forum and has been in the making for over four years, mature by today's standards.

The IFX Forum, a non-profit organization that is open for worldwide participation, was founded to provide leadership, structure, and process for the development, promotion, use and adoption of the IFX Specification.

The IFX Forum is made up of a wide range of financial industry players that includes leading global banks, financial service providers and technology vendors.

For more information, please visit us at www.IFXForum.org.