

Reducing false positives and AML alerts with Identitii's Overlay+ and Microsoft Azure

Industry challenge

Transaction monitoring systems generate hundreds of thousands of AML alerts per month within a single financial institution. More than 90% of these alerts are typically false positives, resulting in high operational costs and resources allocated to investigating exceptions. To reduce financial crime and avoid costly fines, banks must share more information internally and with trusted third-parties. But email and fax are risky and don't allow for information exchange at the time a transaction is initiated, introducing delays into the settlement process.

Overlay+ to reduce financial crime

A tier one global bank using existing payment networks to efficiently send and receive payments to other banks, needed a streamlined process for collecting and sharing supporting information with other banks. It needed a way to collect and share additional information to assist with investigations and reduce the financial and reputational risk associated with financial crime compliance breaches.

The bank uses Identitii's platform, Overlay+, running on Microsoft Azure, to create the secure, auditable and tamper-proof collection and exchange of Know Your Transaction information using a private blockchain and Identitii Tokens. The bank is able to automatically trigger the collection of required information from other banks and corporates (via API or the Overlay+ Microsoft Outlook add in) and can permission access to pieces of information as required by players in the payment chain.

Using Microsoft Azure allows the bank to provide a fast time to market for its customers, enabling them to realise value from Know Your Transaction technology faster. Cloud based applications also enable quicker technology updates and simpler adoption of future innovations.

Results

Enabling the exchange of intelligent information at the time a payment is made allowed the tier one global bank to improve the straight through processing of payments, reduce the number of false positives held up in the system for manual processing and reduced financial crime, while providing an improved customer experience to the banks corporate clients.