Secure Online Audit Confirmations: Protecting Investors
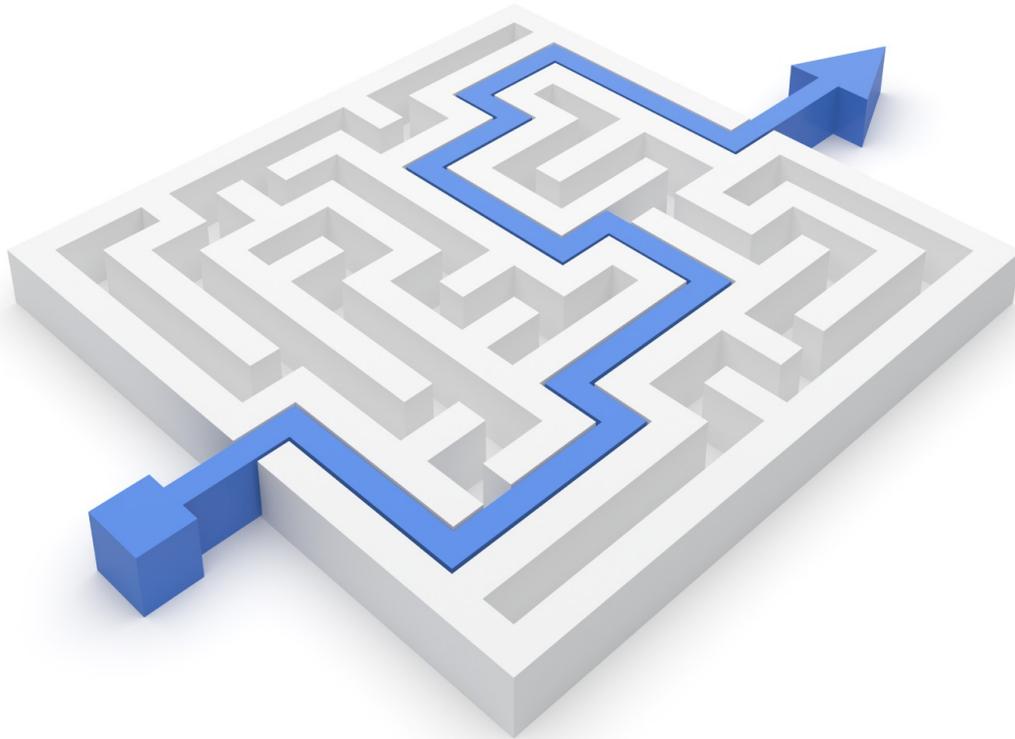
Confirmation.com:
Turning complex into simple.

Confirmation.

Making Online Audit Confirmations Completely Simple and Secure.

Using traditional paper confirmation forms to confirm client account balances during an audit is inefficient and completely open to the possibility of fraud. The manual aspects of printing forms, gathering signatures, and mailing documents make the process extremely time consuming but also easily circumvented by fraudsters. Thankfully there is a simpler, better way.

To reduce financial fraud and bring efficiency to the 90-year-old paper-based audit confirmation process, **Confirmation.com**™ created and patented the first ever online audit confirmation service. As the world's leading provider of online audit confirmation services, the Confirmation.com solution allows auditors and responders to send and receive audit confirmation requests in a fraction of the time it would normally take. While making audit confirmations efficient and paperless is a huge benefit of the system, maintaining control over the process is critical to protecting investors.

According to the auditing standards, auditors are required to control the audit confirmation process, and to identify and validate that each respondent is authorized to respond. To address this, we use a proprietary Authentication and Authorization process, in conjunction with our web-based solution Confirmation.com, to verify the authenticity of each participant to the confirmation. This process involves making sure the responding entity is the proper source and not a fraudulent third party.

Quick Facts about Confirmation.com

- Has caught multiple frauds
- Used in more than 100 countries
- Millions of audit confirmations processed
- Used by all of the Top 10 banks in the US
- Turnaround times under 60 seconds
- More than 10,000 registered CPA firms, internal audit departments and regulatory agencies and 60,000 auditors

- More than 1,000 validated responders
- More than $1 Trillion confirmed annually
- Ranked 96 on the **Inc. 500 List**
- Exclusive Preferred Provider of Online Audit Confirmations for the American Institute of CPAs (AICPA) Trusted Business Advisor Solutions™
- Endorsed by the American Bankers Association

Helping Auditors Detect Fraud and Save Time

Overview

Confirmation.com not only allows you to maintain control of the audit confirmation process, it gives you time back to focus on the audit. In today's business environment, your time matters. With all the technology resources available, there isn't a compelling reason to wait three to six weeks to get a mailed confirmation response.

Features for Auditors

- Single Platform for all Audit Confirmation Procedures
- Over 40 Confirmation Types Available
- Flexible Setup
- Status Notifications - iPhone App
- Multiple Signer Capability
- Client Sharing, Reassignment and Archive
- Roll Forward Client Data
- Automated Control Log
- Reconfirmations, Recall and Future Date
- Reporting and Data Retention
- Multiple User Types and Privileges
- Complete audit log of all activity

Single Platform for all Audit Confirmation Procedures

- In-Network - Send audit confirmation requests to more than 1,000 validated In-Network responders.

