Glossary of Financial Crime and Compliance Management Products

Release 6.2
June 2013

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FINANCIAL SERVICES

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Defined Terms

A

Abusive Squeezes   Intentional restrictions of a security's liquidity by market participants. Abusive squeezes may lead to increased profits when the security price rises due to the lack of liquidity. Market participants, after deliberately restricting liquidity in a particular security, attempt to resell or lend the security to other market participants to meet their obligations in an illiquid market.

Access Control Permissions   The layers of security that the Oracle application uses to control a user's data access (for example, role, organization, scenario, case type, case subtype, business domain, and jurisdiction). The combination of access controls determines whether a user is authorized to view an alert, a case, or business information.

Account   One of two types:

- A trading and financial activity log established under a particular customer's name. Within the Oracle Financial Services hierarchy, an account is considered the grandchild, the customer is the child, and the client firm is the parent. *See also* Customer and Firm.

- A focus type within the Oracle Financial Services solution set (for customer accounts only). The abbreviation that appears within the application is AC. *See also* Focus.

Action   A definitive step in the analysis of an alert or a case.

Activated Date   The date on which the rule or sequence scenario was created.

Active Pages   A subcomponent of the Oracle core Investigation Management subsystem. Active pages enable Oracle clients to add custom Web pages and reports to the existing Investigation Management subsystem.

Address   One of two types:

- Identifying information that designates the geographic location of an account, correspondent bank, external entity, or customer.

- A focus type within the Oracle Financial Services Anti-Money Laundering (AML) solution set. The abbreviation displays as AD within the application.

Age

One of two types:

- The number of calendar or business days (depending on your site installation) since the creation of an Active alert.

- The number of calendar or business days (depending on your site installation) during which a Closed alert was active.

Aggregated Data

Information that was compiled through analytical and statistical means to better enable interpretation of trends, patterns, and behaviors.

Alert

A unit of work in which a focal entity appears to have exhibited a behavior of interest, along with the supporting information, generally relating to a scenario. Alerts can be generated from a pattern matching specific source events, a sequence of events, trends, conditions, or context. An alert is not necessarily tied to an event, but rather to the behavior of a focal entity.

Alert Correlation

A software module that automatically exposes relationships among alerts based on configurable rule sets. Alert Correlation is executed on-demand by the Alert Management Supervisor Web service as alerts are posted. Its purpose is to find relationships between individual posted alerts and other existing alerts; to correlate alerts generated as part of a nightly batch process with other alerts generated in the same or prior batches; and, finally, to periodically identify relationships across alerts generated within a certain time period.

Alert Owner

The individual or group of users who are responsible for the analysis of an alert.

Alert Status

One of seven statuses that an alert can have at any given time. The alert status indicates the progress of the analysis and closure of the alert. Valid statuses include the following:

- **New:** No owner has viewed the alert since the application created it.

- **Open:** The owner of the alert has looked at (selected) the alert and has viewed the alert details in preparation for taking an action on the alert.

- **Reassigned:** An authorized user has assigned this alert to another user who has not yet viewed the alert.

- **Reopened:** An authorized user has opened an alert that had previously been closed, and the owner of the alert has not yet viewed the alert.

- **Follow-up:** The owner of the alert has taken an action on an alert and is waiting for additional information, such as a response to a letter sent to a customer.

- **Active:** An alert has a status of New, Open, Reassigned, Reopened, or Follow-up.

- **Closed:** The owner of the alert or another authorized user has taken an action on the alert that completed the analysis of the alert. Alerts may be auto-closed by the application if not closed by a user after a specified period.

Algorithm

A C++ application that implements a particular detection algorithm (for example, a sequence or a rule).

All Prior

See Prior.

Analyst

A user role (Analyst I, Analyst II, or Analyst III) within the application. The Analyst role investigates alerts by reviewing detailed data to determine whether the alert can be closed or if it requires further investigation. *See also* Role.

Anticipatory Profile

The displayed projections of expected trading and transactional activity collected from a customer during account opening.

