FINASTRA NetGuardians

Real-time, AI-powered fraud prevention

Pre-integrated SaaS solution for payment messages

The fraud problem

As Swift payments are are increasingly moving – and even settling – in real-time, after-the-fact fraud detection is no longer sufficient. Banks need to monitor for fraud in real-time, too. The challenge is to do this accurately and effectively, especially when cyber fraudsters frequently change attack vectors to avoid detection.

Recent statistics indicate that the cost of fraud and scams is substantial and growing.

In 2023, fraudsters stole over $5 trillion globally, highlighting the increasing prevalence of financial fraud as technology advances and more people engage with digital platforms.[1]

[1] Association of Certified Fraud Examiners

Behavioral monitoring of Swift and other payment messages without time-consuming rule configuration

Tailored for Finastra's Swift Service Bureau customers and integrated with Finastra Financial Messaging, the NetGuardians solution for Swift messages enables financial institutions to identify and stop fraudulent Swift messages in real-time, before they are released to the Swift network.

Any suspicious payments are held for investigation. This SaaS solution is hosted securely by Finastra, remote from your local infrastructure.

Powered by NetGuardians' machine learning and artificial intelligence technologies, the solution "reads" each customer's Swift messages and accurately stops fraudulent payments.

It reduces operational costs and also saves time because it learns automatically, so there's no need to configure new rules in the system. The NetGuardians solution can also accommodate additional payment messages (e.g., SIC, euroSIC, etc.).

The solution's behavioral risk models detect anomalous activity resulting from a combination of attributes including:

- New beneficiary (for the customer and/or the bank)
- Unusual amount (e.g., out of the norm for the customer account)
- Unusual destination (for the customer and/or the bank)
- Unusual timeframes (e.g., days, times, frequency)

A holistic approach to fraud prevention

Real-time fraud prevention with flexible transaction workflows

Abnormal or suspicious Swift messages are detected in real-time. Flexible transaction workflows allow for blocking, alerting, releasing and reporting.

Swift CSP compliance

Pre-configured AI risk models continuously monitor MT 101, MT 103, MT 202 and MT 202COV messages to identify anomalous and possibly fraudulent activities.

Detection of new fraud types

By nature, fraudulent messages are always anomalies for the instructing party. NetGuardians' solution continuously learns about the payment behavior of the instructing party and the bank as a whole. It uses machine learning to detect anomalies, identifying new fraud scenarios without the need to pre-configure targeted rules in the system.

Low false positives

The system's analytic approach is much more accurate than relying on rules. It leads to lower operational costs and an improved customer experience, with fewer valid payments incorrectly blocked. A recent case study* highlighted that a bank switching to NetGuardians reduced false positives by 85%, saved 75% on risk mitigation costs, while at the same time increasing their fraud detection rate.

Community

Financial institutions opting to use NetGuardians' fraud prevention solution for Swift become part of a growing community of fraud prevention experts, and they are provided a trusted forum for sharing their experiences of fraud.

Augmented intelligence

The NetGuardians solution uses "augmented intelligence," which combines human intelligence with machine learning and AI technology to effectively flag anomalous Swift messages. A Case Manager provides contextual information about each alert so users can clearly understand why the transaction is suspicious. Workflows, forensic tools and dashboards are intuitive and easy-to-use, enabling rapid investigation of suspect transactions and efficient case handling and record-keeping.

*NetGuardians case study

Benefits

Effective fraud detection

AI-powered SaaS solution that's highly effective at detecting known and unknown fraud scenarios for various payment messages, using anomaly detection and supervised learning approaches.

Rapid implementation

Because it is part of Finastra's existing financial messaging system, the solution is already integrated with Finastra Financial Messaging, so it can be activated quickly.
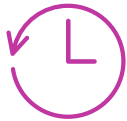
Saves time

Hosted by Finastra's Service Bureau, which frees up time for your IT staff for other important tasks.

For more information, please contact your Finastra account manager or contact us.

About Finastra

Finastra is a global provider of financial services software applications across Lending, Payments, Treasury and Capital Markets, and Universal (retail and digital) Banking. Committed to unlocking the potential of people, businesses and communities everywhere, its vision is to accelerate the future of Open Finance through technology and collaboration, and its pioneering approach is why it is trusted by ~8,100 financial institutions, including 45 of the world's top 50 banks. For more information visit **finastra.com**

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