



# FraudVision

PATENT-PENDING TECHNOLOGY FOR HIGH-VOLUME,  
LOW-COST CHECK FRAUD DETECTION





ONE OF THESE PEOPLE IS ABOUT TO COMMIT CHECK FRAUD. DO YOU KNOW WHO?

***If not, then you need CSC's FraudVision® software. FraudVision uses cutting-edge image technology to combat check fraud in high-volume payment processing operations. You can detect more forged and counterfeit checks at a lower cost — and with fewer false positives. Use FraudVision to protect your bank and your customers against fraud loss.***

## PREVENTING CHECK FRAUD IN A CHECK 21 WORLD

The Check Clearing for the 21st Century Act (Check 21) and image exchange provide a tremendous opportunity for banks to reduce paper handling, transportation and clearing expenses. They also provide a tremendous opportunity for fraud. While faster check posting made possible by Check 21 will deter some fraud and make check kiting more difficult, fraudsters will almost certainly evolve new schemes. The banking industry is up against highly skilled and organized individuals who can be expected to regroup and exploit new practices with counterfeiting and account takeover. Banks will no longer be able to rely on physical clues of paper checks such as color, smell and feel. A skilled fraudster could obtain a legitimate check, create an image of it, alter it, print a counterfeit image replacement document (IRD) and try to cash it at multiple locations.

Fraud prevention in the Check 21 world is also about more than avoiding losses. It's about protecting the banking industry's investment in image-exchange technology. Many

banks are leveraging the costs of reengineering their back offices for Check 21 compliance by moving from paper-based systems to image exchange and check truncation. Failure to enhance fraud prevention could leave the banking industry more vulnerable to fraud, eroding customer confidence and resulting in a more rapid run-off to competing payment channels. With fewer checks to process, per-check processing costs will rise and ultimately delay the payback on image-exchange systems.

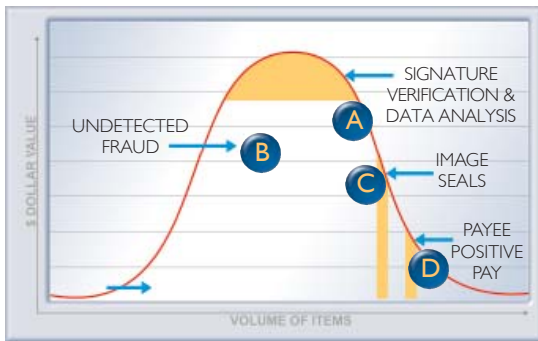
Your customers are bombarded daily with advertising messages from credit card and debit card vendors touting their anti-fraud programs. What can your bank do to preserve customer goodwill and assure consumers that checks are highly secure? FraudVision protects your customers and your Check 21 investment by providing an automated method of detecting counterfeit and forged checks. This provides a higher level of service and security for both you and your customers.

### CSC'S FRAUDVISION HELPS BANKS:

- ***Significantly improve accuracy in fraud prediction and lower false positive rates***
- ***Reduce losses from check fraud without increasing labor costs***
- ***Increase customer trust and goodwill***
- ***Enhance customer service for payee name recognition and other offerings***

## THE CURRENT STATE — ONLY A FEW CHECKS ARE SCRUTINIZED

**Current check fraud detection methods analyze only a small percentage of total items for fraud.**



Fraud perpetrators seek the level of least resistance. They target institutions with the least-sophisticated detection systems, and they keep check amounts low to stay “below the radar.”

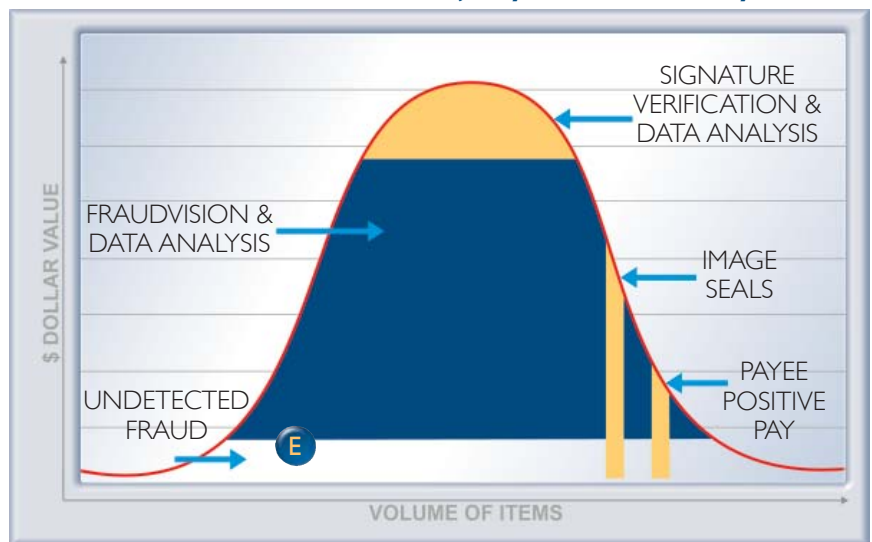
The problem is simple. Set dollar thresholds too high (A) and you leave plenty of opportunity (B) for fraud to occur. Attempt to lower the dollar limits and you must add expensive staff to keep up with the workload. Other techniques such as digital seals (C), where data is encrypted into a watermark, and payee positive pay (D), where the customer sends a daily data file to the bank, are applicable only to a small subset of total accounts and check volumes. It takes a new approach — such as FraudVision — to balance the situation and help you find more fraud.

