

Optional Modules for Firco™ Continuity

Enhance your transaction screening with additional functionality.

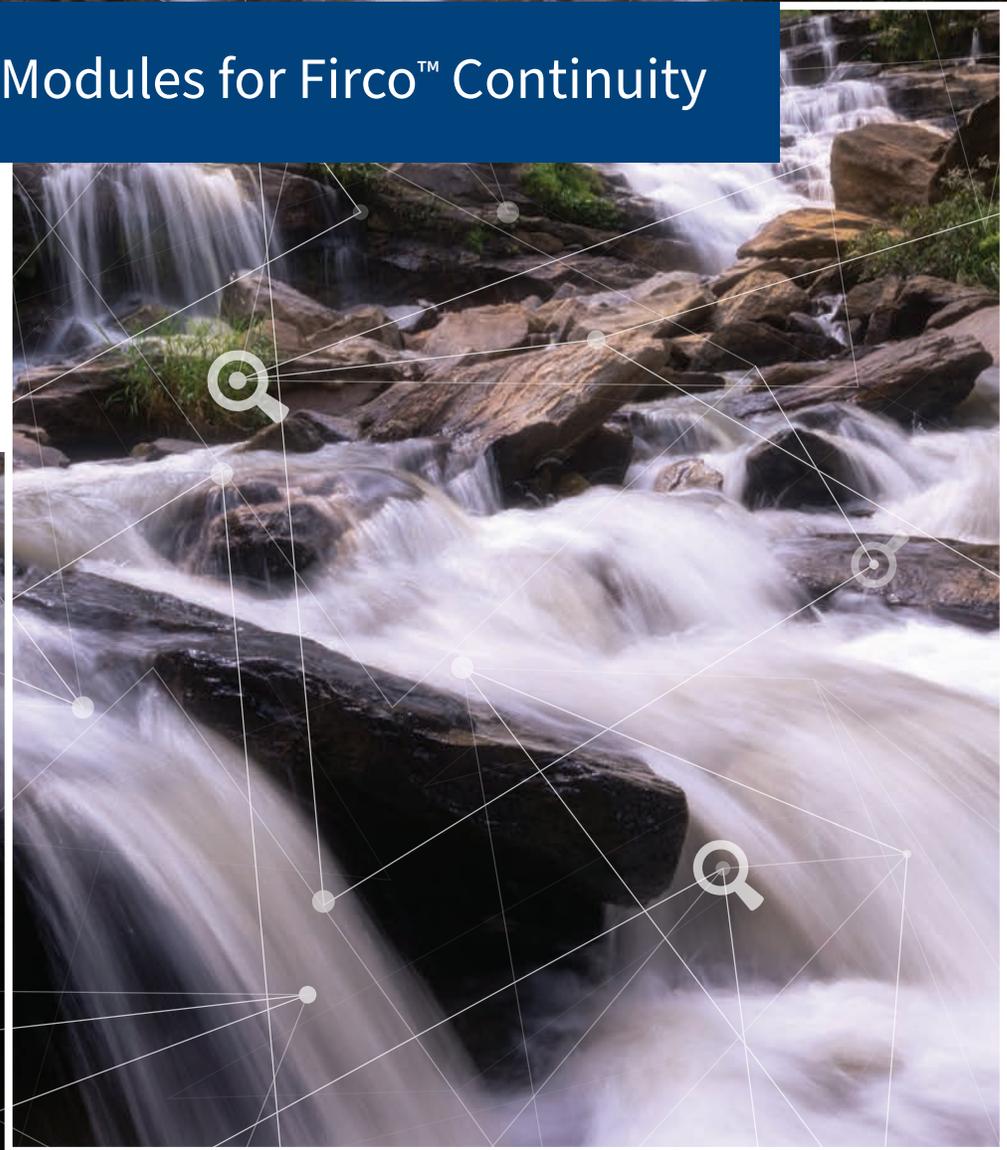
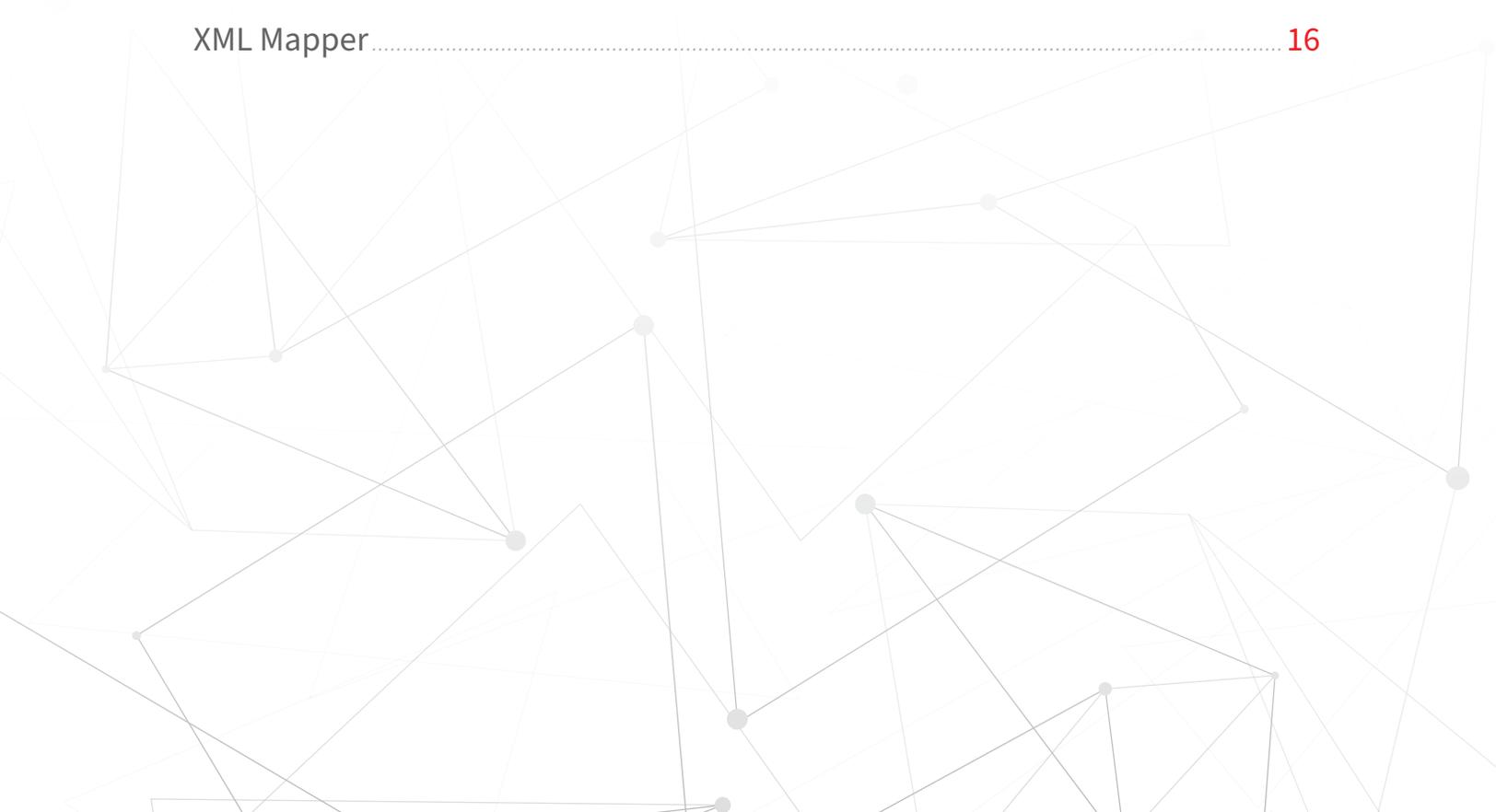




