



System z – A Smart System For A Smarter Planet

Data Security And Protection

Be Smarter Than The Bad Guys!

It's great that our new web site has strong security . . .

But we need more focus on preventing fraud



CEO

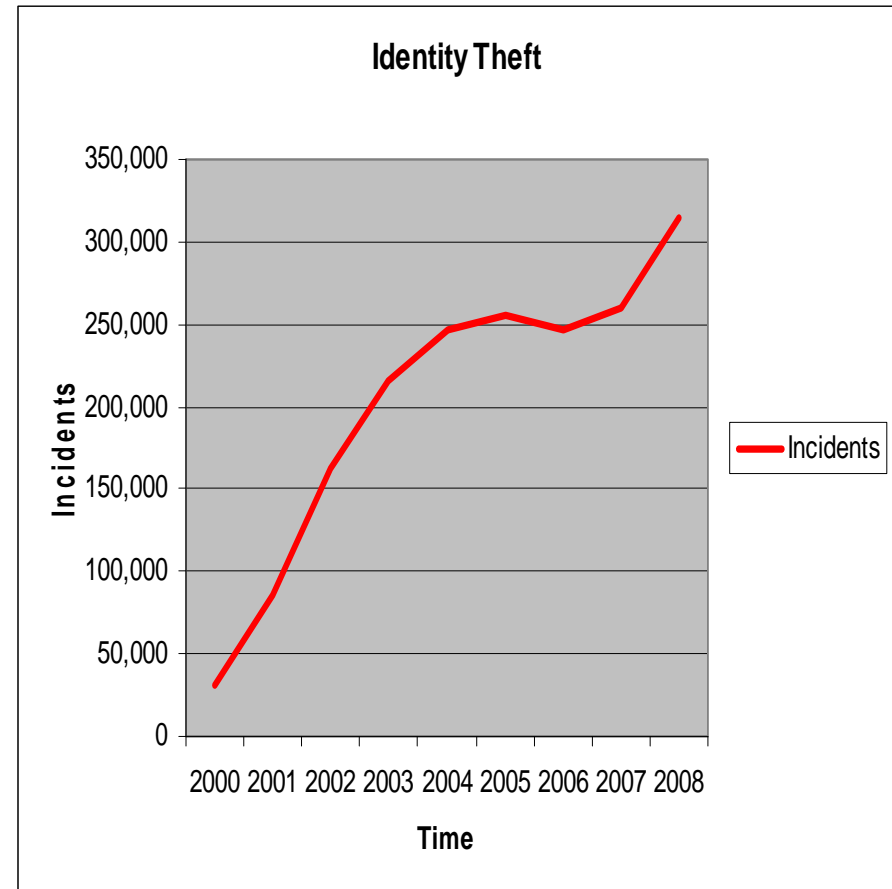
We can help you do this!



IBM

Identity Theft And Fraud Are On The Rise!

- Account Origination Fraud Is A Big Problem
 - ▶ And Identity Theft Is Fueling It!
 - ▶ Users create additional accounts with false information
 - ▶ Additional accounts used to circumvent financial regulations



<http://www.gartner.com/it/page.jsp?id=906312>

<http://www.idtheftquiz.org/FTC-identity-theft.pdf>

Increasingly Visible And Sophisticated Cyber Crime

The screenshot shows the eWEEK.COM website with a navigation bar including categories like HOME, NEWS, REVIEWS, DATA STORAGE, SECURITY, DESKTOPS/NOTEBOOKS, MOBILE/WIRELESS, APP DEV, BLOGS, VIDEOS, and THE CHAIR. The main headline is "Citigroup's Account Management Nightmare: 50,000 Layoffs Means Closing Up To 1 Million Accounts" under the "Security" section. A "LATEST STORIES" sidebar lists items like "Nokia Siemens Doubles EDGE Network Speed" and "Smartphone Sales Growth Slows in Q3".