Asset Management

One of two entities:

- The management of a client's investments by a financial services company, typically through stocks, bonds, and cash equivalents.

- A scenario class within the Broker Compliance (BC) solution set. The abbreviation displays as AM within the application. *See also* Scenario Class.

Assign Alert

The process of assigning an alert to an individual or a group of users. Alerts are automatically assigned to users by the application. Analysts and Supervisors may also manually reassign alerts. *See also* Reassign Alert.

Assign Case

The process of assigning a case to an individual or a group of users.

Assigner Editor

A tool used by an Administrator to view and modify the logic that is used to assign ownership of alerts and cases. The tool allows to the do the following tasks:

- Select a Focus

- Change the Default Owner

- Add, Modify, or Delete Existing Rule Assignments

Assignment

The process of attaching a User ID as the owner of a particular object.

Attached Document Indexing

A feature of the application that includes an index of attachments in the Attachment Index Matrix that are attached to an alert or a case in which the entity is the focus. This feature allows users to view the attached documents, along with the metadata (the date attached, who attached it, and the status of the alert or case).

Attribute

A component field in a dataset. Each attribute has properties that describe it, such as whether it is a key, whether its member values are ordered, and from where it is derived.

Auditor

A user role within the application (for example, Internal and External Auditor). This user usually reviews a firm's compliance with industry regulations. *See also* Role.

Augmentation

The process that is executed after the completion of a detection job to supplement the information stored and displayed for each match. Two augmentation mechanisms are available: binding augmentation and match augmentation. *See also* Binding Augmentation and Match Augmentation.

Authentication

The process of verifying a user's proof-of-identify to the application.

Authorization

The process of determining a user's access to the application. A user may access functions based on access control. *See also* Role and Access Control Permissions.

Automated Sale

The use of electronic clearing houses to facilitate electronic transfers of money that completes a transaction between two parties where the buyer receives goods, services, assets, or securities in exchange for money.

Averted Loss

Represents the financial loss amounts that a financial institution may be able to prevent based on actions taken during the course of an investigation into the possible fraudulent activity identified by an alert or a case.

B

Back Office Transaction

Back office transactions are from the perspective of the Oracle client's interaction with world-wide financial institutions. They comprise monetary transactions that enter or leave the Oracle client's financial institution.

Base Currency

A firm-specified currency. All transactions or trades must be converted to this currency, which allows some Oracle Financial Services scenarios to detect a behavior of interest across a collection of transactions or trades that occur in different countries. *See also* Currency, Issuing Currency, Settlement Currency, and Trading Currency.

Batch	A collection of data ingestion and detection processes to generate alerts. The system can run multiple batches throughout the business day.
Batch Action	An action that is being taken on multiple alerts or cases simultaneously. *See also* Action.
Behavior Detection	High-speed matching of known or suspected patterns in very large databases using pattern recognition algorithms.
Best Execution (BEX)	A policy that refers to the obligation of an investment services firm (such as a stock broker) executing orders on behalf of a customer to ensure that the prices those orders receive reflect the optimal mix of price improvement, speed, and likelihood of execution. Brokers with customer orders are obligated to send those orders to venues with the optimal best execution statistics. BEX is a class of scenarios that monitors the trading of equity products. This class evaluates the quality of individual order execution. Scenarios in this class examine the process and timing of orders and executions by comparing them to market conditions.
Beneficiary	An individual or institution, which receives or may become the inheritor of any of the following assets:

- financial contract
- insurance policy
- retirement plan
- annuity

Binding Augmentation	Addition of information for display in the alert highlights.
Bindings	Variables captured in a scenario pattern. They are used for storing information from one record to compare against another, tracking running counts or aggregate amounts across multiple records, and defining highlights.
Bound Variable	Variables captured in a pattern. Four types of bindings include:

- **Bind Before:** Variable is captured *before* checking constraints.
- **Bind After:** Variable is captured *after* checking constraints.
- **Rebind Before:** Variable that was bound previously is being incremented or updated and done *before* checking constraints.
- **Rebind After:** Variable that was bound previously is being incremented or updated and done *after* checking constraints.

