

ACH and Wire Fraud Prevention

Effectively Mitigate Electronic Transaction Risks

ACH and wire fraud is a significant threat to financial institutions as demonstrated by recent cases in the news and many more instances that go officially unreported. While these transactions have been considered safe for many years, new technology being used by criminals is affecting the safety of these primary means for transacting electronically.

Wire transfers, with same day settlement requirements, are considered higher risk than ACH transactions and are scrutinized accordingly – with many safeguards in place. Furthermore, tried and true wire training and security measures are among the best in the industry and have been around as long as the service.

Historically, ACH transactions have been considered far safer than wires because of the NACHA operating rules and available preventative measures such as pre-checking transactions or simply reversing them out. Now, however, there are increasing concerns about ACH transactions due to increased volume, the facilitation of international transactions, and more widespread access to ACH activity through on-line banking, check truncation, remote deposit capture and other services and channels.

Unlike paper-based categories of fraud and card fraud, modern electronic transaction fraud is more difficult to detect for many reasons, including various aspects of automation (straight through processing and on-line initiation for wires, and wider use and purposes in ACH), accessibility through multiple channels, and the continued growth of new entrants to the process (consumers, businesses, non-profits, and government agencies). All of these factors combine to make detection more difficult, and with criminals constantly developing new schemes, taking a preventative approach is paramount.

Wiz Sentri™: Financial Crime Control combines a strategic mix of technology and services into a highly configurable anti-fraud solution that uniquely enables both fraud prevention and loss mitigation. For institutions that already have various anti-fraud procedures in place, *Wiz Sentri* provides the technology and services to optimize and integrate with existing programs. For institutions with limited fraud tools in place, *Wiz Sentri* can be scaled to fit particular business and budget requirements.

Flexible, affordable solutions to meet your financial crime control needs

We offer financial crime control solutions that can be customized to meet your existing needs and budget.

- Improve the quality of information - immediately.
- Control costs by getting a solution that addresses what you need today - while having the flexibility to handle future needs.
- Increase access to valuable information to empower good decision making.
- Reap the benefits of analytical insights.
- Reduce the costs and risks associated with managing information.
- Extend the value of your existing IT investments.

Our dedicated experts work with you and your team to optimize your investment and to provide complete support. From the development of timesaving procedures and in-depth training, to enhanced data collection processes and risk analysis through successful reporting and information sharing, we ensure that our technology has a meaningful and positive impact.



Wiz Sentri can easily be focused on ACH and/or wire fraud. There are several current and evolving threats involving simultaneous use of ACH and wire activity, so when Wiz Sentri is used to monitor both simultaneously, fraud prevention is optimized. Wiz Sentri's transactional fraud protection derives from the system's ability to continuously monitor both batched and real-time transactions. Static data is also monitored to associate separate events and monitor across silos, providing unparalleled cross-channel protection. Any events or values outside of the expected norms are flagged as potential suspicious activity and investigators are immediately alerted. Wiz Sentri creates detailed audit trails of flagged activity to facilitate investigation, case management and loss mitigation.

Wiz Sentri provides these benefits:

- Minimal integration of single point or enterprise-wide activity in real-time, batch, or other environments.
- Real-time detection of malicious activity enables true loss prevention
- The case management tool provides rapid investigation and improves internal audit capabilities; reducing loss from current and future events as well as reducing resources needed for investigations and audits

Wiz Sentri is modular - deployment can be tactical or strategic. This means that an urgent remedy can be deployed even when the investment is unbudgeted, or deployment can be scheduled over time to optimize internal resource availability and meet business priorities. Furthermore, existing resources can be incorporated into the solution to leverage and optimize your current investments in fraud tools. Risk

consulting and implementation services are available to aid in decision processes, including addressing fraud issues and mitigating any impacts during implementation, to achieve optimal protection in the shortest timeframe.

Activity Based Fraud Monitoring

Wiz Sentri's analytics rules engine deploys a patent-pending and unique network sniffing technology that minimizes data integrations, dramatically accelerates effective software deployment, and can be implemented for a fraction of the cost of traditional fraud detection technologies. Additionally, it collects data in real time and can identify a potential fraudulent event and immediately notify appropriate personnel. The case management module provides an integrated investigation workbench with configurable process flows, key metric dashboards and robust reporting capabilities.

Historical and real-time information monitoring of account and activity patterns, combined with application and behavioral activity, provides entity profiling. This capability enables detection and prevention of fraud through the use of rules and other analytics, including data pattern matching with predictive/probabilistic capability. When activity does not meet the characteristics of an expected profile within a user defined variance level, an alert is generated. These techniques: profiling, rules, continuously calculated statistics, and monitoring of all targeted processes, combine to distinguish Wiz Sentri from any other solution available today. Solution implementation is tuned to your specific needs and environment.