The screenshot shows a news article from TheNational with the headline "Police seize gang tied to US\$62m credit fraud". The author is Rasha Abu Baker and the article was last updated on December 16, 2008 at 12:28PM UAE. A "Most Read" sidebar lists "Intel Arms Leaked New Anti-theft Tech" as the top item.

The screenshot shows an msn money article titled "Businesses see rise in employee theft" dated 12/12/2008 at 10:00 AM ET. The sub-headline reads "Employers suspect workers are pilfering from them to cope with tough financial times. One surprise: Often the most trusted employees are the guilty parties." The article is attributed to "By The Wall Street Journal".

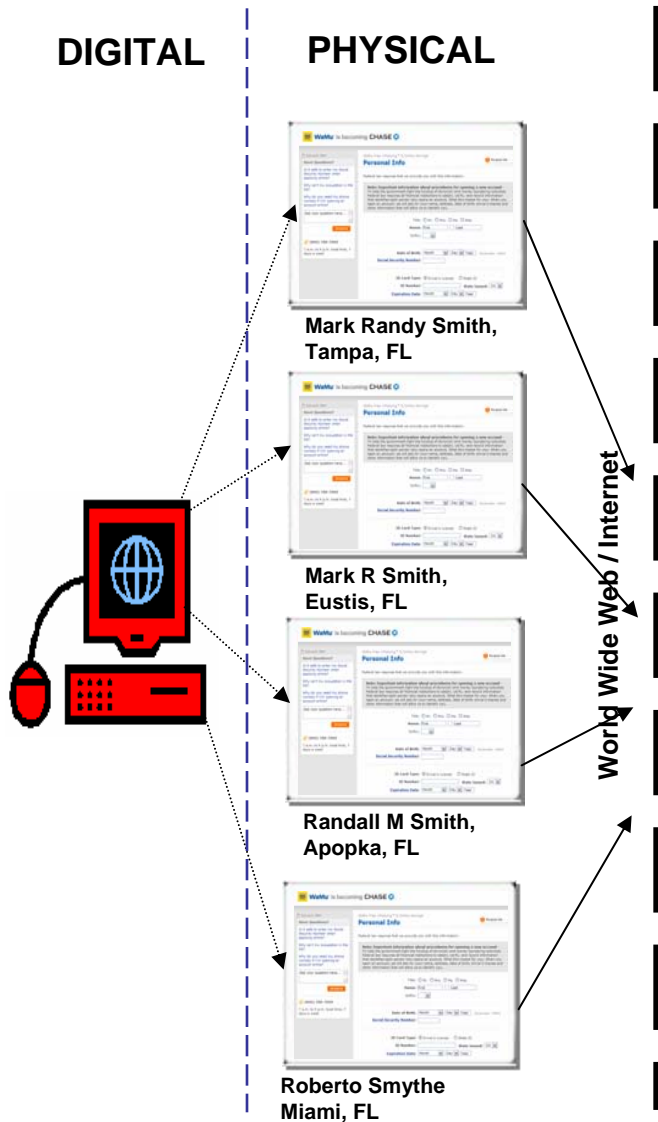
CIOs select their ten most important visionary plan elements

71% of CIOs cited "Risk Management and Compliance" as part of their visionary plans to enhance competitiveness

Source: "The New Voice of the CIO: Insights From the Global Chief Information Officer Study," IBM, 2009

