



Solutions

Insurance 2.0 (pilot programme)

Service Description

This service description provides an overview of the Insurance service. This information includes the market background, an overview of the service, and a description of the key components. In addition, it describes the roles and responsibilities that apply to both SWIFT and the customers. This document is for all current and prospective customers that participate in the Insurance service pilot programme.

30 March 2010

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Preface

Purpose of this document

This document provides a general description of the Insurance service. The document contains the following information:

- background information
- an overview of the Insurance service
- a reference to SWIFT Support and Pricing

Note This service description is an integral part of the pilot deliverables of the Insurance service pilot programme. The provision and use of the Insurance service during the pilot programme are governed by the Insurance Service - Pilot Terms and Conditions.

Audience

This document is for customers that participate in the Insurance service: insurance and reinsurance carriers, insurance brokers, insurance market infrastructures, and exchanges and their respective members.

Vendors that want to integrate the Insurance service into commercial offerings must also read this document.

Significant changes

The following table lists all significant changes to the content of the *Insurance Service Description* since the 13 November 2009 edition. This table does not include editorial changes that SWIFT makes to improve the usability and comprehension of the document.

New information	Location
Service availability	Section 2.6 "Service Availability"
Updated information	Location
Standards release	Section 2.5 "Standards Release"

SWIFT-defined terms

This document contains terms that have a specific meaning in the context of SWIFT documentation, for example, customer, user, or SWIFT services and products.

The definitions of SWIFT-defined terms appear either in this document or in the SWIFT Glossary. In this document SWIFT differentiates these terms as shown in this example:

SWIFT provides secure, standardised messaging services and interface software to its customers.

Related documentation

Customers can also refer to the following documents in relation to the information in this service description:

- [Alliance Connect Bronze Service Description](#)
- [Alliance Connect Gold Service Description](#)
- [Alliance Connect Silver Service Description](#)
- [Alliance Gateway Kit Service Description](#)

- [Alliance Gateway Service Description](#)
- [Insurance Service Integration Guide](#)
- [Insurance Service Pilot Terms and Conditions \(attached to the subscription form\)](#)
- [Support Service Description](#)
- [SWIFT By-laws](#)
- [SWIFT Corporate Rules](#)
- [SWIFT General Terms and Conditions](#)
- [SWIFT Glossary](#)
- [SWIFT Indirect Connectivity Policy](#)
- [SWIFT Personal Data Protection Policy](#)
- [SWIFTNet Service Description](#)
- [The Rüschtikon Initiative – Rulebook – v1.2](#)

Note Customers can find the latest version of most of these documents at www.swift.com > Support > Documentation.

Pilot programme of the Insurance service

This service description provides a description of the Insurance service during the pilot programme only. At the end of the pilot programme, SWIFT will, in discussion with the Rüschtikon Industry Panel, review whether the Insurance service should become a commercially available offering (scheduled by April 2010).

1 Introduction

1.1 Background Information

The Reinsurance industry has realised its need for a platform for automation of post-placement transactions. Today, these transactions are supported by standards developed by the Association for Cooperative Operations Research and Development (ACORD) and market practice conventions. However, transactions are exchanged over proprietary networks, and they are often supported by e-mail, fax, and postal communications.

Led by an Industry Panel formed for the project, chaired initially by SwissRe, this community will move its ACORD accounting and settlement communications processes onto the new SWIFT Insurance service. The aim is to achieve greater discipline on use of standards, harmonisation of business processes, extension and scalability of automation, and reduction of operational risk and cost as a direct result.