Table of Contents

LexisNexis Firco Continuity	3
Advanced Reporting	5
Decision Reapplication	7
Pairing Manager	9
Stripping Detector	11
Targeted Matching	12
Workflow Accelerator	14
XML Mapper	16





Fast Payments Need Fast Screening

Take control and reduce your compliance burden with near real-time transaction screening.

Firco Continuity is a robust, scalable solution that enables you to take control of your transaction screening while maintaining compliance with the ever-changing regulatory environment.

Firco Continuity has a range of modules that are continuously updated to respond to emerging market and regulatory requirements, improving your transaction screening processes and experience.

An end-to-end solution

Firco Continuity can support a range of organizations such as financial institutions, payment service providers (PSPs) and financial providers, with their transaction screening and audit needs.

Firco Continuity covers the full process, from preparation of data to auditing of transaction screening, including filtering and alert remediation.

Firco Continuity can help you:

- Implement the necessary processes to adhere to the ever-changing regulatory requirements
- Stay up-to-date with the latest watch lists while reducing the impact for alert handlers and the wider business
- Avoid processing any suspicious transactions while keeping the cost of screening as minimal as possible
- Configure your transaction screening system to reflect your internal risk appetite
- Adopt screening best practices across various teams and streamlining operations
- Explain and show evidence of application of internal processes and risk policy
- Provide evidence of the full scope of transactions screened and reasons for a true or false hit
- Assist and support the inquiries of both regulatory bodies and auditors' requests



Operational challenges

Maintaining compliance in the ever-changing regulatory environment and providing a clear, historical evidence trail to regulators has never been more important and more demanding.

1 Efficiency

Fast, efficient processes that cover the full scope of filtering and alert remediation are critical to reduce your compliance screening burden.

