

ACI Proactive Risk Manager™ for Anti-Money Laundering

Criminal enterprise can bring illicit gain, but income from illegal activities must be well concealed for offenders to use the money. The basis of money laundering is to move the money through financial institutions so that it appears to be legitimate income. The worldwide value of laundered funds is estimated to be as high as US\$1.5 trillion.

Criminals often target financial institutions that are known to have weak or ineffective money laundering countermeasures. If illicit funds can be laundered easily and without detection, then an institution could be unknowingly drawn into active involvement with criminals and become part of the criminal network. Evidence of such complicity has damaging effects on the attitudes of other financial intermediaries and regulatory authorities, as well as on customers. A reputation for integrity is one of the most valuable assets a financial institution can possess. Understandably, financial institutions around the world are proactively investing in effective countermeasures to combat this growing menace.

The ACI Proactive Risk Manager™ Solution

ACI Proactive Risk Manager is a comprehensive monitoring and detection solution that helps identify unusual activity and offers a fast track to compliance. Proactive Risk Manager offers the power of expertly defined rules and strategies for fast, accurate and flexible response to the evolving money laundering problem. For those institutions requiring advanced levels of analytics with a business intelligence solution, a custom neural network can be added to provide an increased level of risk protection.

Comply Quickly and Cost Effectively

Proactive Risk Manager provides a robust Microsoft® Windows®-based client/server component that can be implemented quickly and cost effectively to comply with emerging government regulations. This component offers efficient workflow-management capabilities, with expert, rules-based strategies at the core of this process. A quick-start package of best practice rules is available at implementation. Proactive Risk Manager builds upon staff expertise by allowing the ongoing creation of additional rules in real time to address evolving reporting requirements, government mandates and new money laundering schemes.

Transaction activity matching a rule generates alerts delivered to investigators via a user-friendly

client interface. A comprehensive set of tools enables investigators to further analyze the transaction in relationship to the customer's historical activity on all related accounts. Proactive Risk Manager also provides link analysis tools to investigate financial similarities between apparently unrelated accounts to detect money being moved across accounts.

Supervisors are provided with management tools to efficiently direct workflow and manage investigators for optimal performance. Proactive Risk Manager maintains a comprehensive audit of transactions and investigator actions to ensure compliance with the institution's anti-money laundering (AML) policies and procedures.

Further Identify and Reduce Money Laundering Risk

Proactive Risk Manager also offers the advanced analytics of a neural network scoring engine with a customized scoring model. This component uses advanced pattern recognition technology, to give users a highly effective way to detect potential money laundering activity.

Proactive Risk Manager's neural network, compares the characteristics of a customer's financial activity with the custom model and recorded patterns of behavior for each account holder. The neural network then assigns a score reflecting the degree of risk for each transaction.



Money launderers have become more creative in their methods. Proactive Risk Manager's powerful neural network technology identifies these more complex schemes.

Financial institutions are striving to increase operational efficiency for over-worked staff. Proactive Risk Manager's scoring engine offers lower false positives, allowing staff to focus on the highest risk activity. Investigators are also provided with reasons for the score to improve analysis.

Automate-Time Consuming Manual Processes

In addition to the built-in workflow capabilities of Proactive Risk Manager, the optional automated case management system provides the ability to automate AML policies and procedures across the enterprise. The system offers an adaptable architecture that accommodates existing processes while providing an automated environment for adding and refining future case management procedures.

Organizations can model, validate and deploy new processes from a central location. The automated case management system automatically queues and distributes work assignments, monitors their completion, and issues alerts or invokes escalation procedures when necessary. The solution increases process efficiencies, and improves resource management by providing one centralized solution for all auditing and reporting functions.

The ACI Advantage

ACI Proactive Risk Manager is used to address risk management needs at customer sites worldwide. More than 1,000 financial institutions receive risk management services from processors using Proactive Risk Manager. Twenty-four hours a day, seven days a week, ACI provides excellent customer service from proven project implementation methodology to daily ongoing production support from local offices around the globe.

Meet Business Goals

ACI Proactive Risk Manager's components can be implemented separately or together. Many customers choose to first implement the rules-based strategies as it can be done quickly and cost effectively to comply with government

- ▶ Provides efficient workflow management capabilities, with expert, rules-based strategies via a robust Java™-based application
- ▶ Includes best practice rules available at implementation
- ▶ Supports the electronic transmission of governmental reports
- ▶ Offers user friendly rule and queue management
- ▶ Provides optional neural network pattern recognition technology
- ▶ Offers custom models developed for each individual institution
- ▶ Provides an environment for effective link analysis
- ▶ Offers complete audit tracking of administrative, transaction and investigator activity
- ▶ Provides implementation options for quick and cost-effective compliance
- ▶ Offers automated case management
- ▶ Offers proven implementation methodology and on-site support
- ▶ Offers 24/7 customer service and local office support worldwide

features
at a glance

regulations. The custom neural network scoring engine can be added at a later date as a second phase of the implementation.

Experience, Expertise

Every second of every day, more than 800 customers around the world rely on ACI solutions to process payments, manage risk, automate back office systems and provide application infrastructure services. More customers use ACI software to manage higher payment volumes, of greater diversity, across more platforms and geographies than any other provider in our field. Since 1975, ACI has provided software solutions to the world's innovators. We welcome the opportunity to do the same for you.

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