

Worlds First Real-Time Service to Combat Mortgage Fraud, Developed in Australia

Fusion Operations Solutions Pty Limited, the Australian leader in online mortgage application services, today announced the worlds first real-time Mortgage Fraud Service delivered through Golden Means ground-breaking Virtual Fraud Organisation architecture and methodology, and based on analytics software from Salford Systems.

Conservative estimates have mortgage fraud accounting for some 12.9 per cent of all financial institution losses in Australia.

Fusions Pisces e-app services are used by approximately 35 per cent of Australian mortgage brokers. Currently some 4,000 mortgage brokers subscribe to the web-based service, which provides a simple-to-use application interface and allows users to access updates throughout the complete finance application process.

Sydney-based Total Data Management consultancy, Golden Mean is providing and integrating the anti-fraud service which combines TreeNet, RandomForest and other proprietary Salford technology. The solution incorporates evolutionary semantic application integration technology from Contivo which can reduce traditional integration lifecycles by more than 60 per cent.

Golden Means Virtual Fraud Organisation is a fraud management solution that allows for transactions to be assessed for fraud and a score rating applied.

Fusions new Mortgage Anti-Fraud Service will be made available to its customers as an additional value-added module and will be fully integrated with its existing online services to provide real-time warning of potentially fraudulent behaviour. The service can identify fraud at the borrower, broker and lender levels ensuring the complete lending loop has maximised anti-fraud protection.

Alvin Justus, Head of Operations at Fusion, said, The explosion of mortgage financing and the rapid growth of the sub-prime lending market has provided opportunities to exploit gaps in compliance processes and existing rules-based anti-fraud systems.

Fusions new Mortgage Anti-Fraud Service uses predictive data behaviour analysis to better identify fraudulent information in real-time and significantly reduce lenders exposure to fraud. The new service will enable Fusion to provide added-value across the entire mortgage lending loop.

Greg Stevens, Managing Director of Golden Mean, said, Fusions Mortgage Fraud Service provides lenders with the most powerful and accurate fraud detection tools available. This is the first time anywhere in the world where data mining technology incorporating both behavioural analysis of mortgage application data and business rules is being used simultaneously to identify and combat fraud. This is a key aspect of our Virtual Fraud Organisation architecture.

Representing a significant leap forward in anti-fraud protection for the mortgage finance market, the service differentiates itself from most existing systems by introducing a combination of rules and analytics when attempting to detect fraud. Most common systems simply apply a business rules test to mortgage applications. Such applications either pass or fail depending on the data contained within them.

Fusions service differentiates itself by scanning data using a best in class analytics engine and simultaneously applying the Mortgage Anti-Fraud rules derived from the Virtual Fraud Organisation. The analytics engine scans the data, predicts its potential behaviour and then applies a fraud score to every individual application. The introduction of this business critical approach promises to identify much of the fraud which currently passes through existing systems.

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Notes for Editors:

About Fusion Operations Solutions Pty Ltd.

Fusion Operations Solutions has a vision to Create a fully integrated mortgage delivery chain that provides an exceptional mortgage experience for customers at a dramatically lower cost. Fusion has relationships with every large financial institution in Australia. Fusions consultants have worked on operations improvement programs with ANZ, AMP and Westpac. For more information visit www.fusionos.com

About Golden Mean Pty Ltd.

Sydney-based Golden Mean Pty Ltd is a systems integrator specialising in data intelligence, data integrity and data integration. Golden Mean delivers Total Data Management solutions to enterprises struggling to access all their data sources for a single company-wide view. For more information, go to www.goldenmean.com.au

About Salford Systems.

Salford Systems specialises in providing new generation data mining and choice modelling software and consultation services. Applications in both software and consulting span market research segmentation, direct marketing, fraud detection, credit scoring, risk management, bio-medical research and manufacturing quality control. For more information, go to <http://www.salford-systems.com>.

About Contivo.

Contivo provides solutions that enable enterprises to dramatically reduce implementation and maintenance costs of enterprise-wide integration projects. For more information, go to www.contivo.com.

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