2 Cost reduction

As the cost of compliance continues to grow, there is increased pressure to find savings within existing operations.

3 Effectiveness

Reliable and rigorous processes help to meet ever-changing regulatory requirements while keeping the cost of screening as minimal as possible.



Market drivers

In an increasingly dangerous world, organizations need the confidence to conduct business and pursue growth opportunities with the certainty that their reputation is protected.

1 Regulatory scrutiny

Demonstrate with confidence the clear line of site from policy to operational execution to better meet regulatory obligations.

2 Transparency

The ability to explain and provide evidence of transactions screened and reasons a particular decision was taken is more important than ever.

3 Ever-changing risk

Staying up to date with the latest watchlists reduces regulatory, operational, financial and reputational risk.

Maintain a high straight-through processing rate and help safeguard your organization against financial and reputational risk with Firco Continuity.



Improve Transparency into Filtering Intelligence

Gain greater insight with a host of external business intelligence tools and data from Advanced Reporting.

Financial institutions are under increased regulatory pressure to prevent illicit actors from using the financial system as a conduit for money laundering and terrorist financing. In addition to implementing efficient and effective financial crime screening solutions, institutions are expected to provide regulators with transparency into all processes.

Extensive, detailed reports help to deliver that transparency. They provide regulators with a lens into an institution's compliance and watch list filtering processes and the assurance that regulatory obligations are being met.

Advanced Reporting with Firco Continuity provides data in a structured manner to facilitate the sharing of information. It improves transparency into filtering intelligence and supports an institution's financial crime and compliance efforts. Utilizing the capabilities of leading business intelligence platforms and visualization tools, Advanced Reporting helps institutions understand and manage alerts. Extensive drill-down functionality and the ability to create and customize reports tailored to any level of detail or information required are available through these tools.

Detailed reports just a click away

Advanced Reporting is an optional module in Firco Continuity, a market-leading near real-time transaction screening solution from LexisNexis® Risk Solutions. The Advanced Reporting database can be accessed with any business intelligence reporting tool, including Microsoft Tableau, IBM Cognos and SAP Business Objects, to deliver full reporting capabilities.

Using these external tools and data provided by Advanced Reporting, managers can run operator activity reports, which track the number of decisions each team member makes per day, the average length of time per decision, false positive hits and other metrics that can be used to assess performance and improve productivity. Additional reports, such as the global alerts report, enable filtering by application, action and message type, with total hits and alerted messages sorted by region or other user-defined parameters. Users can also view hits per message type, last actions, alerts by source application and more, all with the click of a mouse.

Whether using pre-designed criteria to develop reports from a template or creating custom reports based on user-defined filters and sorts, Advanced Reporting puts the data you need — optimization statistics, messaging details and other valuable information — at your fingertips.

Summary of Global Alerts

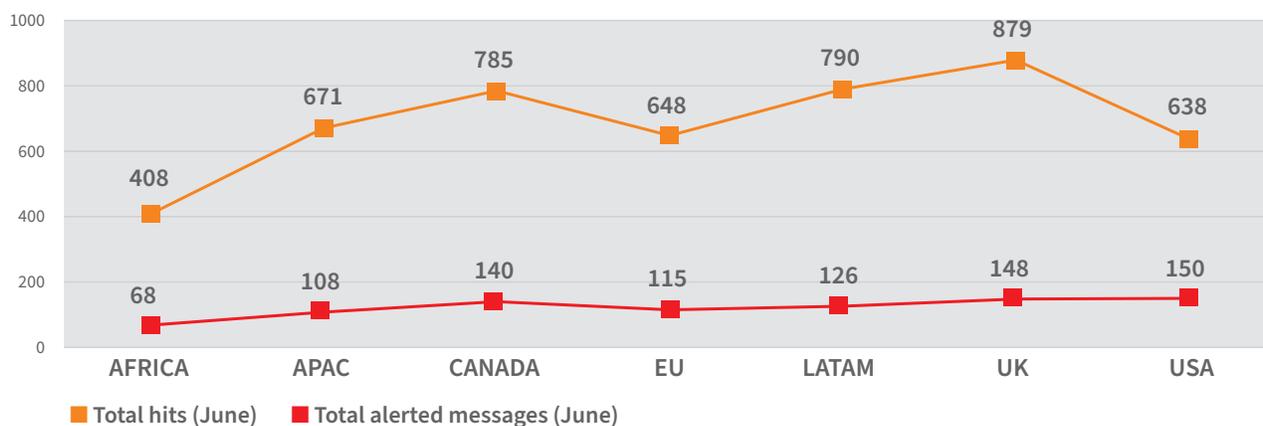
Canada

Application	Message Type	Total Alerted Messages	Total Number of Hits	Total Number of Actions
MIDAS	103	14	91	32
	199	8	19	21
	202	3	20	8
Total		25	130	61

Application	Message Type	Total Alerted Messages	Total Number of Hits	Total Number of Actions
MTS	103	80	484	195
	202	3	20	8
	Total		83	504

Application	Message Type	Total Alerted Messages	Total Number of Hits	Total Number of Actions
SWIFT	103	7	46	14
	199	2	5	4
	202	1	11	2
Total		10	62	20

Total Hits and Alerted Messages



How it works

Data from Firco Continuity feeds the Advanced Reporting database, which can then be accessed via any reporting tool without performance degradation for the alert review. Quickly create clear, extensive reports, with details into various data points — view false positives, alerts per region, escalated alerts, productivity throughput and more — for a more complete analysis.