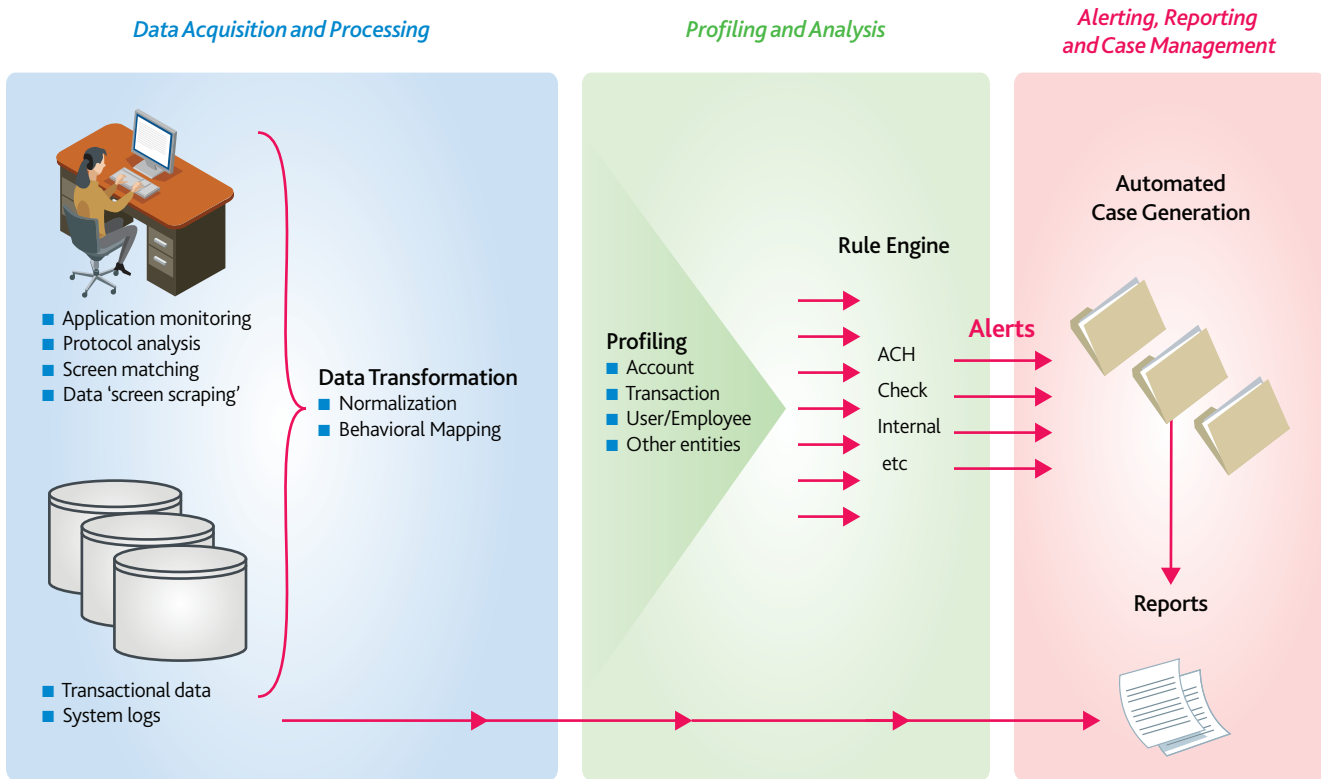
Wolters Kluwer Financial Services Fraud Solutions

With advanced automation capabilities and consulting experts, Wolters Kluwer Financial Services offers a unique value that can be implemented within a very short timeframe and immediately begin to protect against loss. Several of our customers actually identified previously undetected fraud within the first days of installation - prior to production. With a brief discussion about your situation, we can quickly identify synergies between your needs and our solutions and determine the best way to help you stop the scourge of financial crime.

Key Features/Benefits of Wiz Sentri™

- Real time continuous monitoring identifies suspicious behavior before the actual fraud occurs
- Seamless integration, no data transformation needed
- Rules modeling in business-language
- Rules libraries included in package, can be easily customized
- Forensic trail is encrypted and compressed
- Automated case management facilitates fraud investigation productivity
- Replay of real-time events facilitates investigations while providing evidence grade material

Wiz Sentri – Electronic Transaction Fraud Solution System Diagram



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