



Case Study

SECU of Maryland: Preventing Fraud on Multiple Fronts with Nasdaq Verafin

Robust Results for Deposit, Check, Wire & ACH Fraud Prevention



SECU of Maryland

Headquarters: Linthicum, MD

Assets: \$5.6B

Core System: Fiserv – DNA

SECU is building a multilayered, technology-forward, family-centered fraud prevention ecosystem that protects Marylanders at every stage of life, especially for at-risk seniors.

Opening its first office in 1951, SECU is Maryland's largest, most trusted institution. From its humble beginning of a borrowed desk and chair in 1951 to its current \$5B asset size, the institution has prided itself on improving the financial well-being of its members across 23 financial centers and over 50,000 ATMs.

With this high transaction volume comes significant risk — and that's why Nasdaq Verafin has taken this growth journey alongside them. The partnership is one component of SECU's larger, multilayered strategy to strengthen fraud protection for members, which also includes new family-centered tools designed to safeguard senior adults from rising scams.

Knowing that protecting its members from fraud is central to its core values, SECU transitioned from its manual fraud prevention strategy over a decade ago when it onboarded our Wire Fraud solution.

"As fraud becomes more sophisticated, especially scams targeting our senior members, we're taking a layered approach that combines Nasdaq Verafin's real-time monitoring with new member-facing tools that help families stay informed and protected. Together, these solutions give us confidence that we can safeguard our members from multiple angles," said Leslie Brown, AVP of Fraud Prevention at SECU of Maryland.

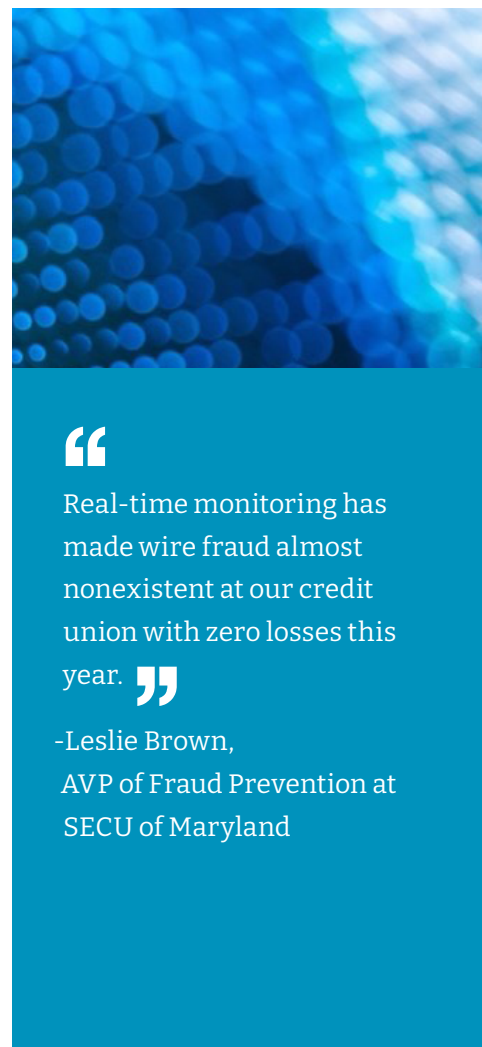
Wire Fraud: Zero Losses, Total Confidence.

After adopting our Wire Fraud solution, SECU's longstanding partnership with Nasdaq Verafin began — and that relationship grew quickly through the confidence that comes from working with a vendor you can rely on.

"We were struggling with the volume of wires we were processing. For a while, we were doing this manually. With Nasdaq Verafin's Wire Fraud solution, we were able to set a threshold where we felt comfortable allowing the analytic to alert us to the most suspicious activity," Leslie said.

With this efficiency, SECU processes payments faster — an important detail for members who want access to fast, efficient instant payments systems, and never at the cost of fraud prevention. With Nasdaq Verafin a part of SECU's fraud prevention program, the results are compelling.

"Real-time wire fraud monitoring has made wire fraud almost non-existent at our credit union. We've lost zero dollars this year," Leslie said.



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Real-time monitoring has made wire fraud almost nonexistent at our credit union with zero losses this year.

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-Leslie Brown,
AVP of Fraud Prevention at
SECU of Maryland

Preventing a \$170K Check Fraud Loss

As fraud becomes more emotionally manipulative, especially toward seniors, the ability to detect and stop scams before a member loses their livelihood is critical. For this reason, SECU soon expanded its contract to include our broader suite of fraud solutions. Among other big wins, the company recently leveraged our Deposit Fraud solution to prevent a \$170,000 elder financial exploitation fraud.