Information from Advanced Reporting can also be used to develop exception lists — and create and refine business rules to decrease the number of non-relevant alerts and support an organization's false positive hit reduction strategy.

With its ease of use, flexibility and pipeline to business intelligence, Advanced Reporting is a valuable complement to any institution's watch list filtering efforts.

Key benefits:

- Provides data for quick and easy generation of custom reports
- Helps meet compliance reporting guidelines
- Improves staff productivity
- Offers improved transparency of filtering activity
- Supports watch list filtering efforts

Decision Reapplication



Reduce Manual Reviews by Up to 60%

Manage growth in screening volumes without increasing the burden of manual review and risk of human error.

Automate recurrent transactions

Decision Reapplication with Firco Continuity boosts the productivity of your compliance team by automatically reapplying previous decisions to significantly reduce the number of alerts requiring review. The solution enables you to increase straight through processing by releasing payment transactions more quickly, while operators avoid repetitive tasks.

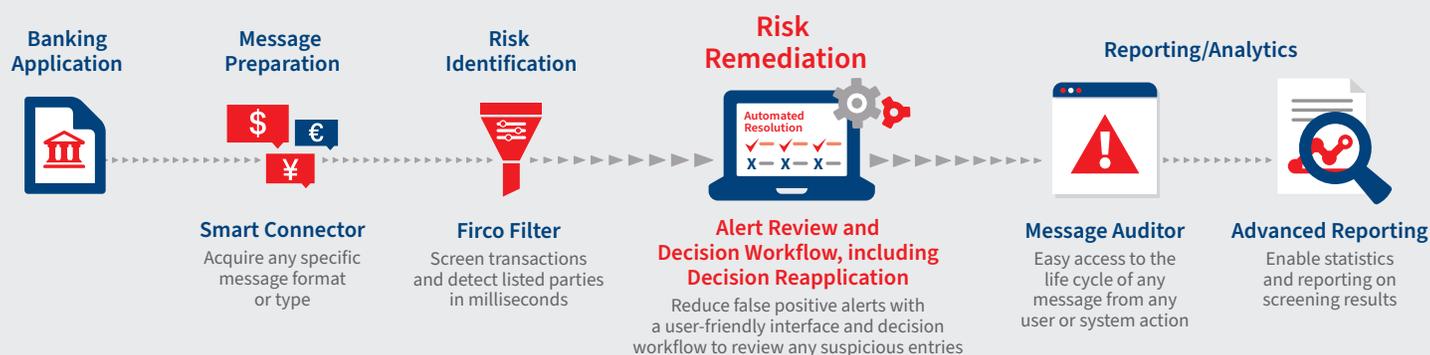
Decision Reapplication's functionality is particularly valuable when filtering low-risk recurring payments (such as ACH or SEPA messages). Many recurring transactions, which likely make up a large portion of your transaction volume (such as monthly salaries, pensions or supplier payments), can safely be automated.

Decision Reapplication is a powerful engine that identifies recurring transactions and reapplies past decisions. By using 'Decision Reapplication Rules,' you can configure the tool to your own risk appetite, note which messages can be automated, and for how long.

Helps to reduce manual reviews by up to 60%, allowing your operators to focus on new, high-risk transactions.

Firco Continuity (versions 6 and beyond) enables the configuration of a multiple-user workflow to validate the context created when reapplying decisions on transactions, as well as provides new capabilities for easier configuration.

Where Decision Reapplication Fits



The value of risk remediation

Automated evaluation — Firco™ solutions detect potential matches, then apply several mechanisms to safely reduce the number of false positive alerts, allowing operators to focus on high-priority matches. It also maintains relevant information for traceability and explainability.

Manual evaluation — Firco solutions offer an easy-to-use interface and powerful workflow configuration, where customers can adapt the solution to suit their own processes. For instance, high-risk alerts or highly potential alerts can be automatically routed to the right team members.



Apply a Decision to Groups of Messages

Reduce money-back requests, minimize duplicated alert reviews and improve productivity.

