

Datasheet

→ NICE Actimize Fraud Solutions: Fighting Kiting Scams

Check kiting scams have unfortunately been around for many years. Even today with reduced float time making it more difficult to detect, there is still a significant risk for Financial Institutions (FIs) when a kiting scam goes undetected.

Fraudsters have been known to run kiting schemes that have gone undetected for decades—eventually causing huge losses for FIs that are difficult to recover. Today, kiting has evolved from just using checks to using a combination of all payment types. Modern kiting schemes tend to go beyond checks, including ACH, wire and P2P transactions. Fraudsters are now emulating perfect business or retail customer behavior, making it extremely difficult to detect a kiting scam.

**Actimize Enterprise
Fraud Solution**

Criminals often use a variety of payment transactions and build a genuine customer profile to mask kiting activity and bypass fraud controls. The NICE Actimize check kiting solution considers checks deposits, check posting, returns and RDFIs, along with ACH, wire and P2P transaction and account services events when looking for kiting behavior.

**Dedicated Machine
Learning-Based Kiting
Detection Analytics**

NICE Actimize's check kiting solution includes dedicated analytics that consist of an extensive library of predictive features. Models are continually optimized through our large consortium of NICE Actimize fraud detection clients with ActimizeWatch. Analytics are fine-tuned to look for anomalies around account behavior and balances, money-in/money-out amounts, sequences, velocity and transaction time.

**Kiting Prevention
Strategy Management**

The NICE Actimize check kiting solution helps you define effective fraud strategy in determining kiting risk on every check transaction. New policy actions allow classification and alerting for 'Non-Kiting Deposit Risk' vs. 'Kiting Risk' as well as decide hold periods and funds availability. Dedicated policy context, with a rich set of attributes on the account, allows additional control to identify when to generate alerts, and automate and implement specific line of business policies.

Losses originating from kiting fraud can be huge, sudden and crippling to FIs. Fraudsters have evolved their fraud attacks with fraud prevention techniques in mind. By incorporating other payments and techniques in tandem with checks, fraudsters can mimic the persona of a regular banking customer.

FIs need a modern check kiting solution that provides an early kite risk warning by looking at customer's monetary and non-monetary event patterns across different channels and payment types. NICE Actimize's robust check fraud solution supports a comprehensive assessment of check kiting risk within a single platform with broad data context—including customer information, third-party systems and other fraud solutions—allowing for a holistic view of both the risk and the customer.