



# LexAlign

## ACH Part 1: Security

Empowering Frontline Fraud Defense

### LexAlign automates remote operations risk management.

- **Electronic Banking** presents a unique set of risks as it has moved financial activities outside the security of the bank's walls to the dispersed sites of your business customers.
- **Effective risk management** requires the ability to identify security gaps and empower customers to remediate them.
- **NACHA's new Risk Management Framework** calls for active involvement of the customer to curb the billions of dollars lost per year from credit-push fraud related to ACH and Wires.
- **LexAlign's Security for Electronic Banking Self-Assessment**
  - measures and improves customer operational risk
  - sensitizes customers to the risks, and identifies their operational vulnerabilities
  - empowers customer remediation with actionable guidance
  - creates bank records that show alignment with regulator expectations
  - boosts operational efficiency
- **The LexAlign solution automates the security assessment process and generates the records you and your customers need to demonstrate risk management.** Your customers access the system when it's convenient for them and obtain essential, actionable guidance. And you get relevant information instantly via your secure, online dashboard.



Fraudsters are taking advantage of unsophisticated SMB security to hack into them and drain their financial accounts.

A security program begins with a self-assessment. LexAlign enables any business to determine how their operations deviate from what regulators recommend and expect, and what to do about it.

## Improving the risk of fraud requires empowering your customers to manage their own operational risk.

- Performing a security self-assessment is reasonably required by law or the customer's banking agreement.
- It is also a stated expectation in the regulatory guidance on **RDC** and **ACH** risk management.
- But as you know ...

## It's almost impossible to manage risk using manual methods.

- **Ineffective, burdensome Risk Management:**
  - Your staff likely use form questionnaires and spreadsheets to gather and analyze relevant data on compliance and security risk.
  - Regulators and auditors expect you to have that information.
  - But it's a huge burden with no obvious benefit to customers, and
  - It's simply impossible to assess every customer using current methods.

**As a result, risk overwhelms growth:** Your staff is preoccupied with risk and compliance, not growth, and yet fraud continues to grow.

- **65% of businesses** reported actual or attempted payments fraud in 2022. ([JPMorgan AFP 2023 Payments Fraud and Control Report](#))

## That's why we created LexAlign

- **LexAlign automates compliance audit and support** so that risk management for electronic banking is **proactive, targeted, efficient, and routine**, and your staff can focus on growth not compliance.
- **Your customers receive:**
  - A great experience: a dynamic and intuitive online self-assessment, that incorporates regulator guidance and best practices.
  - Instant access to audit reports, action plans and policies – the foundational information for risk management.
- **Your financial institution receives:**
  - Risk ratings and actionable data on customer operational risk.
  - **Actionable reports** that filter and group customers by audit status and relevant risk factors.
  - Customer-specific data and aggregate trend analysis that clearly demonstrate robust risk management **with minimal staff involvement**.
  - A **meaningful customer experience** that shows that you care for their business safety and continuity.

**The Security for Electronic Banking Self-Assessment is a necessary complement to the RDC Self-Assessment to form a complete solution. In addition, it covers many more risks than just RDC, helping address the operational risks that make companies susceptible to the prevalent and potentially ruinous schemes that fraudsters use for ACH credit-push fraud.**

“LexAlign automates the essential risk management functions, while also educating our customers on their responsibilities, and providing them with actionable insight on their operational gaps and remedial guidance.”

Corrine Kison,  
FVP Treasury Management,  
Provident Bank

## What your peers say about LexAlign’s remote operations risk management

- “I would recommend LexAlign to any financial institution looking to reduce the burden of compliance and/or improve their RDC risk management.”
- “Before LexAlign, monitoring customer adherence to their responsibilities related to a high-risk service like RDC was extremely difficult and laborious.”
- “LexAlign has helped us ease the burden of our Remote Deposit Capture risk management.”
- “Before LexAlign, Audit tracking and data consolidation were incredibly time consuming, and it was hard to access actionable data.”
- “LexAlign is the future of RDC compliance, security monitoring, and data management.”