Pairing Manager is an optional module with Firco Continuity that enables sanctions screening on a group of messages related to the same business transaction. The operator's decision is holistic — it applies the same decision to all messages in that group — ensuring that no part of a transaction is sent on the network while another part is blocked or held for review.

Pairing Manager helps to reduce money-back requests, minimize the number of duplicated alert reviews, and improve productivity.

Facilitate alert review

When international payments are run through a filtering engine, duplicated information on the funds transfer message and its cover payment will cause duplicate hits, which unnecessarily increases hit rate. Grouping together messages related to the same transaction so a decision can be made collectively on all parts makes the operator's decision easier and less risky as they have an overview of the full transaction.

For example, the MT 202 cover payment, which contains full originator and beneficiary party information for the MT 103 credit transfer message, can be grouped together. Likewise, pacs.009 COV, the new ISO20022 compliant message format from SWIFT, will always be paired with a pacs.008.

How it works

As an optional module within Firco Continuity, Pairing Manager works alongside the screening process, grouping a message and its cover payment together.

If an alert is triggered, the paired messages are viewed at the same time. Any decision made on the MT 103 is applied to the MT 202COV and vice versa. Similarly, a decision made on pacs.008 is applied to pacs.009COV. Enabling a single, unique decision to be shared across all paired messages helps reduce decision discrepancies, duplicated alerts, and more significantly, money-back requests.

Pairing manager is typically used to link:

MT 103/MT 202

MT 103 /MT 202

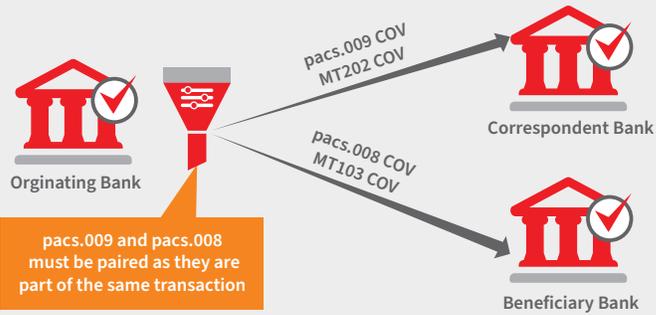
MT 700/MT 701

MT 710/ MT 711

MT 720/MT 721

pacs.008/pacs.009

Use Case: Credit Transfer Settlement Using Cover Method



A holistic view

If a hit is detected on any message within a group, all messages are sent to the Alert Review interface, where they can be opened together. Operators reviewing transactions with multiple messages can easily see all the details and all the different parts of the message within the same window. Hits from all the messages in the group can be reviewed by navigating through the tabs.

This dedicated Alert Review provides a complete picture that allows for a consistent, unique decision to be made for all messages within the pairing group on the transaction. Depending on the decision, the paired messages are then routed the same way.

Alert Review of Paired Messages

#	T	HR ID	Tag	Score	Priority	Matching Type	Hit Type	Matching Text	Last Action
1		AN1000001	IS	0	0	IBC Code	Individual	MIK4GDC00X	
2		AN1000001	SOX	0	0	IBC Code	Individual	MIK4GDC00X	
3		AN1000001	SSA	0	0	IBC Code	Individual	MIK4GDC00X	
4		AN1000001	SSA	0	0	IBC Code	Individual	MIK4GDC00X	
5		AN1000001	SSA	0	0	Name	Vessel	Killer Whale Ship	
6		AN1000001	SSA	0	0	Name	Vessel	Whale Ship	

Tailored to your needs

Pairing Manager is highly configurable to meet each institution's needs and risk appetite. Typically, two messages are grouped and linked to the transaction, but Pairing Manager can also accommodate multiple messages in the same pairing group.

ISO 2022 compliant

Pairing Manager is compatible with all message types from Fedwire to SWIFT, including current MT messages and payments clearing and settlement (pacs) XML messages, the new ISO2022 standard.

Key benefits:

- Reduces money-back requests
- Speeds up the review process
- Minimizes duplicated alert reviews
- Enables simultaneous review of messages on a single screen
- Supports consistent decisions across all grouped messages