Break Mode (BRK)	A programming option when creating a scenario. The Break Mode is the standard environment type for production scenarios.
Broker	A party that mediates between a buyer and a seller.
Building Block	The data record that a detection pattern identifies as being pertinent to a scenario match. Matched records display as building blocks on the Alert Details screen in the Web Application.
Business Domain	An operational line of business for which data access permission must be differentiated. The Oracle Financial Services solution set default business domains include Institutional Broker Dealer, Retail Brokerage or Private Client, Retail Banking, Corporate or Wholesale Banking, Employee Information, and General.
Business Entity	An entity in the FSDM around which to correlate alerts. Generally, Business Entities are the entities that can be linked to a person or organization; however, these entities may also be derived entities (such as, Derived Address).

C

Candidate Alert	An alert that already exists and is under consideration to be correlated with the Triggering Alert.
Case	An investigation that is a collection of knowledge, data, and other investigative evidence. Cases are linked to one or more alerts.
Case Classification	A feature of Case Management, which provides for two additional levels of case type classification. These additional levels of case classification, however, are primarily for reporting purposes and do not drive case workflows.
Case Owner	The individual or group of users who are responsible for the analysis of a case.
Case Status	A status indicating the progress of the analysis and disposition of the case. Case statuses are firm-specified.
Case Subtype	A firm-defined sub-classification of case types. Case Types and Case Subtypes are used to determine the appropriate actions and statuses for a case.
Case to Case Linking	The ability within the application to link two cases to each other, even though there may not be an obvious relationship between the two.

Case Type	A firm-defined classification of cases. Case Types and Case Subtypes are used to determine the appropriate actions and statuses for a case.
Cash	Money in the form of bills or coins.
Cash Equivalents	Any item that a bank is willing to accept for immediate, provisional credit to a customer's account, thereby instantly increasing the account's balance. For example, money orders, travelers' checks, cashier checks, bank checks, and treasury checks.
Cash Letter	An interbank transmittal form, resembling a deposit slip, used to accompany cash and cash equivalent items sent from one bank to another. Also referred to as *pouch* activity.
Cash Log	A record that banks must retain of each cash sale of bank checks, drafts, cashier's checks, money orders, and traveler's checks between $3,000 and $10,000. Also referred to as the Monetary Instrument Sales Record.
Change In Behavior (CIB)	A reference to a series of scenarios that addresses sudden, significant changes in transaction activity that could be indicative of money laundering or fraud. These scenarios also address the rapid movement of funds into and out of an account, or in and out of an institution through multiple accounts, as well as rapid escalation in a previously dormant account's activity.
Check	A demand draft drawn on a bank or other financial institution offering checking or demand deposit accounts.
Check Kiting	A form of fraud involving the movement of theoretical funds between two bank checking accounts. A check written to the criminal from one bank is deposited, and more importantly credited, to an account at a second bank. Because that second bank now shows a positive balance, the criminal can withdraw enough money to deposit back into the first bank before the check bounces for lack of funds.
Checkpoint	The component of a rule pattern that specifies conditions that must be satisfied for the generation of a match. A checkpoint's constraints apply only to the bindings defined within the primary rule and any sub-rules. Checkpoints do not have associated datasets.
Class	*See* Scenario Class.
Cloner	The utility that creates jobs by copying a predefined template job, which substitutes a new date range and other algorithm parameters.

Compliance Dashboard	An Active Pages application in the Oracle Financial Services Behavior Detection Platform 6.2 comprising the following dashboards:

- **Enterprise Compliance Dashboard**, where users can view high-level compliance activity of an entire enterprise.
- **Global Compliance Dashboard**, where users can view high-level compliance activity of an organization.
- **Alert Trending Dashboard**, where users can assess high-level patterns and trends of alert generation, closing, and assignment within a firm.

