



INTERNATIONAL PRIVATE BANKING SYSTEMS, LTD.

2008 MARCH NEWSLETTER

## Welcome to IPBS Across the Bow, the first in a quarterly series of newsletters, designed to keep you up to date with the latest at IPBS.

2008 sees IPBS celebrate its 15th Anniversary. From our origins as a two man business, we have grown to a dozen staff supporting clients in as many countries. IPBS has now ventured into two non-traditional Caribbean jurisdictions (Jamaica and Trinidad). We have enhanced the IPBS software to cope with the new mandates such as local taxation.

Before we dive in to the newsletter, I wanted to draw your attention to the fact that we launched a new website in December 2007 featuring a fresh look and feel as well as updated content. The feedback from our customers so far has been really positive. Why not take a moment to visit [www.ipbs.com](http://www.ipbs.com) and don't forget to let us know what you think.

## Bahamas: A Premier International Financial Center

---

Each issue of IPBS Across the Bow will take a look at a different offshore location.

Over 40 years of steady growth, the Bahamas has earned a reputation as a beneficial place to conduct business. The region has benefited from consistent investment in its infrastructure, strong regulation and a focus on global compliance.

With a skilled labor force, a supportive government and an attractive neutral tax environment, the Bahamas has been chosen as a base by well-established, internationally-recognized companies as well as savvy financial investors. It now accounts for assets of over \$200 billion.

It is no wonder The Bahamas is a previous winner of the 'Best International Financial Center in the Western Hemisphere' award from The Banker, a Financial Times publication.

Even the risk of a natural disaster has been mitigated by organizations implementing effective Disaster Recovery plans. These protect client data and ensure the institution can quickly become operational again should disaster strike.

### IN THIS ISSUE:

- A review of the Bahamas and its evolution into one of the premier International Financial Centers
- Customer update: Royal Fidelity
- A new partnership with QuoteMedia
- The role of technology in offshore banking
- Coming up in 2008: Industry events that IPBS will be attending
- Where IPBS has been featured in the industry press



The Bahamas therefore offers a full range of financial services and IPBS works with many of the regions' private banks, trust companies, mutual fund administrators, wealth management professionals and investment and asset managers. By providing these institutions with front, middle and back office support services, they remain efficient and can deliver effective services to their clients.

## Customer Update

---

In addition to growth in the IPBS client base, we are also seeing long term customers extending the reach of their IPBS implementations. Royal Fidelity Merchant Bank and Trust ("Royal Fidelity") recently celebrated its 10 year relationship with IPBS with a further extension of their contract.

This long term relationship with IPBS started in 1997 when Royal Fidelity selected IPBS to assist with administering its stock brokerage, private banking and wealth management needs in the Bahamas. Royal Fidelity's business has expanded significantly since then. Constant attention to product development ensured that IPBS continued to offer a first class private banking and wealth management solution.

The IPBS system was first implemented by Royal Fidelity in the Bahamas – also where the headquarters of IPBS is based, but over time the solution has been implemented in other regions.

"We initially selected IPBS based on the functionality and its reputation in the financial services market. Over time our needs and the markets we serve have evolved, and the IPBS solution has kept pace. Our relationship with IPBS has flourished based on their track record of delivering proven solutions backed up by a team with expertise and first class consulting skills," said Michael Anderson, President of Royal Fidelity.

## Partner Update

---

In order to deliver better, more competitively priced trading and banking solutions to our clients, IPBS works with key industry partners. For example, our customers were telling us they wanted an alternative solution to obtaining real-time pricing and valuation data. We therefore teamed up with QuoteMedia, a leading provider of financial stock market data, to provide real time market data to IPBS customers.

IPBS has integrated QuoteMedia's proprietary data feeds into its existing wealth management applications, to provide dynamically updating real-time information as a subscription service to IPBS customers.

By enhancing the IPBS solutions for ebanking and etrading to use QuoteMedia real-time market pricing to value securities and estimate trade order costs, customers will benefit from up to date and accurate market information.

"The ease of access to QuoteMedia data and the seamless integration with IPBS solutions for ebanking and etrading means that customers can now trade from a more accurate financial position. The addition of market and financial data from QuoteMedia ensures that IPBS clients will be able to make superior business and trading decisions," said Dave Shworan, CEO of QuoteMedia Ltd.

## Offshore Technology Focus: Keeping out the bad guys – watch your baseline

Security and privacy are essential to the success of off-shore banking, and intrusion detection and/or prevention are key elements of keeping out the bad guys. But too many companies rely on something called 'threat signatures' to protect themselves from viruses, trojans and unauthorized service requests that can leave their systems totally exposed.

Many IT security measures, such as virus filters, are based around the concept of a threat signature – that is, being able to recognize something or someone 'nasty' by the structure of the data coming in across the network. But while this approach can identify and trap known problems, it has a vital flaw. In order for a threat to be recognized, it must have previously been identified by the security companies and a signature created. Once this has been done, and local security software has been informed of the new threat signature, then it can be filtered out. But if the threat is new and as yet unrecognized, or if company security software is not at a current enough level, this type of security software cannot help.

The best security solutions use signature-based threat detection as part of the solution, but also implement some sort of baseline tracking. That is, they build a good understanding of what is 'normal' in system traffic and behavior terms, and then watch for anomalies. For example, if FTP transfers are never used and then a request for one is received, this looks pretty suspicious. Normally these anomalies are blocked, at least temporarily, and someone in operations is notified to look into the situation. (Article contributed by Steve Craggs of Analyst firm Lustratus).

## Coming up in 2008

If you would like to catch up with IPBS, we will be attending a number of industry events in the coming months. You can see us at The Nassau Conference on February 26 at Atlantis, Paradise Island and we are returning to the Annual STEP Caribbean Conference on 5-7 May at the Sheraton Panama Hotel & Convention Center.

We'll send you a reminder about each event. You can book a time to meet with us at these events by contacting me at [bruce@ipbs.com](mailto:bruce@ipbs.com). If you would like to meet but these events are not convenient for you, just let me know and we'll contact to you arrange a suitable time and place to meet.

## The Front Page

---

IPBS plays an active role in furthering industry debate and discussion on the hot topics facing our industry. We have contributed articles and press releases and customer stories that have appeared in Finextra.com, The Bahamas Investor, Contingency Today and The Caribbean Update.

We will be maintaining our profile in 2008, and if you would like to receive copies of any of the coverage highlighted then let me know.

I hope that you enjoyed reading the very first issue of IPBS Across the Bow. We are constantly looking at ways to improve, if you can think of anything that you would like to see us cover in upcoming issues let me know.

Regards,

*Bruce G. Raine*

**Bruce G. Raine**  
Founder & President

**International Private Banking Systems, Ltd.**  
IPBS House  
No. 3 Moseley Lane  
P. O. Box N 1013  
Nassau, Bahamas

(242) 394-6420 | Telephone  
(242) 393-7735 | Facsimile  
info@ipbs.com