- Out-of-Network - Send a confirmation to any responder anywhere in the world using either our Electronic or Paper options.

Over 40 Confirmation Types Available

Use Confirmation.com for a wide-range of confirmation types including:

Asset	Letter of Credit
Liability	Line of Credit
AR	Money Market Fund
AP	Mortgage Debt
Alternative Investment	Obligation to Lessor
Bond Issue	Pension Plan Assets
Canadian Asset	Register Capital Stock
Canadian Liability	Safe Deposit
Commercial Real Estate	Securities - Broker
Compensating Balance	Securities - Custodian
Contingent Liability	Signature Card
Cutoff Statement	Time Deposit
Derivatives	Transfer Agent Capital Stock
Escrow Trust	Treasury

Flexible Setup Options

Whether you are a sole practitioner, a Big 4 firm, or a regulatory agency, Confirmation.com is configured to meet your needs and complexities. From centralizing the audit confirmation process to a single department or user, to providing access to every auditor in the field, Confirmation.com has the flexibility to meet your needs.

Status Notifications - iPhone App

Get real time status updates on audit confirmation requests via email or directly from your iPhone including:

- Pending
- Confirmed
- Need More Info
- Denied

Helping Auditors Detect Fraud and Save Time

Multiple Signer Capability

Large organizations sometimes have multiple signers associated with specific accounts. Confirmation.com allows an auditor to create multiple client signers for a single company.

Client Sharing, Reassignment and Archive

- Client Sharing - Collaborate with the entire audit team on audit confirmation requests.
- Client Reassignment - Transfer clients from one auditor to another.
- Client Archive - Display active clients on your dashboard and move inactive ones.

Roll Forward Client Data

All Client account information is retained within the system saving you and your staff valuable time on subsequent audit confirmation requests for the same information. Just enter the client and client account information once and you are done.

Automated Control Log

The control log provides the auditor with the necessary supporting documentation including:

- A list of all Participants.
- Request and Response dates.
- Whether the confirmation was confirmed or denied.

Reconfirmations, Recall and Future Date

- Reconfirmations - Request more information or clarify an existing response with a touch of a button.
- Recall - Sent a confirmation in error? Recall it easily in one step.
- Future Date - Manage your workflow and queue future confirmation requests prior to the audit.

Reporting and Data Retention

- Download Summary and Detail reports for all of the client's confirmations by balance request date.
- Access the Billing Summary report for quick reconciliation.
- Quickly access historical information through our archives.

Multiple User Types and Privileges

Flexible user types allow you to configure access to specific users. Establish a supervisor at the firm or office level to:

- Manage office and billing information
- Add or edit auditors within your office
- Reassign clients
- Reassign auditors
- View office level statistics
- Multiple levels of functionality are available
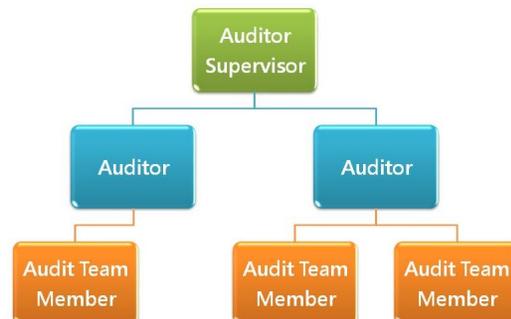
Helping Banks Improve Productivity and Reduce Costs

Overview

Financial institutions face a variety of challenges including increased regulatory requirements, added pressure to reduce costs, and finding ways to improve operational efficiency – all while increasing client acquisition and retention.

At the same time, the paper-based process used by your clients' auditors to confirm the client's account balances with your institution is extremely manual, inefficient and increases the risk of confirmation fraud.

Features for Banks

- Fast Registration and Validation
- Over 40 Confirmation Types Available
- Multiple Response Options
- Status Notifications - iPhone App
- Multiple User Types and Privileges
- Manager Review Functionality
- Pre-Processing
- Automated Confirmation Routing
- Advanced Search Capability
- Management Reporting
- Credit Inquiry

Registration and Validation

Validating participants is critical to controlling the audit confirmation process. Confirmation.com validates the requestor and all In-Network responders using a proprietary Authenticity and Authorization process. A Client Authorization Code (AUD) is required to transmit the request, and acts as the client's digital signature providing the responder with assurance regarding the release of client data.

Over 40 Confirmation Types Available

Use Confirmation.com to respond to a wide range of account confirmations including asset, liability, escrow trust, line of credit, securities and more. Over 40 account types are available to bring process efficiencies throughout your organization.