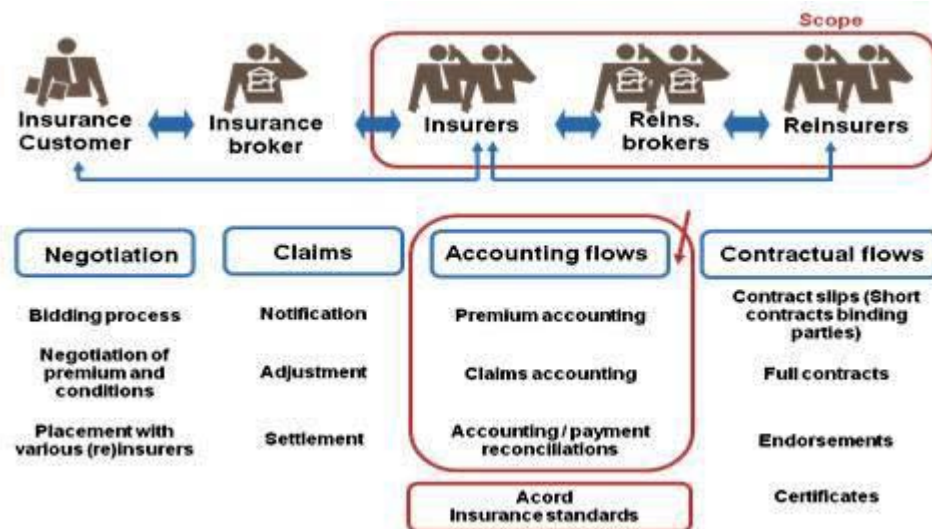
Initially, the project's core value proposition is the harmonisation of processes supported by the service, as defined in the Rüşchlikon Initiative Rulebook. This defines the rules and target business process performance standards to which the community is committed to achieve over time, which represents a dramatic improvement on performance achieved by the industry to date.

The service will enable exchange of both structured ACORD messages and attachments for processing reinsurance premium and claims accounting transactions.

The Insurance service pilot covers two phases:

- The first phase of the pilot focuses on message exchange only over multi-vendor secure IP network (MV-SIPN). This service description describes this first phase of the pilot.
- In the second phase of the pilot, the Insurance service will validate messages against the standards defined in the rulebook, and will reject those which do not comply.

It is intended to progressively deliver more value-added services as the customer base and message volumes increase.



1.2 Eligibility Criteria

The Insurance service is currently reserved for members of the Rüşchlikon group that are duly registered *SWIFT users* in the relevant category and have confirmed their participation in the Insurance service pilot programme by returning a duly signed copy of the Insurance Service Pilot Subscription form.

Depending on the regulatory and supervisory status in their country, insurance firms and brokers can apply either as *SWIFT users* in group 1 - Supervised Financial Institutions or in group 2 - Non-Supervised Entities active in the financial industry.

Recognition and addressing of *users* in the Insurance service pilot will be by Bank Identifier Code (BIC). In case an institution has different roles (for example, broker and reinsurer, see section 1.3), the *user* requires two different BICs.

For more information about eligibility criteria, see the *SWIFT Corporate Rules*: section 2.5.1, "Groups of Users".

For more information about the BICs, see the [SWIFT BIC Policy](#).

1.3 Participants' Roles

- **Brokers:**

A firm that acts as a broker, and that initiates messages relating to placed reinsurance is considered a broker.

- **Reinsurers:**

A firm that acts as a reinsurer and that initiates or acknowledges messages relating to accepted reinsurance is considered a reinsurer.

- **Reinsurance Cedents:**

For the purpose of this service, a reinsurance cedent (cedent) is a firm that would participate in the Insurance service exclusively by initiating and acknowledging messages relating to its reinsurance programmes protecting its insurance portfolio.

2 Overview of the Insurance Service

2.1 Scope

The Insurance service enables the secure exchange of ACORD messages over the SWIFT multi-vendor secure IP network through the Alliance Gateway interface product.

Customers exchange messages that are centrally validated by SWIFT. Messages that do not comply with the standards rules are rejected by SWIFT and not delivered to the intended recipient.

