Stop money laundering and meet compliance

> **"Most of the transactions we see that have been generated by the system, genuinely pose a risk to our business. And that's why we use the Brighterion system."**

Ian Belsham

Global Head of Transaction Monitoring | **Worldpay**

[1] "2018 National Money Laundering Risk Assessment (2018 NMLRA)," US Treasury Dept.

[2] "Treasury's FinCEN and Federal Banking Agencies Issue Joint Statement Encouraging Innovative Industry Approaches to AML Compliance," https://www.fincen.gov/news/news-releases, September 5, 2019.

The US Treasury Department estimates that at least $300 billion is generated for laundering in the US annually.[1] In December 2018, regulators issued a joint statement encouraging financial organizations to work with the private sector for innovative ways to deal with money laundering, terrorist financing and other illicit financial activities.[2] Regulators themselves continue to engage with the private sector to deal with this burgeoning problem.

Compliance to federal regulations is increasingly difficult. If you're a global organization, adhering to money-laundering laws and preventing financial fraud increases exponentially. Are you and your team fighting a losing battle with false positives in your monitoring systems? Does your system keep up with ever-changing fraud schemes?

Regulatory bodies continue to change the established frameworks as needs evolve. As a result, large and small organizations need to navigate a set of increasingly complex compliance rules and regulations. With tighter regulation comes the need to implement more advanced yet cost-effective compliance solutions.

Brighterion prevents money laundering

Brighterion's state-of-the-art artificial intelligence solution draws on decades of experience in anti-money laundering (AML), counter terrorism financing (CTF) and financial fraud.

Brighterion AI solutions are adaptive and tailored for varying regulations in different countries, by types of clients, and for transactions from other geographies. Alongside the AI models, our customers can write, modify and deploy rule sets without the involvement of IT staff. Automatically monitoring your entire environment, Brighterion AI's self-learning capabilities enable prediction of crimes as fraudulent schemes evolve.

Legacy AML solutions are ineffective

$12B
FINES/YEAR

↓

AML costs increasing

99%
FALSE POSITIVES

↓

Alert overload

Narrow focus
SILOS THAT INCREASE RISK OF UNDETECTED VIOLATION

↓

AML risk exposure

10+
SOURCES TO SEARCH AT 2+ HOURS PER ALERT

↓

Cumbersome process

Limitations of traditional AML tools

Traditional platforms are based on business rules and models trained using historical data. These approaches suffer from several important limitations when attempting to identify money-laundering activities:

- Extremely high levels of false positive alerts

- Single solutions and corporate silos, increasing the risk of undetected violations

- Narrowly focused analytic operations with limited data, increasing the risk of undetected suspicious activity or high levels of false positives

- Personal and corporate names are often represented differently across different systems used by various business units and regions or countries, resulting in gaps in monitoring and poor quality reporting

- Many patterns of transactions differ little from legitimate transactions

- Money launderers change their methods frequently to avoid detection

- Business rules are not adaptive

- Strain on the back office due to high alert volume and reliance on manual review

The power of Brighterion AI technology

Brighterion's patented Smart Agent technology has the unique ability to overcome the limits of legacy machine learning technologies to allow personalization, adaptability and self-learning. Smart Agents don't only rely on pre-programmed rules and don't try to anticipate every possible scenario. Instead, Smart Agents create profiles specific to each entity and behave according to their goals, observations, and the knowledge they continuously acquire

through their interactions with other Smart Agents. Each Smart Agent pulls all relevant data across multiple channels, irrespective of the type or format and source of the data, to produce robust virtual profiles. Each profile is automatically updated in real time and the resulting intelligence is shared across the Smart Agents.

Over time, your AI models grow and mature with the ever-changing behaviors of fraudsters, gaining advanced predictive abilities.

Smart Agents

Legacy Technologies
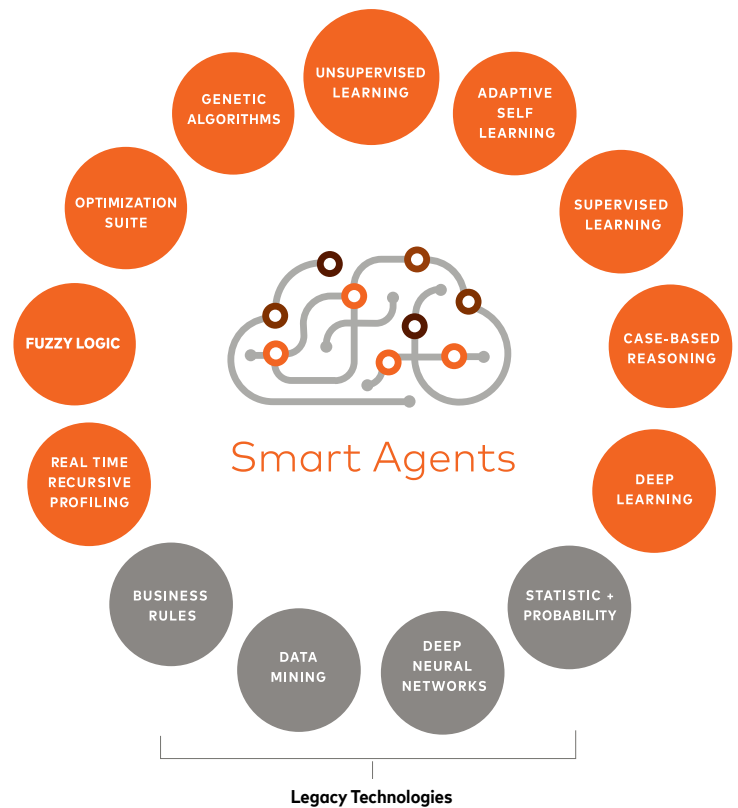
Massive storage, unlimited scalability

