



finswitch

November
newsletter



Nick's Corner



Season's Greetings

This is the final newsletter for the year and we would like to thank all our clients for their support. FinSwitch continues to go from strength to strength and we processed 14.7 million transactions with a value of R1.3 trillion for the last financial year, end Sept 2020. Wishing you peace, health, happiness, and prosperity in the coming New Year from all of us at FinSwitch.

Blockchain Update

Our Blockchain initiative continues to progress as planned and the following is an overview of some of the relevant points to note in the run up to the go live. Please feel free to contact me or the team if you have any questions or would like to arrange a session to brief your team.

What is the project about?

FinSwitch is replacing its existing application with a blockchain enabled platform in partnership with FNZ, a UK based company that provide multi-channel wealth management services to their clients.

Why is FinSwitch doing this?

To modernise its service offering with the latest technology that will potentially over time allow our clients and the industry to reduce operational costs and offer cheaper investment products to the man in the street.

What is the plan and approximate timelines?

The project is broken up into phases and includes the migration of the static and transactional data from the current live application to the new platform. The intention is to then provide our clients **READ** only access towards the end of the year to view the above data. This **familiarization** phase will last approximately 6 months. The project will continue in parallel with more functionality being rolled out until the planned GO-LIVE mid-2021.

1. Migrate and test static and transactional data - current
2. Open the system in Read only mode to users – End 2020 early 21
3. 6-month user familiarisation phase - End 20 – mid 21
4. Go Live - Mid 21

Where are we now?

FinSwitch is busy testing the migration of all static and transactional data and the supporting screens and functionality on the new User Interface (UI).

What do the read/write phases mean?

Read phase will allow clients to view their data and transaction in the new application. All new trades in the current live environment or “Delta’s” will be replicated in real time mode onto the new blockchain platform.

Write phase will happen when we switch off the old system and clients will Write or upload their data directly onto the new system.

Do I have to do anything for the Read only phase?

The login process will be slightly different as we have a more secure login that requires you to complete an OTP on your first login. This will enable you to create your unique personal password.

Does this impact me now?

If your company static data is current and complete, there will be no impact. If we find any incomplete or inconsistent data, we will ask you to update it on the current application. This is very important. If it is not completed the data and any underlying trade data will not be visible on the new system until fixed.

You will be asked to submit a cell phone number so that on the first login you will receive an OTP to set your password.

Will my configuration be impacted?

No. All existing set-up and configuration will be migrated.

What is the impact to me on go-live?

There is none. All webservice functionality will be in place and clients using the new front end or UI will access the relevant screens to upload their files. The current API user details may change.

The download of prices via FTP will no longer be supported as this is not a robust and secure solution. Clients can either use the webservices functionality or we use the new API functionality. We would strongly recommend the latter

New features and functionality

- **Login.** Use of your email as the user id and an OTP to create your password
- **API.** This is the new and more powerful automated interface based on the financial ISO standards to load and retrieve data. This will be replacing the existing webservices functionality and we urge and encourage clients to start reviewing and configuring this as soon as possible. Webservices will be phased out within 6-12 months of going live.
- **Individual transactions versus files.** The system will still allow the up and download of files but will also facilitate individual transactions. This provides for greatly improved data granularity. The system will stake your file and process the individual line items and on download will re-create the files for you.
- **Feature linking.** This is a new and powerful function that allows the mapping and allocation of rights within your own company as well as those of outsourced TPA's. If you are using more than one TPA you can set different access and rights across these companies.
- **Fund/account linking.** This functionality will continue and all existing fund account links with positive balances will be migrated. There is a new feature that allows clients to trade without a fund account link and the linking to be automatically generated on the receipt of the confirmation. This takes away the issue of having to anticipate flows and pre-link a new account or product that can then sit on the database for several months with a zero balance. We believe this will be a significant benefit to our clients.

Communication and socialisation

FinSwitch is actively communicating to our clients and the market about the project, the project progress, and the potential benefits and opportunities. This is very important for all of us and we urge you to take note of all communication sent to you as it will significantly reduce the impact of the change and help facilitate a seamless change over next year. We are doing this via several forums. These include emails, newsletters, User forum and online training sessions, user guides and videos (still to be scheduled).

All users will also have read only access for several months, that will help facilitate the training and user transition as well as allow them to start socialising their teams with the new application as well as to plan the development for the new API's.

Training

We will be hosting several online training seminars accompanied by user documentation and recordings of the training sessions.

Points to remember

- Webservices will be migrating to a new more powerful API over time
- FTP will no longer be in use
- Valid active linked accounts with zero balances will be removed
- 1 Year of historic data will be migrated
- Currency code change from R to ZAR
- Email address as your unique identifier/login ID
- OTP on initial login