Spot Insider Fraud Before it Happens

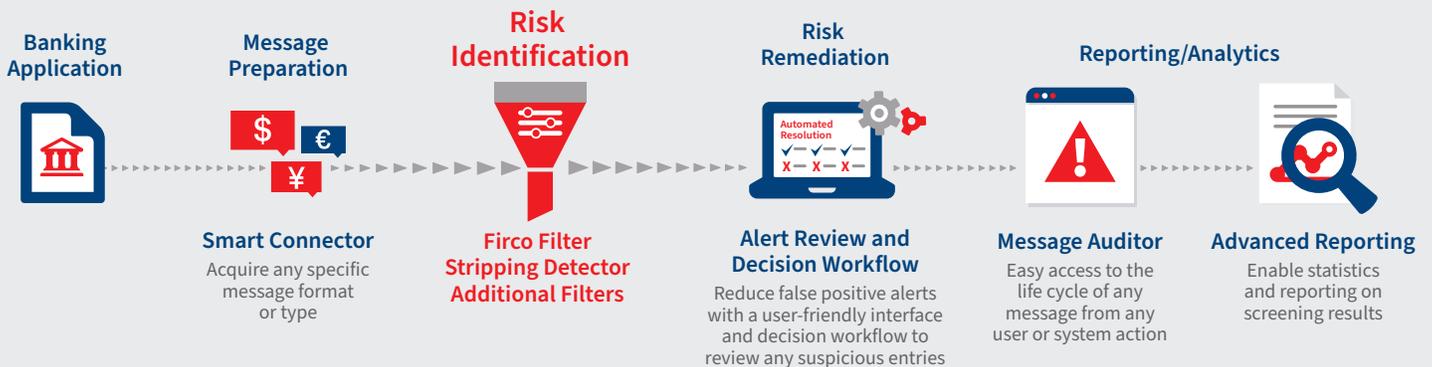
Help protect your organization from processing payments that were purposefully altered and detect internal fraud attempts before transactions are processed.

Stripping Detector with Firco Continuity is designed to help protect you against processing payments that were purposefully altered. Its powerful engine identifies and blocks amended messages in near real time with minimal impact to your filtering process and system performance.

The Stripping Detector determines if a message is similar to one previously stopped by the filter. Stripping rules are configured to an organization’s own risk appetite, including how to set the ‘fingerprint’ of a message that is used to recognize similar transactions and decide if an alert should be generated or not.

Firco Continuity V6 provides enhanced confidentiality of the data relating to Stripping Alerts by only allowing specific operators with access rights to review them.

Where the Stripping Detector Fits



Powerful filter capability

The Stripping Detector handles millions of transactions per hour and identifies suspicious activities linked to blocked entities or internal fraud attempts. Filter capability in line with customer requirements and languages.



Reduce Tuning and Alert Review Efforts

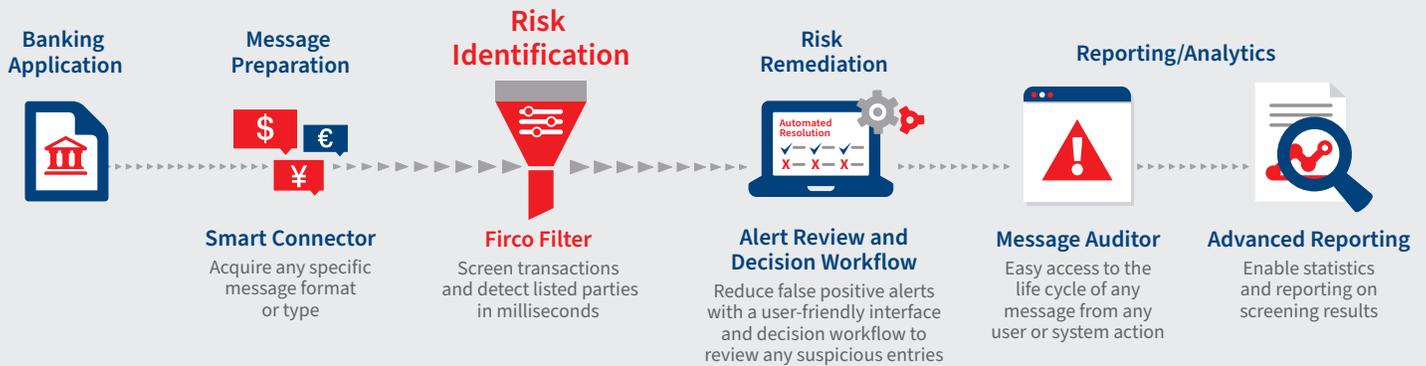
Provide clear filtering instructions for each field to increase relevance of hits.

Targeted Matching with Firco Continuity and Firco™ Unique Format — a common transaction structure — enable:

- **False positive match avoidance** by screening against relevant information
- **Logical screening** with configurable grouping of related fields (e.g., grouping together screen sender's name, city and country)
- **Advanced individual screening options** such as Comparison Mode, which eliminates hits on fuzzy names when there is no supporting match on the nationality, place of birth or date of birth
- **Advanced business rules** against more segregated field content
- **Ability to leverage** the ISO 20022 structure by using the default configuration, and to reduce the number of false positive alerts
- **Automatic detection** against country ISOs based on Firco Unique Format field attributes
- **Multiple screening options** based on message type
- **Lower tuning cost** due to reduced need for creation and maintenance of business rules
- **Mapping to common fields** across message types that effectively describe the content regardless of their source; rules written against the common fields can contribute to more effective business rules
- **More data points** for artificial intelligence, analytics and reporting solutions
- **Reduction of false positives** against recognized parties by enriching payment instructions with validated information about known customers

The volume of messages and payment instructions continues to grow. Targeted Matching provides a flexible, configurable approach to reduce the number of rules while maintaining overall filter speed.