Unlike many of our competitors, Brighterion's Smart Agents use a powerful, distributed file system specifically designed to store knowledge and behavior.

Distributed architecture allows lightning speed response times (below 10 milliseconds), end-to-end encryption and traceability. This distributed architecture allows for unlimited scalability and resilience to disruption as it has no single point of failure. We guarantee 99.9999% uptime.

In 2019, Brighterion was proud to be named the most scalable AML solution by Aite Group analysts.

Results focused

Our customers report fewer false positives, increased detection rates, and huge return on investment. For example, Worldpay, the world's largest payment processing company, reports Brighterion's self-learning AI platform reduced business rules by 1,250 times and false positives 20 times, while increasing fraud detection by more than three times.

The Brighterion AI platform will help you address all AML-and CTF-regulatory compliance requirements, including:

- Bank Secrecy Act (BSA)
- USA PATRIOT Act
- Office of Foreign Asset Control (OFAC)
- Recommendations of the Basel Committee on Banking Financial Action Task Force (FATF)
- Politically Exposed Persons (PEP)
- United Nations
- and many others

Brighterion's AML and compliance solution

The Brighterion AI platform automatically monitors your entire transaction environment and involves compliance personnel only when significant patterns are found.

- Prevents, detects and reports money laundering, terrorist financing and other illicit activities
- Integrates AML risk management across products, business lines and geographies supported by globally consistent systems and processes
- Meets regulatory obligations and expectations
- Mitigates legal, financial, compliance and reputational risk

How Brighterion AML works for you

- Suspicious behavior monitoring: your rules are at the core and enhanced with supervised and unsupervised learning. This enables detection of new types of suspicious behavior while incorporating investigator feedback.
- Powerful multi-layer analysis: delves into the big picture and the details to detect abnormal behavior on any scale.
  - The individual or account layer, in which multiple transactions are associated with specific individuals and bank accounts
  - The business or organizational layer
  - The "ring" layer which involves multiple businesses, accounts and individuals in a money laundering scheme
- One-to-many and many-to-one behavior analysis: individualized models track the behavior of each entity in the data, tracing their patterns to discover and identify anomalous activities.
- Dashboards and reports: stay ahead of the latest trends and fulfill your documentation requirements with automatically generated graphs and reports.

What makes Brighterion AI unique

| High throughput response time | Compression 100 X reduction | Security | Unlimited scale | No database requirements | Distributed no single point of failure |

Watch list screening

In addition to AML monitoring, Brighterion offers a watch list screening solution with daily updates of sanction lists. It incorporates phonetic and string-matching algorithms for accurate identification regardless of the quality of data entry and includes AI-based algorithms for unsupervised learning and clustering to reduce false positives.

- Customer screening with hundreds of worldwide watch lists and PEP list

- Customer identification program (entity resolution with clustering)

- Watch list screening scoring (customer onboarding and lifecycle score)

- Watch list screening dashboards and reports

- Customer screening based on bank's own "white- and blacklists"

- Screening of new and existing customers, transaction initiators, beneficiaries and intermediaries

- Alert generation, prioritization, workflow and management

Alert management

Brighterion's all-encompassing alert management platform provides customers with more efficient and accurate alerts while providing surrounding contextual information and analysis. It offers:

- Linked customer relationships by transaction flows, whether "household," explicit, implicit or hidden, to optimize resource deployment and reduce false positives

- Comprehensive drill-in/drill-out capability for timely and efficient investigation completions

- Transaction alert investigation, alert escalation, enhanced due diligence and relationship analysis.

- Advanced workflow and case management, covering a broad range of end users, products and services with a facility for tracking, follow-up, resolution, reporting and audit trail documentation

- Accurate, timely SAR/CTR filing, whether electronically or manually filed, within regulator-prescribed windows

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"Brighterion's scalability is over twice that of its closest competitor in this regard, boasting 62,000 TPS in production. Its streaming infrastructure with no underlying databases is a key driver of this impressive performance."

AIM Evaluation: Fraud and AML Machine Learning Platform Vendors

AITE GROUP

Brighterion mastercard

To learn more contact one of our AI experts: sales@brighterion.com →

or visit our resource library →

1 415 986 5600 | brighterion.com