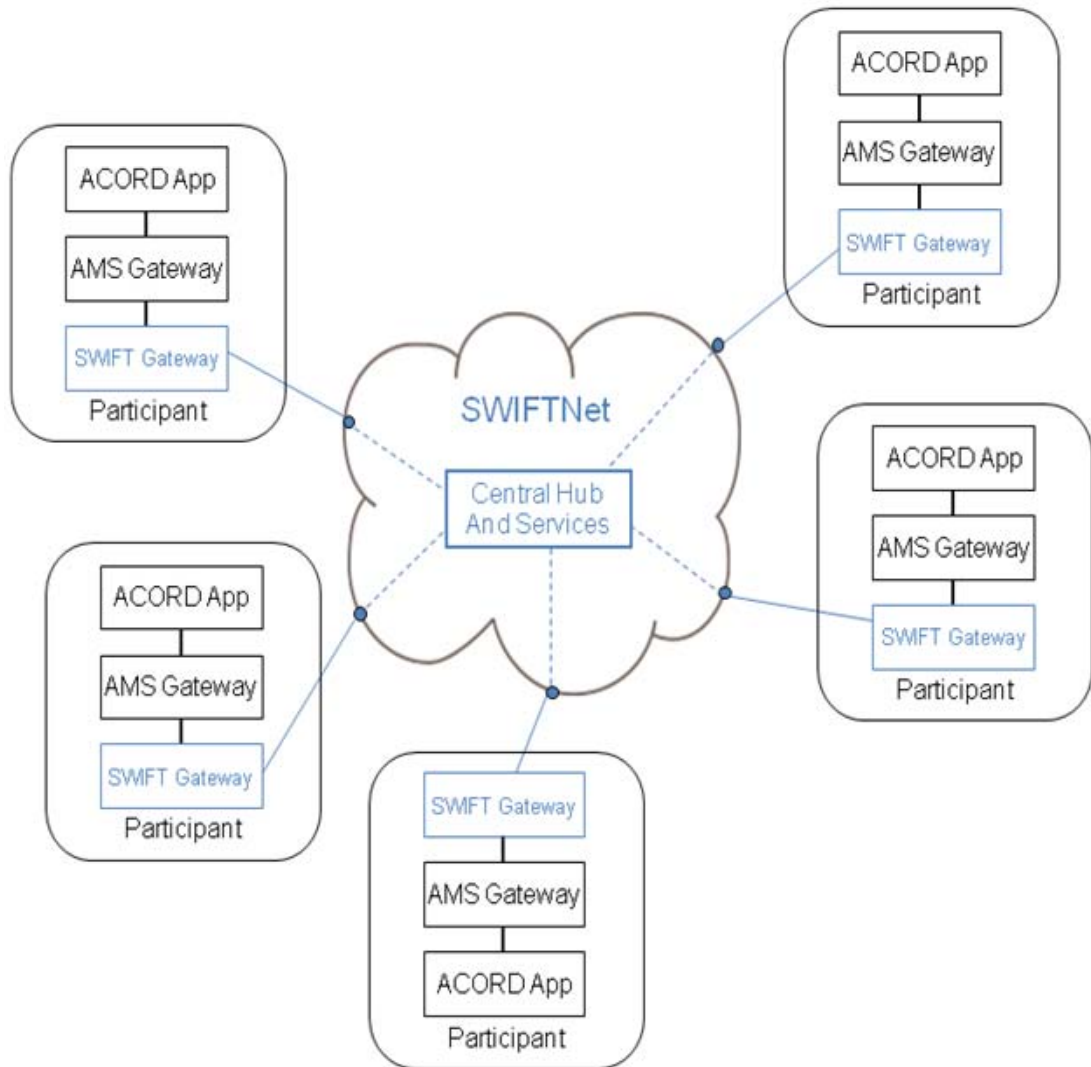
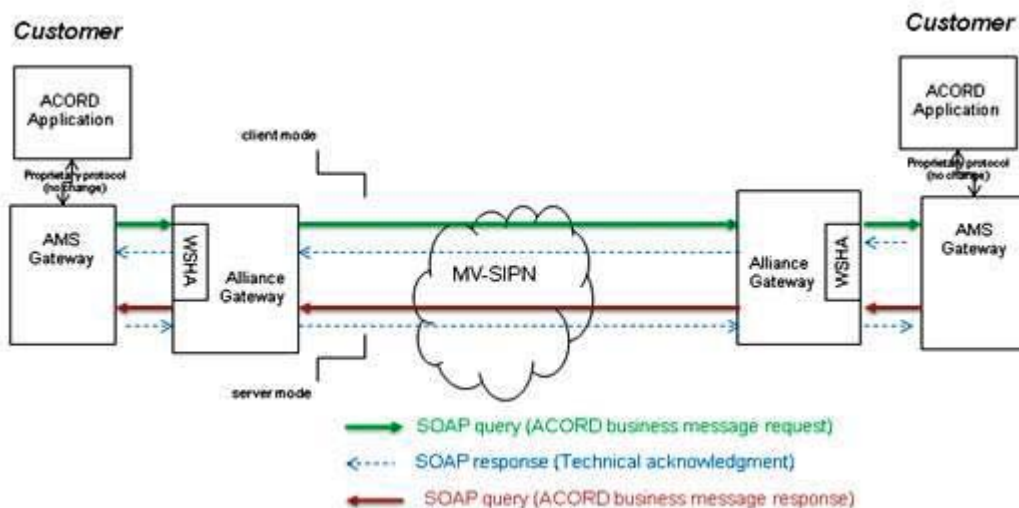


Figure 2: The final Rüşchlikon architecture leverages SWIFTNet as the common communication, security, and service delivery platform

2.2 Communication Flows

The ACORD Messaging Service (AMS) standard is a web service that defines a standard way of sending related ACORD business payload messages and attachments. The protocol is based on SOAP, with HTTPS as the transport mechanism. More information about ACORD Message Service is available on www.acord.org.

