

CASE STUDY



Top U.S. Bank Prevents \$29M+ in Losses Using Deposit Chek[®]



A leading bank in the US with nearly 8 million demand deposit accounts uses 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 Deposit Chek[®] based on its unique access to banking data and predictive analytics.

By screening deposits against Early Warning's National Shared DatabaseSM—a consortium which includes performance data from thousands of banks and credit unions – Deposit Chek[®] 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 Deposit Chek[®] 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 Deposit Chek[®], an estimated \$24.7M of the returns expected to result in loss



USE CASE 2

Account Owner Authentication



OBJECTIVE:

- Reduce losses from fraudulent new account funding

OUTCOME:

- \$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 Deposit Chek[®], 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 Deposit Chek[®], 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



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 Deposit Chek[®] in 2018.

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



Deposit Chek[®] helped the U.S. financial system save \$1.76 billion in total potential fraud loss in 2023.



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Deposit Chek[®]

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can help your institution mitigate
losses and speed funds availability,
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