



# INTERNET BANKING

## RiskShield THE NEXT GENERATION OF FRAUD PREVENTION

Banks around the world fear a huge loss of reputation and dwindling customer confidence in their Internet platforms through very clever and increasingly successful Internet banking attacks.

Furthermore, experts are now convinced that securing Internet banking through IT security methods (user authentication, encryption, authorisation codes) is not enough, since almost every security system can be cracked in practise (man-in-the-middle and man-in-the-browser attacks have a high success rate nowadays), especially if the security system has to remain affordable and user-friendly. IT security measures can be ideally supplemented by a risk assessment of every transaction on the Internet banking server.

RiskShield is the software solution for risk assessment and fraud prevention for banks, payment and processing service providers.

RiskShield is a rule-based expert system that automatically assesses the fraud risk for an Internet transaction. RiskShield works similar to a human expert: The fraud risk is classified on the basis of the long-standing experience of human fraud experts, whereby both fraud as well as non-fraud indicators are taken into account.

## ADVANTAGES OF RiskShield

Based on Fuzzy Logic

Evaluates historical data such as typical user and target account behaviour

Maximum real-time performance

High transparency for decisions

Short reaction times to new fraud patterns

Significantly reduces losses through fraud and prevents a loss of reputation



**RiskShield**  
Turn Risk Into Profit

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### **Fuzzy Logic represents expert knowledge**

As the world's first fraud-prevention system, RiskShield uses Fuzzy Logic – accepted as the best mathematical theory to represent (fuzzy) human expert knowledge. RiskShield thus offers your experts the possibility to feed the system with fraud prevention rules in everyday language and with the aid of graphic editors. For example, fraud-prevention rules can be entered into RiskShield with descriptions such as „rather high amount“, „quite a low number“, „in the recent past“ etc., i.e. in exactly the same way as human experts think. Expert knowledge can thus be fed into a computer system quickly to assess the risk of transactions.

### **Evaluation of historical data**

RiskShield saves the typical transaction behaviour of users and payment recipients and allows these histories to be used in fraud prevention rules.

### **Extremely high real-time performance**

The Internet banking server receives the transaction (request for payment) and forwards this to the RiskShield server for a risk assessment. RiskShield responds to these inquiries in a matter of milliseconds. Our customers report of throughputs of 2,200 transaction evaluations per second in peak times. RiskShield is thus one of the world's most efficient fraud-prevention systems for cashless payments.

### **High transparency**

Unlike most of the other fraud-prevention systems, RiskShield can also provide a reason for the risk assessment on request. Transactions rated as suspicious can be tracked separately by your staff with the aid of the optional RiskShield-Investigator. Extensive reporting functions are available to prepare statistics.

### **Short reaction times to new fraud patterns**

Your experts (or on request the experts from INFORM or an INFORM partner) use the RiskShield client to evaluate new rules against new fraud patterns. The effects of new rules can initially be tested on the basis of older transaction data before they are set into production with only one click – with no downtime of the RiskShield decision server.

### **A wide variety of uses**

RiskShield can also be used for fraud prevention and risk assessment in other areas, e.g. cashless payments in Internet shops or when paying with debit and credit cards, for credit applications, credit rating and to prevent internal fraud.

## ABOUT INFORM

INFORM develops and markets software systems to optimise business processes on the basis of operations research and fuzzy logic. INFORM software takes its own intelligent decisions in real-time in the fields of fraud prevention for the credit, telecommunication and insurance business as well as in transport and intra-logistics, in airport resource management, in production planning, sales planning and material management. INFORM employs over 350 staff from more than 30 countries at its sites in Aachen, Frankfurt and Chicago, USA.

## FURTHER INFORMATION

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