Constraint	Additional search criteria defined in a scenario to further refine data matches.
Convertible Bond	A corporate bond that includes an option for the holder to convert it into other securities after a specified period at the discretion of the bondholder. These bonds tend to have lower interest rates than non-convertibles because they accrue value as the price of the underlying stock rises.
Convertible Preferred	Preferred stock that includes an option for the holder to convert it into common stock at a specified conversion rate. These stocks carry the same type of conversion features as convertible bonds, except that the original security is issued as preferred stock rather than as a bond.
Corporate Bank	A type of foreign bank that is incorporated in the host country but is considered to be owned by a foreign parent bank. The corporate bank only needs to operate under the host country's regulations.
Correspondent Bank	One of two entities:

- A bank that maintains an account relationship and engages in an exchange of services with another bank.
- A focus type of cases and alerts within the Anti Money Laundering (AML) solution set. Its abbreviation displays as CB in the application. *See also* Focus.

Counter Party	The opposing part of a trade or a transaction.
Currency	A country-specific monetary unit (for example, USD, GBP, and HKD). *See also* Base Currency, Issuing Currency, Settlement Currency, and Trading Currency.
Currency Transaction Report (CTR)	A report that is filed with the U.S. Treasury and the Financial Crimes Enforcement Network (Form 4789) that records currency transactions in excess of USD 10,000.
Custody Account	An account in which the custodian does not have money management responsibilities—purely custodial care. Money is managed by an external vendor.

Customer	One of two types:

- A customer who is the authorized agent of the client firm (a parent within the Oracle Financial Services hierarchy) that conducts financial transactions. *See also* Account and Custody Account.

- A focus type within the Oracle Financial Services Anti-Money Laundering (AML) solution set. The abbreviation displays as CU within the application.

Customer Account	*See* Account.

D

Data Ingestion	*See* Ingestion Manager.
Data Mart	A database that contains large volumes of business data designed for data analysis to detect trends.
Data Miner	A user role that accesses the (Administration Tools) application's Threshold Editor to modify the threshold values, which are used by patterns to detect matches in a firm's data.
Data Model	An abstract model that describes how data is represented and used. For example, the Financial Services Data Model (FSDM) is a single data model that can be leveraged by all solution sets and provides a centralized view across all financial services business data for a client. *See also* Financial Services Data Model (FSDM).
Data Path	A defined path, from data on an alert to data on a particular business entity; for example, a link from the Focal Account on an alert to the Primary Customer of that account.
Dataset	A set of logic that retrieves records from a Data Mart for the purpose of finding behaviors of interest. Typically, a dataset is defined; then, searches are defined through scenario logic.
Dataset Editor	A user tool for selecting sources, defining target datasets, and defining their attributes.
Deactivated Date	The date of deactivation of a scenario.
Default Value	The value that is defined for a threshold before a user makes any modifications in the Threshold Editor.

Definable Characteristics

Properties or descriptors of a network that the Data Miner derives and are based either on the network itself or on the business data associated with the network. No limit applies to the number of definable characteristics for a network, as long as the database contains a table to hold the results.

Deposit

One of two types:

- Funds placed within a bank savings account or in a demand account subject to withdrawal by check. A deposit balance in a deposit-accepting bank—a depository financial institution—is merely a credit. This represents the depositor's right to an equivalent amount of money from the bank.

- Crediting of cash, checks, or drafts to a customer's account at a depository financial institution.

Derivation Transformation

A dataset transformation that adds a new attribute to an input element. The value is computed by evaluating an expression.

Derived Dataset

Combination or modification of other dataset contents. Derived datasets take one or more source datasets as inputs and apply a set of transforms to create a new set of elements. Source datasets can be datasets that wrap around external sources or other derived datasets.

Derived Entity

Entities that are extracted based on front office transaction and instruction data. These entities can be a name, an identifier, or an address. They can be known or unknown to the client.

Dispatcher

A daemon process that polls the job metadata for new jobs that require execution. It starts a process for each new job.

Domain

See Business Domain.

Dormant Account

An account that does not show activity other than the posting of interest within a user-defined period.

