

## REAL-TIME *DEPOSIT CHEK*® SERVICE

Improve Funds Availability Decisioning with  
Real-time High-risk Deposit Notifications

**In today's highly competitive marketplace, financial institutions (FIs) strive to enhance the customer experience by making funds available as quickly as possible.**

While making funds available much faster can greatly improve the customer experience, making the wrong funds availability decision can place your bank and potentially your customer at risk. According to the 2017 ABA Deposit Account Fraud Survey, losses are currently at a high point since 2010. What can your financial institution do to mitigate this trend in fraud?

With decades of service in the industry, FIs can rely on Early Warning to create actionable intelligence to help fight fraud, mitigate risk, remain compliant and better service their customers. A network of financial institutions working together is better positioned to withstand threats and protect the global financial system.

### REAL-TIME *DEPOSIT CHEK* SERVICE: ACCELERATED FRAUD DETECTION

Real-time *Deposit Chek* Service sets the industry standard in helping to prevent fraud and expedite funds availability decisions at the teller window, new account desk, image-enabled ATM, and in the online and mobile environments. By screening off-us or on-us checks and ACH against our *National Shared Database*™ Resource, Real-time *Deposit Chek* Service validates the status of an account and predicts the likelihood that an item will pay.

### ADVANCED NOTIFICATION ACCOUNT AND ITEM-LEVEL RESPONSES

Status responses fall into one of the following categories: Account Status, Account Score and Item Level.

**Account Status** Reflects the account status a paying organization reports as of the prior day's close of business. This includes whether a checking or savings account is in an open, closed or overdrawn status. Other informational responses indicate if an item is drawn on a credit card, brokerage or other type of account.

**Account Score** Early Warning analyzes millions of transactions daily reflecting activity on non-contributing organizations. For items drawn on these accounts, a score is delivered, indicating the level of risk.

**Item Level** Stop payment matches and accounts with recent return activity can help detect possible counterfeiting.

Sources:

1 "There are Billions of Dollars in Undetected Tax Refund Fraud Resulting From Identity Theft" — July 19, 2014 — Treasury Inspector General for Tax Administration



### REAL-TIME *DEPOSIT CHEK* SERVICE ANSWERS THE FOLLOWING QUESTIONS

- Is the account returning transactions?
- Does the payer's account exist and is it in goodstanding?
- Is the account in a closed, NSF or other high risk status?
- Has a stop-payment been placed on an item?

### ACCOUNT OWNER AUTHENTICATION ANSWERS:

- Is this person authorized to transact on the account?

## Benefits

### ENHANCE CUSTOMER SERVICE

- Expedites funds availability
- Provides enhanced online account openings
- Enables checking-to-checking and saving-to-checking transfers

### DECREASE FRAUD

- Detects high-risk deposits
- Prevents fraudulent new account funding

### INCREASE REVENUE

- Accelerates preventive actions, including placing or extending Reg CC holds
- Reduces abandonment rates for account opening and funding
- Retains customers who may have been lost due to unauthorized debits on their accounts

# Preventing Fraud through Account Owner Authentication

As electronic payments become more common, it is even more critical to verify whether or not the person making a payment is authorized to transact on an account. Identity-to-account matching is performed via Account Owner Authentication (AOA) functionality within Real-time *Deposit Chek* Service.

Account Owner Authentication enables FIs to confirm the account owner or authorized user(s) by inquiring against identity elements contributed by other FIs. Identity elements include account owner identity and authorized user identity.

## Incremental Value to Current Clients

### USING BOTH REAL-TIME BATCH SERVICES

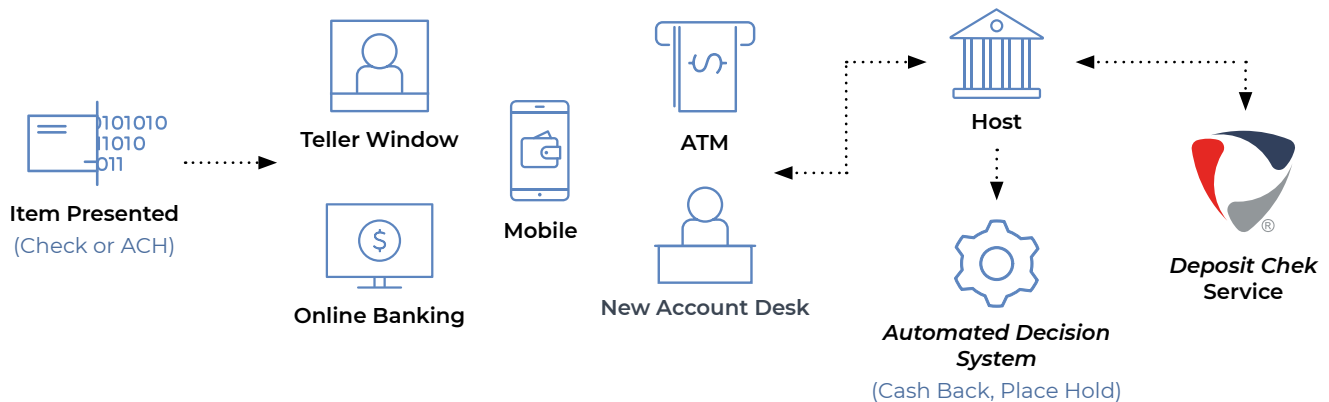
FIs may opt to use both real-time and batch services. The real-time service provides immediate protection as a first line of defense to help prevent cash-back losses and improve customer service. The batch service then provides more robust information to help trained risk professionals identify various types of deposits fraud schemes across the available deposit channels of an institution.

## The Industry Standard

### STRICT GUIDELINES OVER DATA QUALITY AND CONTROL

All information is safeguarded by Early Warning as part of the *National Shared Database Resource*. The database is governed by a strict set of Operating Rules, created and adopted by FIs, to ensure the highest level of data integrity. The Rules explicitly state that the information must be used solely for fraud and loss prevention. Contributors are rewarded for the value created when their data helps another institution prevent a loss.

### How it Works



For more information about Real-Time *Deposit Chek*® Service, contact an Early Warning Account Manager at [webinquiry@earlywarning.com](mailto:webinquiry@earlywarning.com).

### ABOUT EARLY WARNING

Early Warning Services, LLC, is a fintech company owned by seven of the country's largest banks. For almost three decades, our identity, authentication and payment solutions have been empowering financial institutions to make confident decisions, enable payments and mitigate fraud. Today, Early Warning is best known as the owner and operator of the Zelle Network®, a financial services network focused on transforming payment experiences. The combination of Early Warning's risk and payment solutions enable the financial services industry to move money fast, safe and easy, so people can live their best financial lives.

To learn more about Early Warning, visit [www.earlywarning.com](http://www.earlywarning.com)