Multiple Response Options

Confirmation.com provides a variety of response options including:

- Confirm
- Deny
- Request More Information
- Place a request On Hold to conduct more research
- Reassign the confirmation to another participating department for completion

Status Notifications - iPhone App

Configurable at the user type level, status notifications are sent via email to alert the user of any new confirmation activity.

Helping Banks Improve Productivity and Reduce Costs

Multiple User Types and Privileges

Available user types include Supervisors, Clerks and Relationship Managers, allowing organizations to match users with the appropriate level of privileges.

Manager Review Functionality

Many responding organizations require a manager or supervisor to review confirmation responses before they are returned to the auditor (requestor). Confirmation.com allows bank supervisors the flexibility of reviewing some or all of the responses.

Pre-Processing

This feature helps balance confirmation volumes during peak season by allowing you to view and queue certain responses for Future Dated confirmations in advance of their request date.

Advanced Search Capability

Allows users to quickly find the status of an existing confirmation request, or retrieve a historical response from the confirmation archive.

Management Reporting

Confirmation.com helps you manage resources, identify issues, track turnaround, and predict future confirmation volumes. Sample of available reports:

- **Daily Activity** - Provides statistics on work completed for a specific date or period of time.
- **Aging** - Calculates aging on all pending confirmations.
- **Future Dated** - Shows you the future dated volume in advance of peak periods.

Credit Inquiry

This additional service helps automate credit rating requests for your commercial clients. Key benefits include:

- Centralization and control of the process
- Increased efficiencies
- Faster turnaround for clients

Automated Confirmation Routing

If multiple departments respond to confirmation requests within your organization, Confirmation.com can be configured to automate even the most complex routing needs in a manner that is seamless to both the requestor and responder. If confirmations are re-routed to a different department, our system knows to send that same confirmation to that new department going forward.
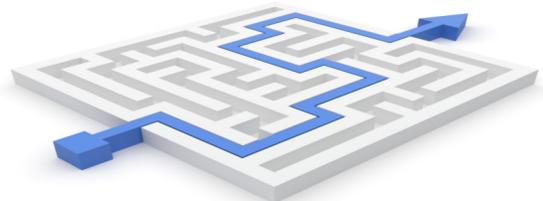
Helping Companies Protect Investors and Meet Audit Deadlines

Overview

Confirmation.com makes it easy to meet audit deadlines. When your auditing team and financial institution use our patented solution, you can be sure that the highest level of security is used to ensure privacy, encrypt data and reduce the risk of confirmation fraud.

Your auditing team and financial institution will also experience greater efficiency, which reduces the time you'll spend helping track down lost confirmations.

Features for Clients

- Account Maintenance
- Multiple Client Signers
- Client Assistant
- Multi-Company Capability
- Authorization Codes
- Status Updates

Account Maintenance

Did your auditor ask you to prepare the confirmations? Our Account Maintenance feature allows you to add/edit account information and issue the required client authorization code (AUD).

Multiple Client Signers

Large organizations sometimes have more than one individual with account authorization. Confirmation.com provides the capability to associate the correct client signers with the appropriate accounts.

Client Assistant

Want your assistant to prepare the confirmations for you? The Client Assistant feature allows your assistant to prepare confirmations without giving them the ability to electronically sign your name.

Multi-Company Capability

Allows a single individual to be associated with multiple companies. For example a large organization may have several separate legal entities where the same person signs for each of those entities.

Authorization Codes

The Authorization Code (AUD) acts as the digital signature for an electronic confirmation. AUD's are a key component to the security and validation of the transaction.

Status Updates

Clients are able to track the status of their confirmations online. If their auditor has not received a response in a timely manner, clients can issue reminders to their financial institutions and/or companies with a click of a button.

Privacy and Security

Overview

Privacy and security are the foundations of Confirmation.com.   As the trusted provider and creator of electronic audit confirmations, we understand the privacy and security requirements needed to protect sensitive information.

To ensure privacy and data integrity our company undergoes SOC 1, SOC 2, and SOC 3 audit evaluations every six months.

Privacy Policy

Confirmation.com abides by the EU Safe Harbor framework as outlined by the European Union and the U.S. Department of Commerce as certified by the Internet's most trusted and strictest third-party privacy policy issuer TRUSTe.

Daily Testing and Monitoring

McAfee SECURE tests Confirmation.com on a daily basis for vulnerabilities, and dangerous content.

To learn more visit us at
www.confirmation.com

Identity Certification

Our service Confirmation.com is identity certified by VeriSign's highest identity certification - using the Class 3 Extended Validation SSL SGA CA.

Internet Communications Encryption

We use 128-bit SSL Extended Validation Certificates with Server Gated Cryptography by VeriSign for Internet communications.

An Award-Winning Solution

Confirmation.com ranked #96 on the **Inc. 500 List** and it's the only award-winning audit confirmation solution that is exclusively endorsed by the American Banker's Association and an exclusive Preferred Provider of Online Audit Confirmations for the American Institute of CPAs.

Preferred Provider of Online Audit Confirmations for
AICPA Trusted Business Advisor℠ Solutions

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