

Risk Monitoring Service



Mitigate Risk in the Online Channel

All financial transactions inherently contain some level of risk. For online transactions, such as funds transfers, that risk can be mitigated by creating the ability to identify, monitor, measure and prevent such risk from translating into actual losses. CashEdge's validated and comprehensive approach to risk identification, measurement, monitoring, prevention and mitigation focuses on critical points in the life cycle of a customer, account and transaction, individually and collectively. Through this process, CashEdge is able to monitor and manage risk on behalf of its customers – a service that is unavailable from any other source.

CashEdge offers its clients a Risk Monitoring Service in which CashEdge provides ongoing risk monitoring and loss management services for transactions.

Key Features

Proactive Risk Monitoring – CashEdge helps financial institutions mitigate risk and proactively stop fraudulent transactions by scoring all transactions for risk assessment using proprietary risk models. The models take account of a number of predictive variables to assess the probability of a transaction being fraudulent.



Account and Transaction Life Cycle Monitoring

CashEdge Risk Monitoring focuses on critical points in the life cycle of a customer, account and transaction from inception to completion and beyond.

Probability Score – Based on the Company's proprietary statistical models, a probability score is assigned to each transaction. This score is used to identify suspicious transactions, enabling the classification of transactions and accounts into a prioritized queue for appropriate review and investigation.

Proprietary Risk Models – CashEdge's proactive risk monitoring takes advantage of the Company's proprietary statistical models, which evaluate and assign each transaction a risk score based on CashEdge's Probability Score and a set of monitoring criteria. Monitoring criteria include:

- Customer Profile Changes
- Account Set-up Activities
- Transaction Activities

CashEdge Navigator – This proprietary tool is used by CashEdge's risk team to manage the investigation and workflow of all suspicious transactions. The Navigator automates the workflow, ensuring the escalation and priority of the riskiest transactions.



“ At least a third of large U.S. financial institutions won't have an advanced fraud detection and transaction monitoring solution in place by the end of the year.”

– Aite Group

“ 74% of consumers hold their banks responsible for preventing fraud and 50% will change banks if they offered stronger risk management and protection.”

– Unisys

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Loss Management – CashEdge performs in-depth investigations in all instances of confirmed fraud. This helps financial institutions retrieve funds after a fraudulent transaction has been initiated to prevent future loss and identify any emerging fraud patterns that can be shared with other institutions in the CashEdge network.

Link Analysis – When fraudulent activity is suspected, risk professionals investigate links between the suspected transactions and transactions occurring at other financial institutions within CashEdge's network, which includes most top banks. By linking fraudulent users and accounts across institutions, CashEdge can often proactively identify and disarm fraud rings and professional fraudsters.

Expert Fraud Investigation – Investigations are conducted by CashEdge's team of highly experienced and certified, in-house risk professionals. These professionals work with investigative counterparts at the affected financial institutions to determine the level and extent of fraud and to understand emerging trends and the changing nature of fraud that can be incorporated into risk monitoring.

Benefits to Financial Institutions

- Decreased fraud exposure
- Reduced severity of losses when fraud occurs
- Increased ability to recover funds from fraudulent transactions
- Enhanced ability to identify emerging fraud patterns with intelligence garnered via pooled knowledge from CashEdge client base
- Minimized disruption to legitimate transactions
- Heightened customer satisfaction

Benefits to Consumers

- Superior protection from fraudsters
- Increased trust in online banking services
- Improved satisfaction with financial institution

About CashEdge

CashEdge, a division of Fiserv, is the leading provider of innovative payments and aggregation solutions to financial institutions. These include Popmoney® person-to-person (P2P) payments, account transfers, account opening and funding, small business invoicing and payments, and financial account aggregation.

The Company is headquartered in New York City with offices in Silicon Valley and India. For more information, visit www.cashedge.com or www.popmoney.com.

CashEdge Risk Monitoring Service

CashEdge Risk Monitoring identifies suspicious activity almost instantly through a combination of automation and human intelligence.

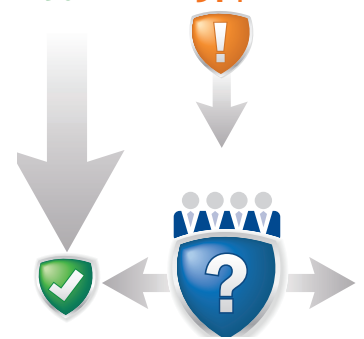


Transactions are run through CashEdge's proprietary automated scoring and rules engine, the CashEdge Navigator, which assigns a risk score based on risk probability and a set of monitoring criteria with predictive variables.



CashEdge
Risk Score:
90 -

CashEdge
Risk Score:
91 +



Suspicious transactions are investigated for legitimacy. If fraud is confirmed, the transaction is stopped and a full investigation is conducted to eliminate residual risk through link analysis.