E

Electronic Funds Transfer (EFT)

The use of automated technology to move funds without paper checks. An EFT is considered a paperless transaction because it eliminates the need for a check.

Employee

A focus type of cases and alerts within the Oracle Financial Services Anti-Money Laundering (AML) and Broker Compliance (BC) solution sets. Its abbreviation displays as EE within the application. *See also* Focus.

Energy	The Energy and Commodity Trading Compliance (ECTC) solution uses advanced behavior detection techniques, or scenarios, to identify potentially problematic behaviors with respect to energy and commodity instrument regulation, and quality of customer service. This solution set is often referred to as Energy.
Entitlement	A security giving stockholders the right to purchase new shares issued by a corporation at a predetermined price (normally less than the current market price) in proportion to the number of shares already owned. Entitlements are issued only for a short period of time; after which, they expire.
Entity Relationship Diagram (ERD)	An Entity Relationship Diagram depicts primary relationships between tables within an Oracle subject area.
Execution	One of two types:

- The execution of an order by buying or selling an issue. A trade is executed when a buyer and seller agree on the issue, price, and volume.

- A focus type of cases and alerts within the Oracle Financial Services Trading Compliance (TC) solution set. Its abbreviation displays as EX within the application. *See also* Focus.

Executive	A user role within the application. This user, like the Supervisor, is concerned with the quality of risk management controls. However, the Executive is a reviewer (read only) of alerts rather than a user that takes actions.
Exposure	A calculation that estimates the financial risk involved in an alert. The display of exposure as a highlight in the Oracle Financial Services Trading Compliance (TC) solution set varies depending on the scenario that generated the alert.

External Entity	One of two types:

- A specific business object (for example, company and customer) that is a party on a transaction and exhibits behaviors of interest.

- A focus type of cases and alerts within the Oracle Financial Services Anti-Money Laundering (AML) solution set. Its abbreviation displays as EN within the application. *See also* Focus.

External Party	An entity outside the firm that is the beneficiary of a wire or journal transfer.

F

Financial Institution (FI)	A financial institution (FI) that transfers or receives electronic payment transfers or messages.
Financial Services Data Model (FSDM)	A single data model that can be leveraged by all solution sets to provide a centralized view across all financial services business data for a client. *See also* Data Model.
Firm	The client organization that is related to a customer. Within the Oracle Financial Services hierarchy, an account is considered the grandchild, the customer is the child, and the client firm is the parent. *See also* Account and Customer.
Firm Data Supplier	An external system that provides Oracle Financial Services with a firm's data (for example, orders, executions, and quotes). This data is used to detect patterns and generate alerts.
Fixed Income Security (FI)	An investment that provides a return in the form of fixed periodic payments and eventual return of principle at maturity. Unlike a variable-income security where payments change based on some underlying measure, such as short-term interest rates, fixed-income securities payments are known in advance.
Focal Entity	A specific entity of a given focus type that is the primary party of interest in a case or matches a scenario's behavior of interest. *See also* Focus.
Focus	A type of business entity on which alerts and cases are focused. *See also* Account, Address, Correspondent Bank, Customer, Employee, Execution, External Entity, Household, Investment Advisor, Order, Organization, Portfolio Manager, Registered Representative, Security, and Trader.

Focus Type	A type of business entity on which alerts are focused. *See also* Account, Address, Correspondent Bank, Customer, Employee, Execution, External Entity, Fraud, Household, Investment Advisor, Order, Organization, Security, and Trader.
Four Eyes Approval	The dual control and approval process that requires an authorized user (for example, Supervisor) to approve actions of other users prior to those actions taking full effect on the case or alert (for example, closing the alert or creating a suppression instruction). This process also enables users of specified roles to acknowledge approved or rejected changes that they proposed and to annotate an acknowledgement with comments.
Fraud	A focus type within the Fraud solution set. Its abbreviation displays as FR in the application. *See also* Focus.
Front Office Transaction	Front office transactions are from the perspective of the client's interaction with the rest of the world-wide financial system. They comprise monetary transactions that enter or leave the client's financial institution.
Front Running	The unethical practice of a broker trading an equity based on information from the analyst department prior to the release of the information to the clients.
Fuzzy Name Matching Utility	Matches names of individuals and corporations (candidates) against a list of names (targets). The utility calculates a score that indicates how strongly the candidate name matches the target name.