## ANALYZE MORE CHECKS WITH FRAUDVISION

FraudVision uses a detection technique that requires no changes in customer behavior and can be used for any commercial or retail account. It allows you to lower your review thresholds without adding expensive staff. Simply put, it makes it much harder for fraud to occur below the radar.

CSC's FraudVision is a suite of automated, patent-pending software tools that integrate pattern-matching and recognition capabilities with check imaging. FraudVision has a very low false positive rate and can help your bank analyze more checks without generating more labor costs or taking more time. FraudVision makes it feasible for a bank to lower dollar thresholds (E) and analyze more checks to uncover more fraud with the same amount of staff.

**With CSC's FraudVision, a majority of items are analyzed.**





## FRAUDVISION IS EASY TO USE

FraudVision's rules engine allows business users to create and tune rules that direct the functions of FraudVision, providing flexibility and conformance to a bank's strategies. Non-technical employees can configure FraudVision to support a bank's business policies without needing to change the application code. Banks set processing and performance characteristics based upon dollar thresholds, account or document type, region or other supplied characteristics of the incoming checks. There are two general types of rule sets:

- Analysis Control Rules that specify how much and in what order analysis is to be performed for a given check image
- Combined Analysis Results Evaluation (CARE) Rules that specify what is to be done with a given check based on the results obtained from all FraudVision analytical components. Combined with traditional data analysis techniques, these combined results greatly enhance the accuracy of fraud predictions.

### Analysts quickly identify differences between stock elements and suspect items.

The screenshot displays the FraudVision user interface. On the left, a 'Stock Page' window shows a list of stock elements with columns for Stock Page, Transaction, and Stock. Below this is a table of pending transactions:

Stock Page	Transaction	Stock
38	55	3
39	55	3
40	55	3
41	55	5
42	55	5
43	55	5
44	55	5
45	55	5
46	55	5
47	55	5

Below the table, fields for Bank Id (55), Account Num (5), DIN (23000005), Check No (523), Amount (18200), and Posted Date (20031215) are visible. The main window shows a check image with handwritten annotations: '12/13/03 Date', 'Lowes', 'Amount \$ 182.00', and 'Evan Rollins'. A 'Details' window is open below the check image, showing a comparison of the check's MICR line with a stock element's MICR line. The stock element's MICR line is highlighted in red, indicating a match or difference. The bottom status bar shows 'STOCK 0 17', 'SIGNATURE 0 31', and 'NUM'.

## FRAUDVISION ANALYST WORKSTATION — ADD EVEN MORE EFFICIENCY

The FraudVision Analyst Workstation integrates the check analyst review into a bank's workflow. Using the workstation, analysts can review and make decisions on more than 300 items per hour. Suspect checks flagged by FraudVision for analyst review are automatically incorporated into daily processing based on the bank's specifications. Access to workstation queues and functions is role-based, and item decisions can be reported individually or in batch. This offering includes:

- A simple workflow supporting prioritized work queues. Suspect item packages are placed into these queues and are automatically sorted according to their suspect priority — presenting analysts with high-priority items first.
- A Fraud Analyst Workstation utility application that allows analysts to visually contrast suspect items and the base images against which they were measured. Items can then be annotated, assigned pay or return status and/or deferred for later review by another operator.
- An administration and monitoring tool that allows system administrators to examine the queues.

## FRAUDVISION MODULE — PAYEE RECOGNITION FOR POSITIVE PAY

FraudVision recognizes alterations to the payee name.