The SWIFT Insurance service supports a message exchange pattern where the sender sends the business message to the recipient who provides an immediate delivery receipt (technical acknowledgement). The connection is then closed and the recipient of the message must initiate a new transaction to send the business response. The SOAP query generated at the AMS gateway client and the SOAP response generated at the AMS gateway server are PKI signed and verified at the level of the Alliance Gateway.



The Insurance service allows the transportation of the following four types of RLC (Reinsurance and Large Commercial) business messages:

- Technical Account (TA)
- Financial Account (FA)
- Acknowledgement (ACK)
- Claim Movement (CLM), and
- DRI (Document Repository Interface) exchange, supporting the transmission and download of documents that are related to RLC messages.

ACORD develops and maintains these XML messages. For more information, see www.acord.org.

All messages pass through a system at SWIFT that validates them against the validation rules that are applicable. ACORD develops these validation rules at the request of the user community. The user community agrees in advance on the version of these rules that SWIFT applies for the validation.

2.3 Messaging Components

The Insurance service provides end-to-end connectivity, using the existing AMS solution through Alliance Gateway end-to-end SOAP over HTTPS and SWIFTNet.

The Alliance Gateway Web Services Host Adapter (WSHA) component acts as the access point to send the HTTPS SOAP messages over the SWIFT multi-vendor secure IP network.

The participants are part of a Closed User Group (CUG) for the handling of the WSHA protocol, which comprises an initial InterAct negotiation through SWIFTNet.

In the SWIFT Closed User Group, all participants can send messages to each other.

Messaging components:

- **Transport Layer:** HTTPS 1.1, SSL/TLS (HTTPS), MIME
- **SOAP Layer:** SOAP 1.1, SwA, x.509, WSS 1.0
- **Messaging Layer:** AcordMsgSvc
- **Business Message Layer:** RLC, DRI
- **Validation by SWIFT:** ACORD validation rules version 2008-1

2.4 Impact on Existing AMS Applications

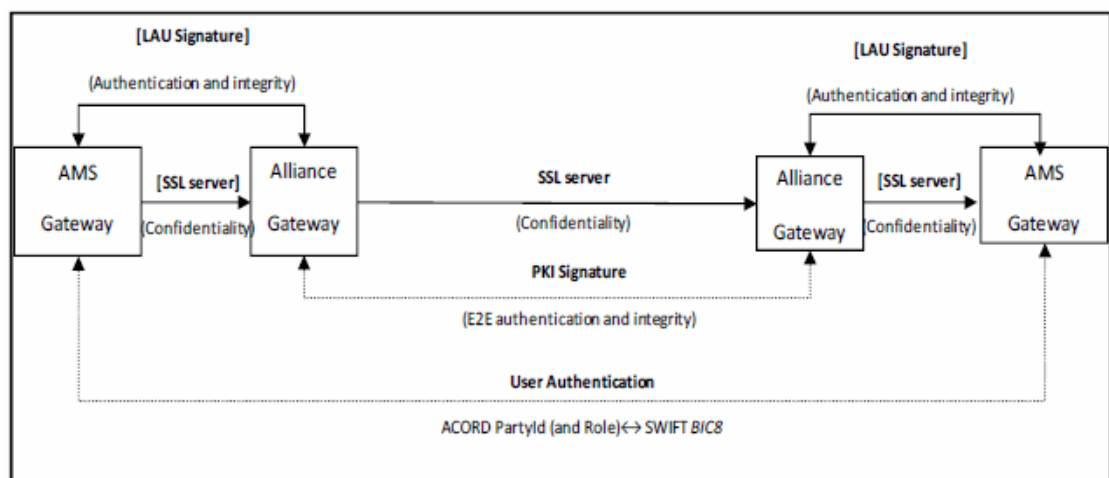
The Alliance Gateway hosts a Web service intermediary node, called the Web Services Host Adapter (WSHA). WSHA intermediates all Web service requests sent on the SWIFT network, so any SOAP request or response (including Faults) addressed to a counterparty must be directed through the local WSHA endpoint. Additionally, all requests and responses (including Faults) sent to WSHA must contain additional SWIFT-defined (but Web services-compliant) SOAP Headers to include:

- Security - SWIFTNet PKI and Local Authentication
- Naming and Addressing - Map ACORD party-id to SWIFT DN

The specific impacts of these SWIFT-specific additions are explained in the following sections.