Where Targeted Matching Fits



Powerful filter capability

Firco Continuity handles millions of transactions per hour and identifies suspicious activities linked to blocked entities or internal fraud attempts. Filter capability in line with customer requirements and languages.

Workflow Accelerator



Boost Performance and Optimize Workflow Routing

Streamline the alert review process by automatically sending the right alert to the right specialist.

Keeping up with rising volumes of screened transactions can easily overwhelm compliance staff and impact the efficiency of a financial institution’s compliance operations.

Workflow Accelerator with Firco Continuity provides institutions with a configurable solution to address the workflow challenges of complex compliance environments with many teams handling alerted messages. It streamlines workflow, mitigates the risk of routing errors, and provides controls that help to ensure risk protection.

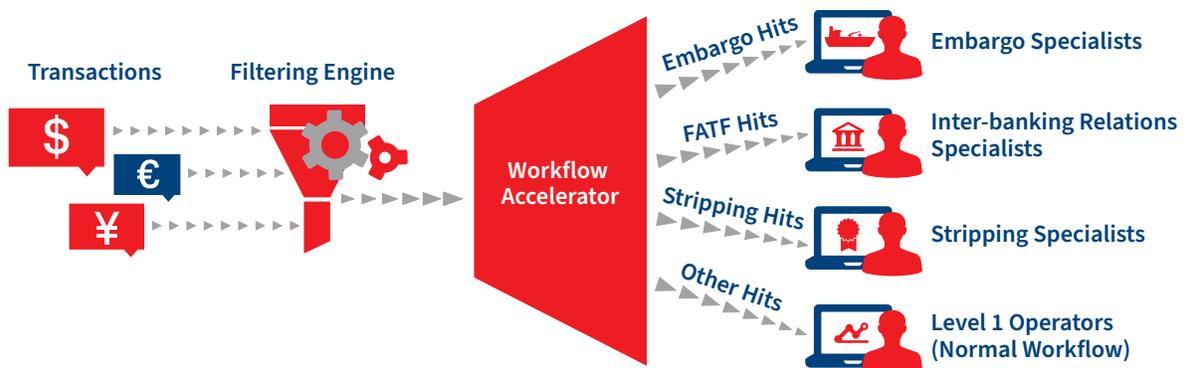
Faster processing, higher productivity

Workflow Accelerator enables a financial institution to automate and replace low-value and often manual routing tasks with a more direct and higher level of investigation expertise. Alerts are automatically assigned to the relevant expert or specialist, instead of being routed manually by level 1 operators, thereby saving time and reducing mistaken routing.

By immediately sending the right alert to the right person or group automatically, Workflow Accelerator streamlines the review process — it helps avoid redundant or unnecessary steps that could otherwise slow down workflow. Compliance team productivity increases and payment transactions can be released more quickly.

Workflow Accelerator is an optional module in Firco Continuity, complementing the near real-time transaction screening capabilities of this market leading solution. In addition, Workflow Accelerator integrates with other optional modules such as Stripping Detector, where it can be leveraged to automatically route stripped alerts to a specific team.

Workflow Accelerator in Action



Prioritized, risk-based routing

Workflow Accelerator recognizes that all hits are not created equal. Using user-defined business rules, it identifies the different types of hits and automatically routes transactions — in priority order — to the person or team best able to review that specific alert.

By escalating high-risk and high-priority alerts directly to a specialist without interim steps, Workflow Accelerator enables immediate attention to be focused where it is most critical, speeding review and final decision.

Tailor routing to your needs

Workflow Accelerator enables you to customize routing to your organization's specific needs and use case based on a variety of criteria. Typical examples include:

Criteria

Use Case

 Message characteristics: type, amount, currency, sender, receiver		 An alerted message with at least one hit on a terrorist can be sent directly to a sanctions specialist, who can potentially freeze the assets.
 Hit information: origins, designation, hit type, match type		 An alerted message with at least one hit on Iran can be sent directly to an embargo specialist, who can potentially cancel the transaction.
 Rules: priority level, confidentiality level, FATF Rec16 (SR7)		 A message with an empty FATF field can be sent to the department of interbanking relations, which can accept the transaction.

Workflow Accelerator can be deployed in under two weeks including business analysis, configuration of business rules, and testing. And, since additional rules work on top of your existing environment, there is no disruption to your regular workflow or processes.

Full audit trail

Workflow Accelerator offers a complete audit trail so that all events are logged and stored for review by managers, senior executives, regulators and other stakeholders.