H

Held Order	An order that must be executed without hesitation if the stock can be bought or sold at that price in sufficient quantity. *See also* Not Held Order.
Highlights	An abstract of the most significant facts associated with a match or alert. When displayed, the highlights are intended to aid the user with the understanding and possible closure of an alert.
Household	One of two types: • A group of related accounts, usually within a family. • A focus type of cases and alerts within the Oracle Financial Services Broker Compliance (BC) solution set. The abbreviation displays as HH with the application. *See also* Focus.

I

Ingestion Manager	Data ingestion receives source data from external data sources in the form of files and messages, then validates this data, applies required derivations and aggregations, and populates the database with the results. The Data Ingestion subsystem transforms market, business, and reference data to create derived attributes for the detection algorithms.
Input Characteristic Dataset	A dataset that specifies the logic to derive the characteristics stored in the Network Characteristics dataset. A Network Definition can have more than one input characteristic dataset.
Inside Quote	The highest bid and lowest offer price for a security quoted among all of the market makers competing in a security.
Instructions	Client-specific settlement, transaction, and transfer directives.
International Securities Identifying Number (ISIN)	A number that uniquely identifies a security. Securities for which ISINs are issued include bonds, commercial paper, equities and warrants. The ISIN code is a 12-character alpha-numeric code that does not contain information characterizing financial instruments; rather, it serves for uniform identification of a security at trading and settlement.
Investment Advisor	A focus type of cases and alerts within the Broker Compliance (BC) solution set. The abbreviation displays as IA with the application. *See also* Focus.
Issuer	A legal entity that develops, registers, and sells securities for the purpose of financing its operations. Issuers may be domestic or foreign governments, corporations, or investment trusts. Common securities issued include stocks, bonds, notes, debentures, bills, and derivatives.
Issuing Currency	The currency in which the security was originally issued. *See also* Base Currency, Currency, Settlement Currency, and Trading Currency.

J

Job	A set of input parameters that a user identifies within a job editor for an algorithm (for example, datasets, patterns, and date ranges).
Job Editors	A set of tools that a data miner, analyst, or administrator uses to create and maintain jobs and job descriptions.

Journal	One of two types:

- A record of current transactions involving internal transfers of funds from one account to another.

- A book or an original entry in double-entry bookkeeping.

Journaling	The movement of account assets through a *book entry* from one account to another.
Jurisdiction	An Oracle Financial Services term used to describe a geographical location for which data access controls must be restricted. This term is meant to be used as access control only, *not* as a legal reference.

K

Kiosk Page	The Kiosk page is the default starting page of the application. The Kiosk page also contains online help links, scenario (TSD) information, and site-related news and information about new features.
Know Your Customer (KYC)	A policy to ensure that financial institutions can effectively know detailed information about their customer's risk tolerance, investment knowledge, and financial position. The objectives of the KYC policy include:

- Accepting of only legitimate customers.

- Identifying customers that may pose a potential threat.

- Monitoring customers' accounts and transactions for illegal activities.

- Implementing risk management processes to effectively manage customer-driven risk.

L

LDIF Files	A standard data interchange format (LDIF) for representing LDAP directory content as well as directory update requests (for example, Add, Modify, Delete, and Rename).
Lightweight Directory Access Protocol (LDAP)	A repository of user information to establish user security access and organizational affiliations. System Administrators can use this type of directory to assign user roles to provide access to functional areas of the application (for example, Reports or Research Workflows). An LDAP conveys directory content as a set of records, one record for each object (or entry). It represents update requests as a set of records, one record for each update request.