The screenshot displays the FraudVision Analyst Workstation interface. On the left, a table lists check details:

N	BankId	AccountNum	Din	Disposit
72	55	7	30000007	Pending
73	55	7	31000007	Pending
74	55	7	32000007	Pending
75	55	7	33000007	Pending
76	55	7	34000007	Pending
77	55	7	35000007	Pending
78	55	7	36000007	Pending
79	55	7	37000007	Pending
80	55	7	38000007	Pending
81	55	7	39000007	Pending
82	55	21	01300010	Pending
83	55	21	01300011	Pending
84	55	21	01300012	Pending
85	55	21	01300013	Pending
86	55	21	01300014	Pending
87	55	22	01300015	Pending
88	55	22	01300016	Pending
89	55	22	01300017	Pending
90	55	22	01300018	Pending
91	55	22	01300019	Pending

The main window shows a check image for 'Green Valley Transportation' with a handwritten signature. Below the image, a 'Details' tab is active, showing a table of comparison results:

Module	Field	Status	Match	Field	Empty	Recog
FORM_MATCH	check	0	86	payor	yes	
SIG_MATCH	signature	0	58	payee	no	[GREEN VALLEY]Green Valley Transportation
LEXCON_MATCH	payee	0	92	signature	no	
ALLOGRAPH_MATCH	payee	0	0	checkNo	no	

The interface also includes a 'Bank Id' field (55), 'Account Num' (21), 'DIN' (01300012), 'Check No' (1016), 'Amount' (421.25), and 'Posted Date' (20031215). At the bottom, there are buttons for 'Pay', 'Return', and 'Refer', and a status bar showing 'STOCK: 0.86 SIGNATURE 0.58 NUM'.

FraudVision's Payee Positive Pay module enables financial institutions and their corporate clients to work together more effectively to combat fraud and reduce financial losses. With traditional positive pay programs, banks match data from checks presented for payment against their corporate clients' lists of issued checks. Integrating this facility with FraudVision creates a program that identifies changes to serial number, dollar amount, account number and the payee's name. This module increases the likelihood of detecting counterfeits and forgeries.

## FRAUDVISION — EASE OF INTEGRATION

The FraudVision software suite includes an image importer and a data importer. Supporting data files may be imported from complementary fraud prevention software. These data files are placed into a staging area to be converted by the FraudVision system and included in overall results. For suspect items that are manually reviewed by the analysts, the bank workflow announces those decisions back to FraudVision. Decisions may be made by the FraudVision

workstation and/or your bank's exception review process. All suspect items that are either rejected or cleared will be presented to the FraudVision Feedback Repository.

A results database keeps track of the items presented and this "closed loop" system modifies account profiles to reflect decisions made within FraudVision and in external systems. The system adapts as your customers evolve.

## CSC'S INTEGRATED PAYMENTS SOLUTIONS

For 25 years, CSC has provided cost-effective solutions to more than 1,200 banks and financial services companies. FraudVision software is just one component in CSC's powerful offering for payment processors worldwide. This software suite encompasses FraudVision and the following offerings.

### CheckVision Archive

An enterprise transaction archive system for North American financial services institutions, CheckVision® Archive cost-effectively stores millions of transactions for long-term access, including check images, payment images, transaction data, statements, reports and more.

### CheckVision Delivery

A leading transaction delivery solution for worldwide financial services institutions, CheckVision Delivery includes Statements, Encryption, CD-ROM Plus, and e-Delivery applications. This combined software provides archived customer statements and check images to customers via mail, CD-ROM or the Internet. CheckVision Delivery can be implemented with other archival software as well as CheckVision Archive.



### Payment Processing

CSC's Payment Processing solution provides North American financial services institutions with a scalable, high-volume, field-proven system for all types of payments — including retail remittances, retail lockbox and wholesale lockbox.

## THE STRENGTH OF CSC

***CSC, a Fortune 200 company, is one of the world's leading IT services firms. CSC developed FraudVision with the assistance of a consortium of the top banks in the world. CSC backs its commitment to the banking industry with world-class support, research and development.***

***CSC's FraudVision helps you minimize losses from check fraud and cost-effectively improve the accuracy of fraud prediction. To learn more about FraudVision and other components of CSC's Integrated Payments System, call 800.345.7672 or e-mail [inforequests@csc.com](mailto:inforequests@csc.com).***



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### About CSC

*Computer Sciences Corporation, one of the world's leading consulting and IT services firms, helps clients in industry and government achieve strategic and operational results through the use of technology. The company's success is based on its culture of working collaboratively with clients to develop innovative technology strategies and solutions that address specific business challenges.*

*Having guided clients through every major wave of change in information technology since 1959, CSC combines the newest technologies with its capabilities in consulting, systems design and integration, IT and business process outsourcing, applications software, and Web and application hosting to meet the individual needs of global corporations and organizations.*

### About CSC in Financial Services

*CSC distinguishes itself through its time-tested ability to plan, build and operate highly reliable, efficient and secure business and IT solutions for leading financial services firms around the world. To complement its capabilities in consulting, systems integration and outsourcing, CSC brings financial services industry knowledge and experience, a comprehensive portfolio of financial services application software and an extensive network of industry and technology partners. More than 10,000 CSC employees are dedicated to serving financial services clients, including more than 1,200 major banks, insurers and investment management and securities firms.*

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