2.4.1 Security

The ACORD standard defines a message security scheme for end-to-end validation. SWIFT does not have to interact with this security to keep the integrity of the end-to-end security validation. However, connections over multi-vendor secure IP network are SSL-based for encryption and server authentication purposes.



Security is provided in multiple layers:

- **Local AMS Gateway to Alliance Gateway security:** this interface can be configured to provide 1) data confidentiality by means of SSL encryption, 2) server authentication based on SSL server certificate verification and 3) individual message integrity and origin verification based on Alliance Local Authentication. The optional Local Authentication security needs to be supported by the AMS Gateway.

- End-to-End security: the following end-to-end security is provided on the messaging channel between the two counterparties; 1) data confidentiality by means of SSL and IPsec encryption, 2) client authentication based on SWIFTNet PKI; 3) server authentication based on SSL server certificate verification and 4) individual message integrity and origin verification based on SWIFTNet PKI with revocation list updates within 2 hours.
- Address integrity: The signer BIC8 of requests and the responses is passed on to the AMS Gateway. It is the responsibility of the AMS Gateway to validate the relationship between this BIC8 and the party-id fields within the business message.

2.4.2 Naming and Addressing

SWIFT uses Distinguished Names (DNs) to identify all entities on SWIFTNet. These are based on the X.500 standard.

An AMS must be able to map from ACORD message senders and receivers to SWIFTNet Requestors and Responders. Requestors and Responders must therefore be configurable, and linked to ACORD PartyIDs through a mapping table.

2.4.3 SWIFTNet Service Name

For the Insurance service, two SWIFTNet service names are defined:

- Pilot service: swift.reinsurance!p
- Production service: swift.reinsurance

2.5 Standards Release

SWIFT updates once a year the version of the validation rules that SWIFT uses to validate the messages that users exchange. This version is fixed each year in December of the preceding year by ACORD. SWIFT makes the new version available on its network by May for use on the pilot service, and by October of the same year for use on the live service. During the period between May and October, SWIFT will support on the pilot service both the new and the old versions of the standards.

2.6 Service Availability

2.6.1 Planned Unavailability

SWIFT plans and notifies customers in advance of dates on which, and times at which, the Insurance service may potentially be unavailable.

Planned unavailability can be for the following events:

- downtime due to scheduled SWIFT infrastructure maintenance
- scheduled changes to SWIFT systems, for example, changes to software or hardware configurations, such as in the case of standards version upgrades.

SWIFT performs such system changes and maintenance during allowable downtime windows. These windows are during weekends (Saturday and Sunday). For the Insurance service, this allowable downtime window is planned each weekend between Saturday 11:00 GMT and Sunday 12:00 GMT.

If planned downtime is necessary outside this window, SWIFT will notify the Insurance customer by e-mail in advance.

For more information about scheduled downtimes in general, see www.swift.com > Support > Operational status.

2.6.2 Unplanned Unavailability

If SWIFT becomes aware of a problem in the Insurance service, then SWIFT will start an investigation to find the cause of the problem and plan for a remedy. The time to restore the service will depend on the severity of the problem.

2.7 Connectivity

To use SWIFTNet services, customers require a **network connection** to SWIFT's multi-vendor secure IP network and a **connectivity interface**.