Key benefits:

- Optimizes and automates workflow routing
- Saves time in end-to-end transaction review and processing
- Automatically prioritizes and routes alerts to appropriate specialist
- Avoids manual routing errors
- Boosts compliance team productivity



Automatically Map Incoming Messages to Firco Unique Format

XML Mapper converts XML messages to a Firco™ Name Matching filter-friendly format.

Benefits of the universal XML Mapper with Firco Continuity

- An easy-to-use tool to map any incoming XML based messages to the Firco Unique Format (FUF)
- Customize your mapping to FUF with a high level of granularity and flexibility
- Apply the same mapping logic on recurrent tags across multiple message types
- Optimize your screening system and facilitate operator's review
- Increase effectiveness of artificial intelligence, analytics, reporting solutions and rules efficiency by having similar mapping logic across multiple message types

Architecture

XML Mapper is an add-on module to Firco Continuity which can be plugged into the Multiplexer or Requester in Continuity V5, in the Acquisition for Continuity V6 or with the SWIFT Alliance Access Connector.

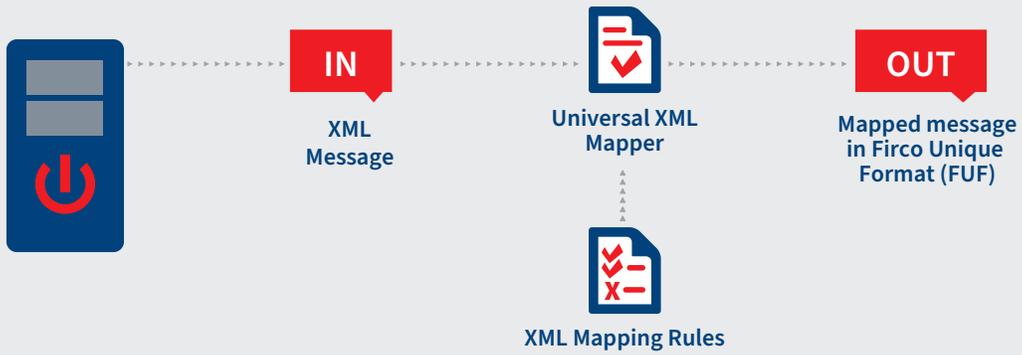
Designed to meet various message standards

- Compatible with all versions of Firco Continuity
- Saves time by using the standard mapping files provided by LexisNexis® Risk Solutions
- Meets standards for ISO 20022, including MX messages, SEPA messages and other customer XML formats

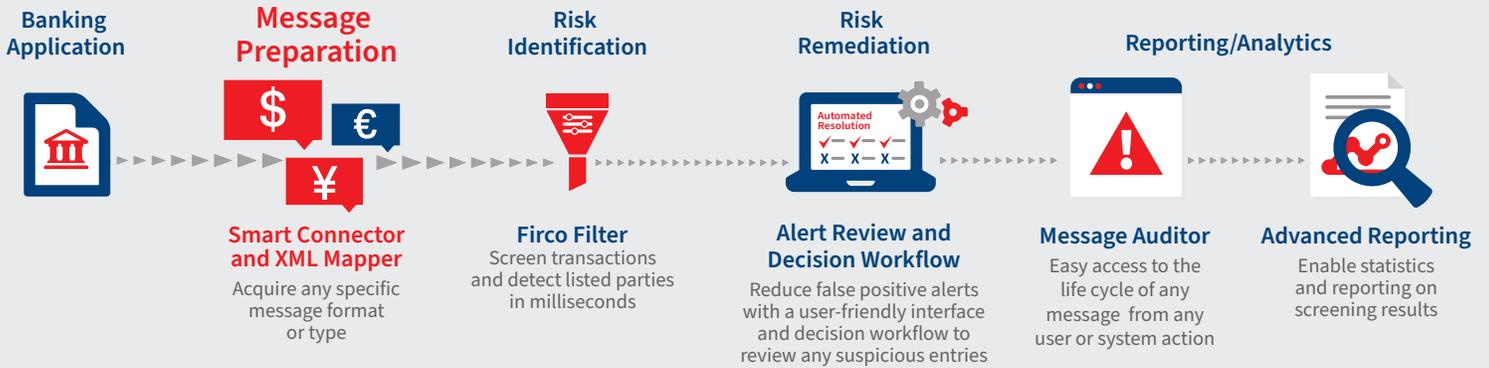
The value of message preparation

- Secure and enriched
- Optimize screening processes by converting messages to FUF
- Leverage and enrich the message structure with additional data

Process



Transaction Screening Flow



For more information, visit risk.lexisnexis.com/FCC



About LexisNexis® Risk Solutions

LexisNexis Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit www.risk.lexisnexis.com and www.relx.com.

Our solutions assist organizations with preventing financial crime, achieving regulatory compliance, mitigating business risk, improving operational efficiencies and enhancing profitability.

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