Account Fraud

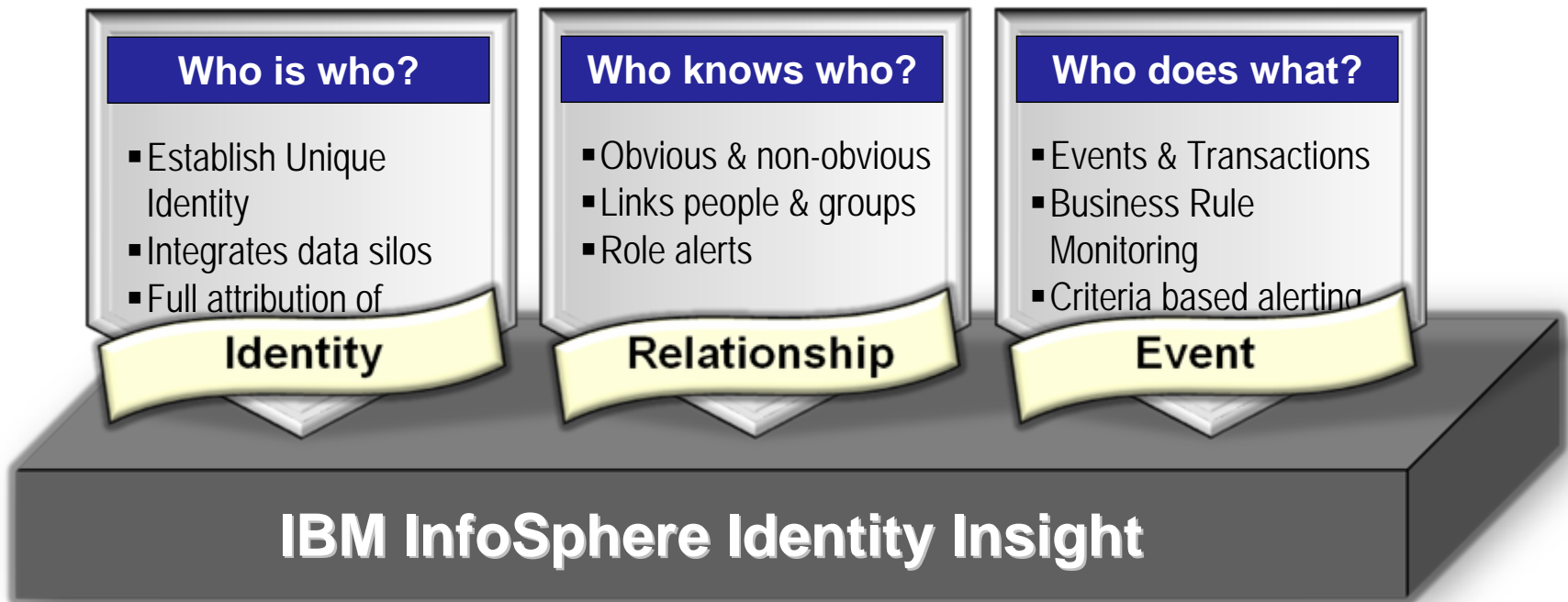
“Bad Guys”



