

CASE STUDY



Top U.S. Bank Prevents \$29M+ in Losses Using Verify Deposit



A leading bank in the US with nearly 8 million demand deposit accounts uses **Verify Deposit** (formerly known as Real-Time *Deposit Chek*®) to slash losses while improving funds availability in the era of faster banking.

THE SITUATION

Faster deposit channels like remote deposit capture and same-day ACH make banking more convenient for consumers. But as transactions speed up, risk assessment solutions must keep pace.

To reduce losses associated with NSF returns, check, ACH and deposit fraud, the bank needed to improve its risk assessment controls. And it needed to do so without slowing down funds availability for its customers.

THE SOLUTION

The bank selected **Verify Deposit** based on its unique access to banking data and predictive analytics.

By screening deposits against Early Warning's *National Shared Database*SM Resource—which includes deposit performance data from thousands of banks—**Verify Deposit** helps the bank better assess the risk of both on-us (internal) and off-us (external) transactions.

DEPOSIT SCREENING RESPONSES INCLUDE:

- Account status (open, closed, overdrawn)
- Duplicate deposit and/or counterfeit check detection
- Deposit risk scores and high-risk alerts
- Account owner authentication



THE IMPACT

Using **Verify Deposit** to analyze two use cases, the bank saved an estimated \$29.1 million in 2022¹



USE CASE 1

Transactional deposit screening



OBJECTIVES:

- Prevent losses stemming from NSF returns and deposit fraud
- Improve funds availability for customers

OUTCOMES:

- \$24.7M estimated savings
- 72% of screenings resulted in low/no risk response, enabling the bank to grant more customers immediate access to their money*



DEPOSITS: 28M deposits screened, totaling \$46B



ALERTS: \$280M in high-risk alerts, with \$123M estimated to return



SAVINGS: Without **Verify Deposit**, an estimated \$24.7M of the returns expected to result in loss



USE CASE 2

Account Owner Authentication



OBJECTIVES:

- Reduce losses from fraudulent new account funding

OUTCOMES:

- \$4.4M estimated savings



DEPOSITS: 1.3M new account funding deposits screened, totaling \$307M



ALERTS: \$74.1M in funding, from 95K accounts, identified as coming from unauthorized users (e.g., account owner name not matched)



SAVINGS: Without **Verify Deposit**, an estimated \$4.4M of the alerted fundings expected to result in fraud loss



“Our customers demand fast, convenient service and expect us to keep their funds safe from fraud. With **Verify Deposit**, we’re able to deliver on both. Thanks to its real-time responses with deep data insights, we’re able to minimize fraud and provide fast access to funds for our trusted customers.”

– Executive Director, Retail Payments Team





Early Warning®
Verify Deposit

IMPLEMENTATION

The bank featured in this case study has more than \$100 billion in assets and serves more than 9 million customers. A longtime Early Warning customer, the bank implemented the latest version of **Verify Deposit** in 2018.



Learn more about about
Verify Deposit

To find out how Verify Deposit can help your institution mitigate losses and speed funds availability, visit www.earlywarning.com

¹June 2023 analysis of 2022 Early Warning analysis of National Shared DatabaseSM Resource Inquiries



© 2023 Early Warning Services, LLC. All Rights Reserved. | www.earlywarning.com