Link	One of two types:

- A specific occurrence of an association between two nodes (for example, a wire-transfer from one customer to another customer or the address of a beneficiary). Zero (0), one (1), or more links can be between two nodes.

- A user-defined association between cases and alerts.

Link Pages	Pages within the Oracle Financial Services application that enable the user to access additional information regarding the records that triggered the match. The information is a snapshot, in time, of the match and does not get updated.
Linked Alerts Count	The count of alerts that are linked to a case.
Linked Cases Count	The count of cases that are linked to an alert.
Locked Alert	A lock on an alert that enables a user to take action on the alert and prevents all other users from taking action on that alert.
Locked Case	A lock on a case that enables a user to take action or manage links on the case and prevents all other users from taking action or managing links on that case.
Locked Suppression Rule	A lock on a suppression rule that enables a user to take action on the suppression rule and prevents all other users from taking action on that suppression rule at the same time.
Locked Trade	A lock on a trade that enables a user to take action on the trade and prevents all other users from taking action on that trade at the same time.
Long Name	The long version of a scenario name. The long name does not display in the Web Application.
Looping	A process that divides a detection job into multiple iterations by creating a separate run for each unique value of a specified entity.
Looping Entity	One of the element attributes used to partition an input dataset into smaller subsets. The algorithm processes each subset in a separate run. This is also referred to as *looping salient entity*.

M

Management Narratives	The ability within the application that allows the user to capture management narrative for an alert or a case. This narrative can be mapped to the Suspicious Activity Report (SAR) narrative, based on client needs.
Market Data Supplier	An external system that provides Oracle Financial Services market trade data.
Market Index	A statistical measure of change in an economy or a securities market. In the case of financial markets, an index is an imaginary portfolio of securities representing a particular market or a portion of it. Each index has its own calculation methodology and is usually expressed in terms of a change from a base value. Thus, the percentage change is more important than the actual numeric value.
Market Maker ID (MMID)	The abbreviation used to identify a firm, exchange, or ECN posting a quote. For example:

- MLCO - Merrill Lynch
- NFSC - Fidelity Capital Markets
- INCA - InstaNet
- BRUT - BRASS Utility

Market News Event	Public information in the form of a news event that drives prices up or down.
Market Participant	A firm that trades in a security.
Markets in Financial Instruments Directive (MIFID)	The Directive introduces a single market and regulatory regime for investment services across the 30 member states of the European Economic Area. There are three objectives to be met by the Directive:

- To complete the process of creating a single EU market for investment services.
- To respond to changes and innovations that have occurred in securities markets.
- To protect investors by making markets deeper, more competitive, and more robust against fraud and abuse.

Match	A detected occurrence of a scenario and the details associated with the behavior found. One or more matches are grouped to create an alert.

Match Augmentation	A process that adds pointers to additional records of interest that the pattern did not write. It creates building blocks on the Alerts Details page of the Web Application based on the dataset key IDs that a match contains.
Matched Information	The records that triggered the scenario to generate a match. The information is a snapshot in time of the match and does not get updated.
Matched Record	The data record that a detection pattern identifies as being pertinent to a scenario match. Matched records display as building blocks on the Alert Details screen in the Web Application.
Metadata	The database tables and data that the Data Mart contains.
Minimal Trading Activity	Fewer than three commissioned trades in a six-month period.
Monetary Instrument (MI)	A class of documents that clearly promises or orders to pay a certain sum of money. These include traveler's checks in any form and all negotiable instruments (for example, personal checks, business checks, official bank checks, cashier's checks, third-party checks, promissory notes, and money orders) that are in such a form that title passes upon delivery. *See also* Cash Equivalents.
Multi-Match Alert	An alert created with multiple matches generated in the same batch by scenarios in the same scenario class for the same focal entity.
Mutual Funds Trading	One of two types:

- Identifier of scenarios that pertains specifically to trades in mutual fund products.
- A focus type within the Oracle Financial Services Broker Compliance solution set. The abbreviation that appears within the application is MFT.