Challenges

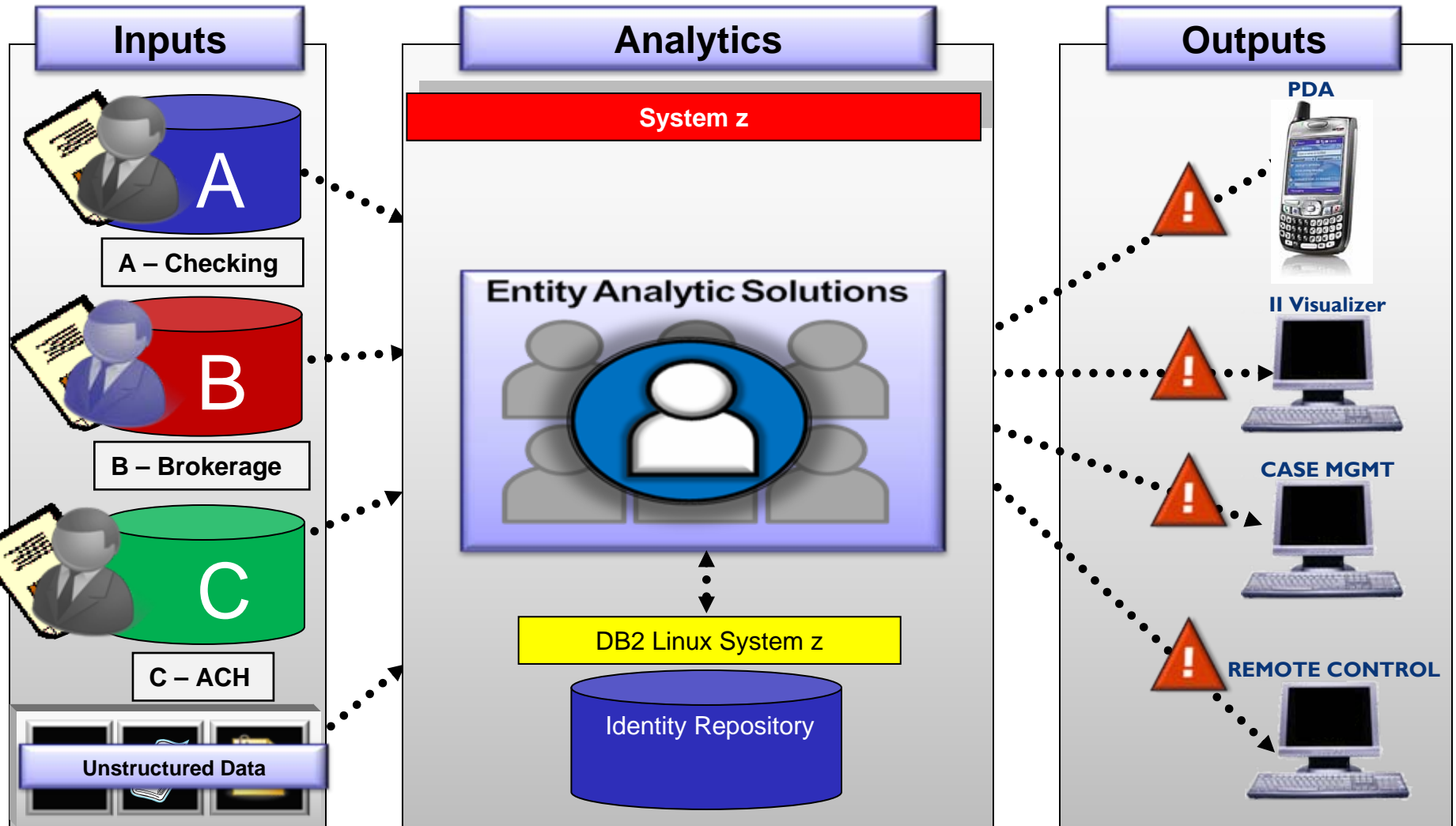
- The applicant may look “Legitimate” but, is the identity in the application real?
- How to differentiate between “Good” applicants and “Bad” applicants originating from the internet?
- A significant number of approved accounts are created by organized crime, identity theft rings, and identity manipulators to launder money.
- Unable to detect/repel “bad” applicants before fraudulent activity occurs.
- Fraudulently obtained accounts may be used for a host of additional schemes now or later (overdraft exploitation, bill-pay, wires, ACH, etc)
- Need to balance fraud prevention with customer satisfaction.