"We received a deposit fraud alert on a \$170,000 counterfeit check from the In-Branch Deposit Fraud Machine Learning analytic. The alert had a risk score of 95," said Elyse Gordon, Assistant Manager, Fraud Prevention.

Nasdaq Verafin's alert enabled SECU to stop the payment and restrict the account. That's when the elderly member called their contact center to explain they thought the check was for an Individual Retirement Arrangement (IRA) rollover — but the circumstances were evidently fraudulent.

Having protected the member from loss, SECU took the opportunity to explain the scam to their member. Due to their long-standing relationship, the institution kept the member's account open, confident that Nasdaq Verafin would alert them to any future suspicious activity.

"We took the time to explain what they could do moving forward to avoid these risks. With Nasdaq Verafin, we trust we'll be alerted to any further suspicious activity," said Elyse.

A Layered Approach to Fraud Prevention

The institution is also confident in its ability to identify payments fraud thanks to a layered approach to detection that includes BioCatch, a partner of Nasdaq Verafin. Their partnership has brought the best of behavioral analytics into the platform.

"We are already BioCatch users, so we know this partnership will help consolidate the systems — making the investigative process much more efficient," said Leslie.

"And with Nasdaq Verafin's BioCatch Integration we have two exceptional approaches to payments fraud prevention in the same platform. It all makes detection stronger, and investigations faster and easier," Leslie explained.

Keeping Pace with ACH Payments

Proactively addressing fraud is challenging. But with the ongoing development of Nasdaq Verafin's ACH Fraud solution to keep pace with both Nacha's expanding rules and criminals' ever-evolving fraud tactics, SECU has also made significant progress detecting and mitigating ACH payments.

"A new member had a \$10,000 ACH deposit into their account. Nasdaq Verafin's analytics determined it was a high-risk transaction. During our investigation we discovered that the funds were stolen through an online account takeover," Leslie said.

As Nacha continues to evolve the rules around ACH payments, SECU is confident Nasdaq Verafin's solution will keep pace, ensuring the institution easily meets new requirements.

"We're aware of the changes, and we're happy that we will satisfy those requirements very quickly knowing that Nasdaq Verafin is ready to help institutions meet them," Leslie said.

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After the check returned, we removed restrictions, and they were happy to avoid paying out \$170,000

to a scam. ”

-Elyse Gordon,
Assistant Manager, Fraud
Prevention, SECU Maryland

Those Who Grow Together Stay Together

Nasdaq Verafin's ability to help SECU solve the ACH challenge was no surprise to the institution. As a 10-year client, they've grown accustomed to growing alongside our solutions.

"So much has changed in the last ten years, from the type of fraud we see, to how we process it. We've gone from a \$2B institution to a \$5.6B institution. We've almost tripled in size, and with growth comes increased exposure to fraud risks," Leslie said.

"Having a solution in place to take that journey with us, that is evolving to keep pace with these risks, has created uncountable efficiencies for us over the years."

While SECU has enjoyed these efficiencies throughout our decade-long partnership, their efforts are underpinned by an earnest, heartfelt desire to enhance the financial health of citizens in the Maryland region. And that's why their purpose will endure in the decades to come, as the landscape continues to evolve.

"With Nasdaq Verafin, combined with new family-focused protections like Carefull, SECU is ensuring that members of every age have the support, technology and safeguards they need to stay one step ahead of fraud," Leslie said.

And similarly, Nasdaq Verafin mirrors these values as we continue to provide human-to-human support alongside our technology solutions, providing accountability, transparency and timely customer service.

"It's nice to feel supported and receive immediate responses. During one late Friday hour, we needed some extra due diligence performed as soon as possible to investigate suspicious activity while maintaining speed of service. My customer success manager got it done that same night," Leslie said.

As the fraud landscape evolves, SECU's layered approach to fraud prevention and enduring partnership with Nasdaq Verafin will ensure they're always one step ahead — while maintaining the level of service members rely on.

Contact us today to learn more about Nasdaq Verafin's Fraud Detection and Management, AML/CFT Compliance and Management, High-Risk Customer Management, Sanctions Screening and Management, and Information Sharing solutions.
Legal <https://www.nasdaq.com/legal>

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