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BITS and Microsoft Collaborate to Secure Critical Financial Infrastructures
Collaboration Reflects New Level of Cooperation to Secure Key Infrastructure

WASHINGTON, D.C. and REDMOND, Wash. — June 21, 2004 — BITS, a nonprofit consortium of 100 of the largest integrated financial institutions in the United States, and Microsoft Corp. today jointly announced an alliance designed to help improve the security of the nation's financial services infrastructure. The unprecedented collaboration between Microsoft and BITS is expected to help provide more secure infrastructures for most of the nation's financial services organizations.

“BITS is working closely with key vendors, including Microsoft, to help ensure that the products offered to our members are reliable, and that they are designed, developed and deployed with the highest appropriate security standards and with minimal impact in terms of costs of updating,” said Thomas A. Renyi, chairman and chief executive officer of The Bank of New York Company Inc. and chairman of the BITS board of directors. “Our collaboration with Microsoft represents a significant step in ensuring the safety and soundness of our customers' critical infrastructures and ultimately helping protect a key segment of the national economy.”

“Customers in the financial services industry have told us they face unique challenges in protecting their critical infrastructures, and we are dedicated to working closely with the industry to develop effective solutions,” said Mike Nash, corporate vice president of the Security Business & Technology Unit at Microsoft. “We appreciate the opportunity to work closely with

BITS, and we look forward to continued collaboration to improve the security and reliability of information technology for the financial sector and other critical infrastructures as well.”

BITS and its members have been working closely and constructively with a team of Microsoft executives over the past six months. This has been in the context of BITS’ overall initiative to improve software security, especially for sectors such as financial services, which are a foundation of the nation’s critical infrastructure. One of BITS’ objectives is to make the patch-management process more secure and efficient and less costly for organizations.

Among the issues BITS and Microsoft are focused on are these:

- Working with the financial industry, Microsoft has agreed on parameters for specialized support for Microsoft® Windows NT® 4.0 to provide financial institutions and other customers with security updates for an extended period during which they will migrate their systems to more recent versions of Windows®.
- Microsoft is providing localized expertise and assistance to customers when installing security updates and implementing system changes.

As a consortium of financial institutions that collectively holds more than half of the nation’s financial assets, BITS is focused on working with security vendors to champion improved software security for the financial services sector. In this context, Microsoft and BITS have jointly developed a plan to address many of the specific requirements of the industry. Key leaders from Microsoft’s security and support teams will work jointly with BITS members to implement the plan. Additional results will be announced in coming months.

“We commend Microsoft for ramping up communications and service. The company has demonstrated seriousness in addressing the concerns of the financial services industry. We appreciate the cooperation and look forward to continuing progress on issues of mutual concern,” said Catherine A. Allen, CEO of BITS.

About BITS

BITS 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 and BITS Advisory Council. For more information, go to www.bitsinfo.org.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

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