Protection from day 1

Authorised Push Payment scams are the fastest-growing fraud type, with investment scams rising by 193% in five years\(^1\). In the U.K., losses during the first half of 2022 were £249.1 million\(^2\). For the top 200 U.S. financial institutions (FIs), scams were a quarter of fraudulent transactions, with average losses of over $100 million in 2021\(^3\).

The financial services industry has been working with Featurespace to find a solution to protect their organizations and their customers from losses.

ARIC™ Scam Detect from Featurespace is our response.

ARIC™ Scam Detect protects customers from scams in real time

ARIC™ Scam Detect uses real-time behavioral analytics to profile the customer and their interactions holistically, extracting more signals from data already available. The solution can be layered on top of existing controls to provide additional protection. ARIC™ Scam Detect profiles both the inbound flow of funds, as well as spending patterns, and identifies customers who are moving funds (outbound) to make a scam payment or are acting as money mules.

Financial institutions can now improve management and tracking of scams overall.

Entities profiled in Authorised Push Payment scams (examples):

<table>
<thead>
<tr>
<th>Scam Type</th>
<th>Entity Profiled</th>
<th>Indicator of scam examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impersonation Scam</td>
<td>Beneficiary and Victim</td>
<td>New or changed beneficiary</td>
</tr>
<tr>
<td>Romance Scam</td>
<td>Beneficiary and Victim</td>
<td>Gradually increasing payments</td>
</tr>
<tr>
<td>Investor Scam</td>
<td></td>
<td>Multiple payments, typically increasing in value</td>
</tr>
</tbody>
</table>

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1. Source: Investment scam reports rise by 193% in five years, Financial Times, 21 February 2023
2. Source: UK Finance, 2022 Half Year Fraud Update
How does ARIC™ Scam Detect work?

> Analyzes monetary events
> Profiles genuine behavior for each customer and other entities so there is no need for biometric or device ID data to detect the scam

**ARIC™ Scam Detect features:**

- Pre-configured behavioral models with scam coverage from day one
- Score only
- Inbound payment monitoring and profiling for comprehensive protection
- Support and maintenance
- Real-time monitoring

**Technical specification:**

- Hosted on Featurespace cloud
- Secure, SOC-2 compliant and encrypted platform
- PCI-DSS compliant
- Ingest payment data in ISO 20022 schemas
- Integration via API
- No historic data required
- No device ID or biometric data required