Kofax FraudOne

DETECT CHECK FRAUD IN REAL TIME WITH IMAGE-BASED KOFAX SOLUTION

Developed in collaboration with six of the leading banks in the US, Kofax FraudOne® empowers its user to detect fraud in real time (Day 0) and from, Day 1, and Day 2 transactions. In an era when 71% of surveyed1 bank organizations say checks are the primary fraud target in their business, FraudOne is a comprehensive check image fraud detection platform that reduces overall fraud risk exposure by detecting anomalies in check signature and check stock images.

Unlike simple check clearing alternatives that only verify legal and courtesy check amount limits, provide low risk scores, have high false positive incidences and require high volumes of manual inspections, FraudOne employs a sophisticated fraud scoring engine that can be combined with several optional verification engines resulting in a more robust combined risk score that more accurately detects complex fraud schemes while minimizing labor intensive and time consuming manual inspections.

As financial institutions offer ever-evolving transaction options (e.g. remote deposit via a mobile device) criminals continue to devise more sophisticated and hard-to-detect fraud schemes. FraudOne combats this and minimizes exposure with flexible and tuneable fraud detection methods applicable at the point of capture and in the clearing process. The speed and accuracy with which FraudOne flags potential fraud helps financial organizations enhance their customer experience and reduce funds clearing times without increasing fraud exposure.

HOW FRAUDONE WORKS

FraudOne leverages a powerful, continually updated database that stores reference signatures and check stock images, as well as additional account information. Checks can be processed in real time or in batch mode to flag potentially fraudulent items. Banks can base their pay/no-pay decisions on their own scoring criteria (as well as other factors) and the combined risk score provided by FraudOne's unique Combined Risk Score (CRS) engine.

KOFAX
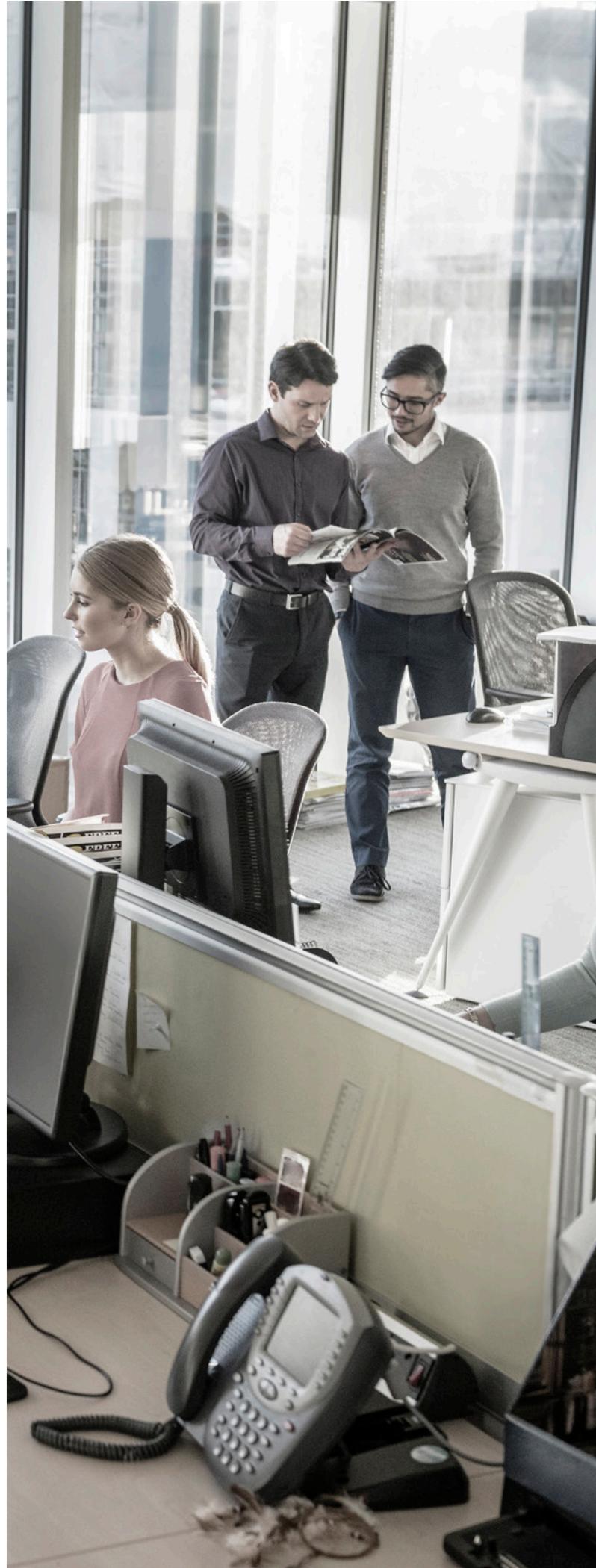
COMBINED RISK SCORE ENGINE

Signature verification and/or check stock comparisons aren't enough to catch increasingly savvy criminals. FraudOne's combined risk score engine leverages a number of characteristics to help identify check fraud more accurately. It considers several weighted factors, including comparing the check signature to the reference signature on file, and leverages information from external systems in order to make an intelligent pay/no-pay decision. In addition, FraudOne identifies discrepancies in check stock, determines whether or not an item is pre-authorized and verifies the payee is on a bank specified white or black list.

If a check triggers a fraud alert the item enters a visual verification queue for review by the bank's fraud analyst who then use a client application to access to the back office system storing the queue.

To further improve a bank's fraud risk reduction performance, FraudOne's latest version includes a more extensive list of reporting dashboards leveraging selected features of Kofax Insight™ analytics software. These reports provide pre-built dashboards to more easily and quickly assess a bank's overall fraud threat and fraud detection metrics. Standard reports can be easily enhanced and unique dashboards can be assembled by adding a full featured implementation of Insight.

BENEFITS

FraudOne key benefits include:

Numerous implementation options

The automatic check fraud detection can be implemented for mobile devices, image enabled ATMs or teller deposits of in-house checks.

Easily integrate with existing systems

FraudOne easily integrates into an existing framework for fraud detection and prevention and can utilize any number of external inputs to enhance the combine risk score result.

Customizable to specific requirements

Utilize the provided signature verification, check stock and combine risk score engine, build your own customized rule set or add a variety of verification engine options to detect pre-authorized drafts, payee line and date line verification.

Leverage e-signature capture

Use Kofax SignDoc® to capture and populate the signature reference database.

Kofax FraudOne identifies discrepancies in the check stock, determines whether or not an item is a pre-authorized draft (PAD) and verifies whether the payee is on a bank-specified white or black list.

PRACTICAL APPLICATIONS FOR FRAUDONE BEYOND BANK CHECK FRAUD DETECTION INCLUDE:

Patient identification: Used by a non-emergency medical transportation company to reduce fraudulent use of their service. To authenticate the client, an electronic signature is captured at the time of service and compared to the signature stored in the database. The use of signature verification has significantly reduced fraudulent transactions for this organization.

Absentee voter identification: Pitney Bowes' ReliaVote is deployed by counties across the US to identify fraud associated with absentee ballot voting. FraudOne-derived technology is integrated into the postal voting equipment that opens, reads, sorts, and verifies signatures of absentee ballots. Prior to the integration of the FraudOne signature verification engine, absentee ballots had to be manually reviewed in order to compare a signature on the application for absentee ballot with the signature on the mailed-in form.

Broker/dealer identification: FraudOne offers financial institutions a signature verification solution that can automatically verify a broker and/or dealer's authorized signature against a reference signature database.

Discover more about Kofax FraudOne at kofax.com

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