Fraud Prevention Service

Real-time fraud prevention for banks

Faced with the challenges of digitalization, banking systems are becoming increasingly interconnected and open in order to satisfy end-users' needs.

This situation creates new threats and the fight against fraud is a priority for banks keen to avoid financial loss or reputational damage.

What is *Fraud Prevention Service*?

Fraud Prevention is a Swisscom service built with NetGuardians' anti-fraud technology. Thanks to the surveillance algorithms, your customers' transactional behaviors and your employees' daily activities are analyzed continuously.

This service is developed for banks with the Avaloq or Finnova core banking systems, hosted in Switzerland.

Your benefits

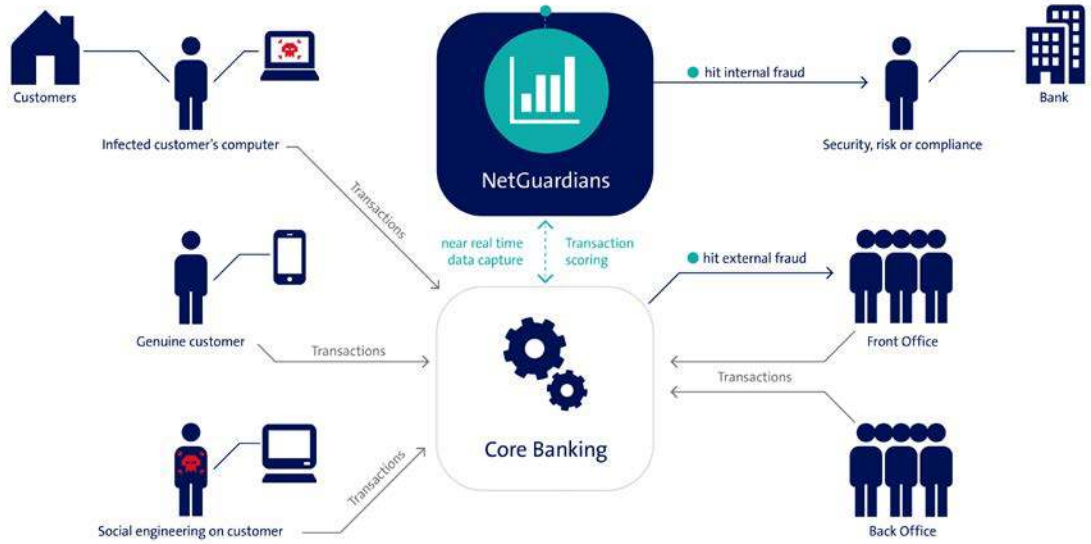
With *Fraud Prevention Service:*

- Suspicious transactions are blocked: you are immediately alerted to risk situations
- You can address human risk and cyber-fraud
- You can take advantage of a vast network of knowledge to fight fraud
- You have a flexible solution capable of adapting to your needs
- You purchase a turn-key service delivered by Swiss partners

A recognized and reputable solution

Endorsed since 2011 and as reported by Gartner Inc, NetGuardians' multi-dimensional behavioral analytics solution offers advanced capabilities for fraud detection and investigation.

The service as a whole



Facts & Figures

Examples of at-risk situations treated by Fraud Prevention Service algorithms

- **Unusual transfers**: Behavioral analysis of each customer's payment traffic (size of transaction, channels, currencies, etc.). The combination of these variables, applied to a risk model, enables you to detect suspicious transfers.
- **Unusual online banking activity**: Behavioral analysis of each customer's online banking activities (browser type, browser language, terminal, geo-localization, counter-party and web pages visited, etc.). Algorithm analysis of these variables enables you to detect infected customers or stolen identities.
- **Violation of the four-eyes principle**: Use of compromised user accounts to validate transactions (e.g. same log-in used at the same time on different workstations), or employee collusion giving access rights to an employee to bypass the four-eyes principle (transaction is validated from the same computer on which the transaction was made).
- **Modification of sensitive client data**: A bank employee modifying sensitive information (postal/email address, phone number, etc.) relating to at-risk customers (dormant accounts, elderly people and held mail accounts).
- **On-leave activities**: A bank employee validating transactions or modifying customer accounts while declared as "on-leave" in the HR systems, over the weekend or outside of normal working hours.

Fraud Prevention Service – in detail

Primary offer for banks	The bank's "Onboarding" service project includes 40 hours of customization work per platform
	Training of two key users per bank
	Licenses and maintenance ("3rd-line support") NetGuardians
	Installation and management of the operating system required to run the NetGuardians' software (CPUs, RAM, storage)
	Application management of NetGuardians' solution and its interfaces with the Avaloq and Finnova core-banking systems ("1st and 2nd-line support")
	Maintenance of the interfaces between NetGuardians and the Avaloq and Finnova core-banking systems
Optional offer for banks	The development of algorithms covering at-risk situations that are specific to the bank
	Training of new users or advanced training for existing users
	Support for further development of the customization
Other services	I-MARS services from Swisscom

Swisscom and NetGuardians: great partners

Swisscom and NetGuardians are two complementary Swiss partners that have joined forces to provide a first-class innovative solution. The continuity of this collaboration is ensured thanks to a strategic partnership. Swisscom is one of the investors of NetGuardians.

We have confidence in the Swiss financial industry and are doing everything we can to support banks on their way to the interconnected future.

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