



For Immediate Release

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**BITS ADVOCATES FOR FINANCIAL SERVICES
SOFTWARE AND INTERNET SECURITY
Consortium of the Nation's Largest Financial Institutions
Focuses on Patch Management and Software Product Security**

WASHINGTON, DC, October 20, 2003 -- BITS, a nonprofit consortium 100 of the largest financial services institutions in the US, today announced it is taking significant steps to respond to increased concerns about security risks resulting from software vulnerabilities, which can be exploited by email worms and viruses. Through its efforts, BITS seeks to mitigate security risks to financial services consumers and the financial services infrastructure, ease the burden of patch management caused by vendor practices, and help member companies comply with regulatory requirements.

BITS' efforts have three primary goals: to encourage a higher "duty of care" by software vendors that sell to critical infrastructure industry companies, to promote compliance with security requirements before software products are released, and to make the patch-management process more secure and efficient and less costly to organizations. "BITS members are deeply concerned about the insufficient attention being paid to security in the software development process," said BITS CEO Catherine A. Allen. "The Blaster and SoBig viruses and the increasing burden of patching security holes in vendor software underscore the importance of working together and leveraging our strength as an industry to address these issues."

To address patch-management issues, BITS members are analyzing industry costs, developing best practices for managing software patches, and communicating to stakeholders, the federal government and software vendors the need for a higher duty of care when selling to and protecting critical infrastructure industries. BITS is also working to influence key vendors to improve the patch-management process and product quality. BITS' efforts will include defining legal, legislative, and regulatory remedies, as well as communicating clear industry requirements for secure software products. Additionally, BITS will facilitate CEO-to-CEO dialogue between the software and financial services industries.

"Security is critical in maintaining the safety and soundness of our customers' transactions and assets in today's complex electronic environment," said James E. Rohr, BITS Chairman and Chairman and Chief Executive Officer of The PNC Financial Services Group. "BITS has been and will continue to be proactive in addressing the urgent issues facing our industry."

A cornerstone of BITS' efforts is the BITS Product Certification Program (BPCP). The BPCP tests software against baseline security criteria established by the financial services industry to help ensure the security of application products and the supporting infrastructure used by financial institutions. With criteria aligned with the Common Criteria, the BPCP is one way BITS influences the vendor

community to include security considerations in the development process. In October, BITS announced that Archer Technologies' Archer SmartSuite Framework Version 3.0 earned the *BITS Tested Mark*. Created by BITS to improve the security of software products used in the financial services industry, the *BITS Tested Mark* indicates to financial services companies that a product has passed BPCP testing.

The prevalence of security risks combined with a lack of accountability for software vulnerabilities has saddled financial institutions with significant risks and skyrocketing costs. Internet viruses and worms are becoming increasingly virulent and expensive for companies to deal with. This year's Slammer worm was the fastest-spreading worm in history, and damage from this year's SoBig virus cost billions of dollars to repair, making it one of the costliest viruses yet. Meanwhile the most commonly used software provider has released patches for more than 40 "critical" or "important" flaws since January 2003. To mitigate risk to customers and prevent damage to their systems, financial services companies must implement patches, which can cost a company millions of dollars annually.

About BITS

BITS (www.bitsinfo.org) was created in 1996 to foster the growth and development of electronic financial services and e-commerce for the benefit of financial institutions and their customers. A nonprofit industry consortium that shares membership with The Financial Services Roundtable, BITS seeks to sustain consumer confidence and trust by ensuring the security, privacy and integrity of financial transactions. BITS works as a strategic brain trust to provide intellectual capital and address emerging issues where financial services, technology and commerce intersect, acting quickly to address problems and galvanize the industry. BITS' activities are driven by the CEOs and their appointees—CIOs, CTOs, Vice Chairmen and Executive Vice Presidents—who make up the BITS Executive Committee, BITS Advisory Group and BITS Council.

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