InfoSphere Identity Insight



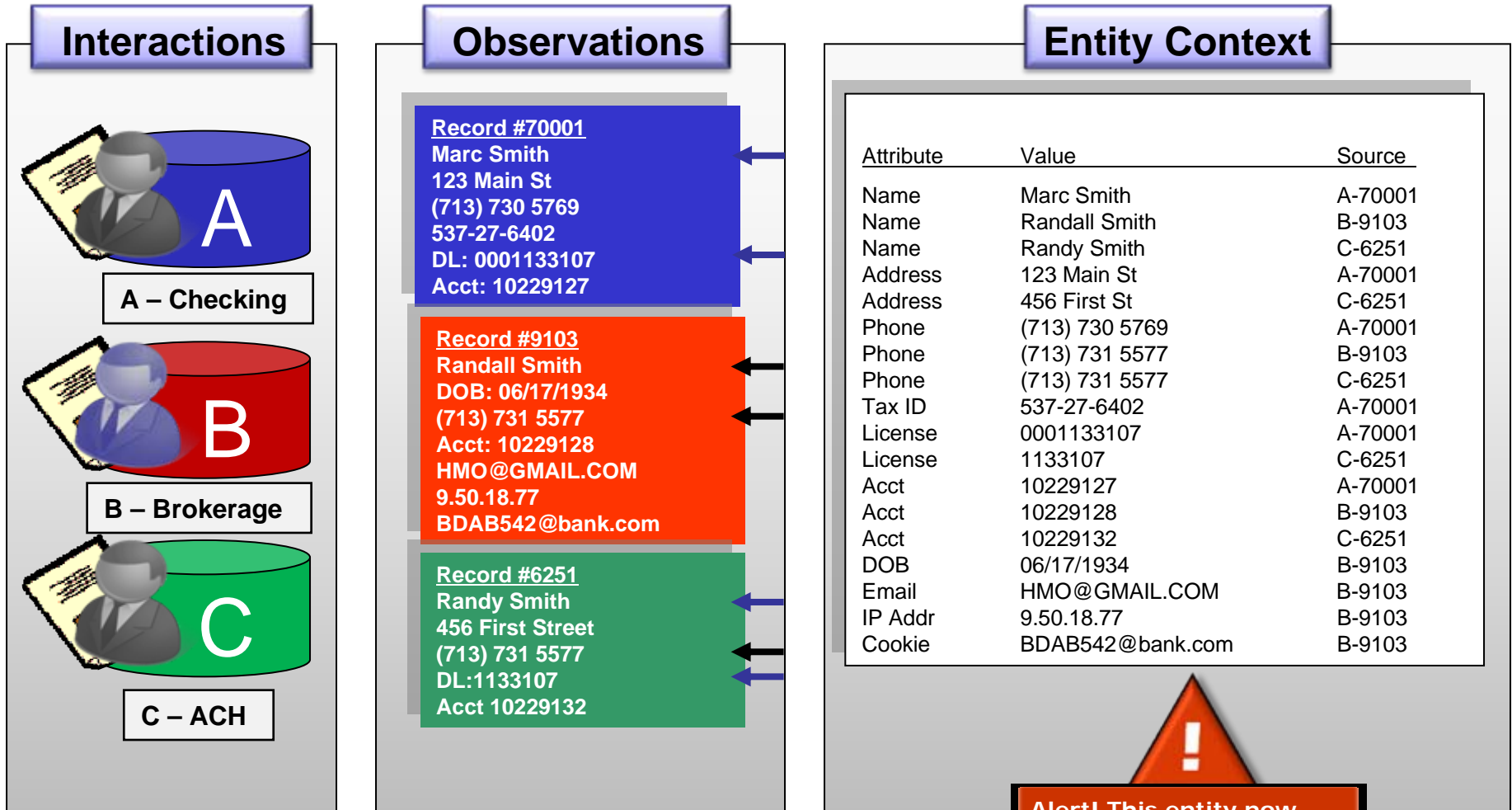
Fraud, Compliance, Risk And Security

InfoSphere\ Identity Insight Hosted On Linux For System z



DEMO: Know Your Customers And Prevent Fraud With InfoSphere Identity Insight

- Answers The Question “Who Is Who?” To Reveal Non Obvious Relationships

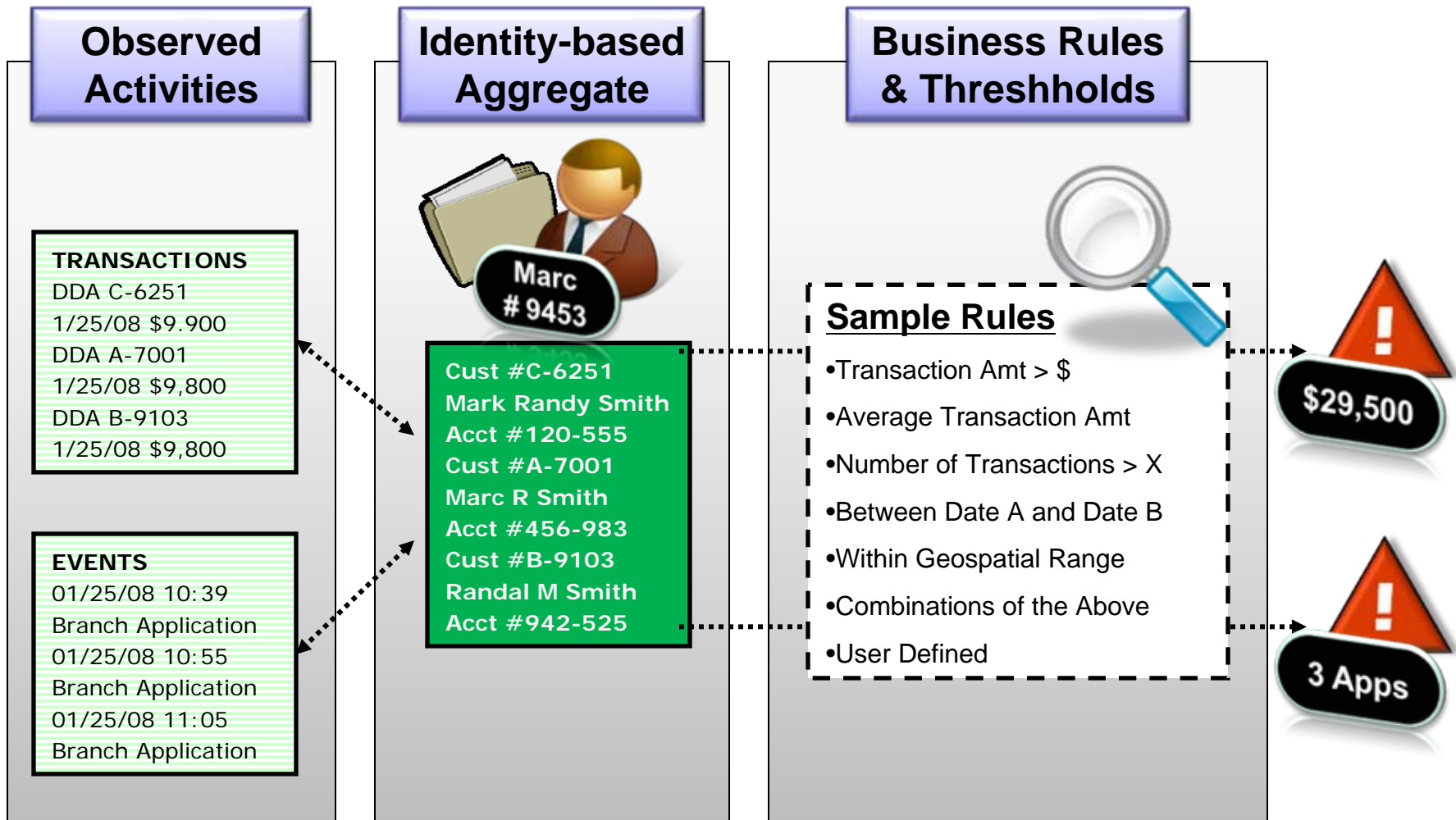


Preventing Money Laundering

- Bank Secrecy Act, And Similar International Laws, Are Designed To Fight Money Laundering
- Business Are Required To Keep Records And File Reports For Suspicious Activity
 - ▶ Transactions Over \$10,000 USD By One Individual Must Be Reported
- Fraudsters Use A Technique Called Cash Structuring
 - ▶ Same User Possesses Multiple Identities And Accounts
- In Order To Detect Money Laundering You First Need To Link All Related Identities

DEMO: Detect Who Does What?

- Are There Multiple Identities For The Same Person And Is He Hiding His Activities?



Summary

**Fraud Prevention And
Compliance Solutions Are
Business Critical..Host
Them On System z!!**



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