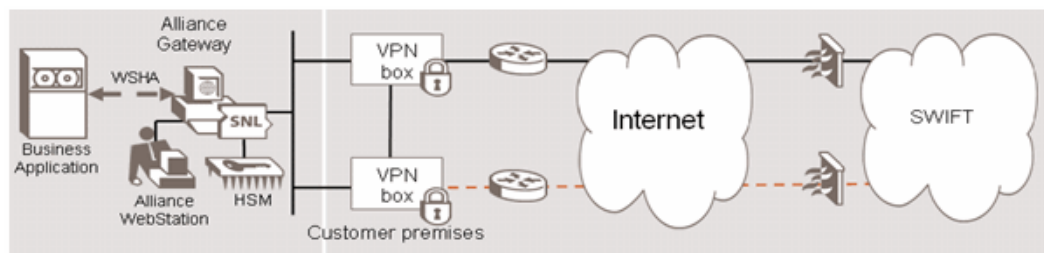
Depending on their operational requirements, customers can choose one of the two following models to connect to SWIFT:

- When looking for maximum flexibility and control, customers can choose the **private infrastructure** model, and deploy the connectivity products in their own premises.
- When preferring to outsource SWIFT operations to a connectivity service provider, customers can choose the **service bureau** model.

Customers can find additional information at www.swift.com > Solutions > Connectivity.

2.8 Private Infrastructure

2.8.1 Gateway Kit



SWIFT designed the Alliance Gateway Kit for new customers, addressing specific infrastructure, and connectivity requirements. The Kit contains all SWIFT-related components (connectivity, software, hardware, and documentation) that a new user requires to go live on SWIFT.

- Bank Identifier Code (BIC)
- Alliance interface (Alliance Gateway and WSHA, Alliance WebStation, SWIFTNet Link)
- connection to SWIFT (internet access through an ISP with Alliance Connect Bronze, VPN box)
- security products (HSM & PKI certificates)
- documentation

Customers can find additional information in the [Alliance Gateway Kit Service Description](#).

2.8.2 Private Infrastructure with Reduced Connectivity Cost

For low-volume users, SWIFT's lowest-cost connectivity option is Alliance Connect Bronze, which includes connectivity through the Internet. Customers can find additional information at www.swift.com > Solutions > Connectivity > Low-volume customers > Alliance Connect Bronze.

2.8.3 Private Infrastructure with Enhanced Security and Resiliency

- Alliance Connect Silver is SWIFT's network connectivity option for medium-volume customers. It addresses the needs of customers that require the strong reliability of a managed and guaranteed prime line, with a cost-effective backup line using the Internet. Customers can find additional information at www.swift.com > Solutions > Connectivity > Medium-volume customers > Alliance Connect Silver.
- Alliance Connect Gold is designed for SWIFT's high-volume customers that require the highest resiliency. Customers can find additional information at www.swift.com > Solutions > Connectivity > High-volume customers > Alliance Connect Gold.

2.8.4 Alliance Gateway and WSHA

Alliance Gateway manages connectivity between customer applications and the Multi-Vendor Secure IP Network by means of host adapters. Web-service applications can connect to Alliance Gateway with the Web Services (SOAP) Host Adapter WSHA), to exchange SOAP messages with other applications over SWIFTNet.

3 Pricing

Details about pricing are available in the *Commercial Framework for Pilot Users of the Insurance Service*, which is available from the account manager.

4 Support

Support for pilot users of the Insurance service

SWIFT is the single point of contact to report all problems and queries that relate to SWIFT services and products. Support is available to all SWIFT customers.

Users within a customer organisation must register to use the Support service.

Pilot users of the Insurance service are entitled to Standard Plus Support. Standard Plus is offered free of charge and provides unlimited support by web, e-mail, and telephone.

For more information about how to register for Support, see the **Customer login** section on the www.swift.com home page.

Related information

For more information about Support services, see the *Support Service Description*.

5 Rulebook

The Insurance service enables the exchange of both structured ACORD messages and attachments.

The *Rüschlikon Rulebook* describes reinsurance-specific usage and implementation rules and guidelines defined by the Industry working group.

The aim of the Rulebook is to achieve greater discipline on use of standards and harmonisation of business processes.

For the avoidance of any doubt, nothing in this *Rüschlikon Rulebook* shall be binding upon SWIFT, or construed as constituting any obligation, representation, or warranty on the part of SWIFT.

At the date of publication of this Service Description, version 1.2 of the *Rüschlikon Rulebook* is the latest available version of this Rulebook.

6 Contractual Framework

The provision and use of the Insurance service are governed by the *Insurance service - Pilot Terms and Conditions* (attached to the Insurance Service Pilot Subscription Form). If there is a conflict or inconsistency, the Insurance Service - Pilot Terms and Conditions shall prevail over this service description.

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