N

Network	A collection of nodes that are connected by links.
Network Characteristics Dataset	A dataset that represents the characteristics or description of a network—the results of the definable characteristics. Only one Network Characteristics dataset can exist for each Network Definition.
Network Definition	Type of relationship that defines a network, the characteristics that describe a network, and the logic to derive those characteristics.

New Account	A recently opened account that is surveilled because of the lack of history for a new account that poses an increased risk to the firm. Each firm specifies the age at which an account is no longer considered new (for example, 90 days or six months).
Node	The business entity of interest (for example, institution, bank, tax ID, employee, customer, account, address, or household) involved in a link.
Non-looping	The process that runs data only once for a specified entity. For example, the looper is configured to run the data against a specific date range. In this example, the date range is referred to as a non-looping entity because the process runs just once. *See also* Looping.
Not Held Order	An order in which the customer does not desire an automatic transaction with the inside market, but instead has given the trader or floor broker (for listed stocks) time and price discretion in transacting on a best efforts basis. This does not hold the broker responsible for missing the price within the limits (limit not held) or obtaining a lower price (market not held).

O

Opening Trade	A trade that establishes a position in a security or increases an existing position.
Option Assignment Risk	An account's total exposure resulting from uncovered options or credit spread option positions that are *in the money* (that is, positions that have intrinsic value based on the price of the underlying security relative to the strike price of the option contract).
Option Requirements	The amount of cash collateral that an account is obligated to provide to cover potential exposure from uncovered options or credit spread option positions.
Oracle Financial Services Administrator	A user role within the Administration Tools' editors, without permission from the Threshold Editor. This role accesses the Administration Tools application to modify the logic parameters. The application uses logical parameters to process matches into alerts, score the alerts, and then assign the alerts.
Oracle Business Intelligence Suite Enterprise Edition (OBIEE)	A comprehensive suite of enterprise Business Intelligence products that delivers a full range of analysis and reporting capabilities. It features a unified, highly scalable, and modern architecture.
Order	One of two types:

- A request to buy or sell a security including any special instructions imposed by the buyer or seller.

- A focus type of cases and alerts within the Oracle Financial Services Trading Compliance (TC) solution set. Its abbreviation displays as OR within the application. *See also* Focus.

Order Displayability   The ability to track an order through various states and to display the market price in each state.

Organization   One of two types:

- The organization associated with the user, or groups of users, who own the alert.

- A focus type of cases and alerts within the Oracle Financial Services Trading Compliance (TC) solution set. Its abbreviation displays as OG within the application. *See also* Focus.

Originator   The party that requests that a fund transfer or other type of transaction be completed. Typically, the originator funds the transaction through an account debit.

Originator to Beneficiary Instructions (OBI)   This set of instructions is a component of funds transfer and messaging systems.

Out of Sequence   An order, execution, or trade event that is received in an ingestion batch later than a subsequent event: for example, a modified event that was received following an execution that executed the fully modified quantity.

Owner   *See* Alert Owner and Case Owner.

P

Parameter Set   Parameters associated with an algorithm; a collection of parameter bindings.

Pass-Through   *See* Third Party Pass-Through.

Patch Utility   This utility is used to apply software updates to the application. The utility can be used to un-install updates that were previously installed using the utility, and to display information about currently installed updates. A history of all installations and un-installation updates is also available.

Pattern	A formal definition of detection of a scenario in data. It is an arrangement of elements in data that occurs in an orderly fashion and when persistently replicated, supports statistical analysis and interpretation.
Pattern Detection	*See* Behavior Detection.
Pattern Roles	Roles that determine the bound variables to be saved after the creation of a match.
Peer Profiling	A process by which a customer's activity profile is compared to those of similar (peer) customers. The peer grouping is defined by the financial institution and can be based on any number of criteria. The question that is answered during transaction monitoring is whether the activity is normal compared to that customer's own peer group.
Portfolio	A collection of investments that the same individual or organization owns. These investments include stocks, bonds, commodity, cash equivalent, and mutual funds.
Portfolio Manager	One of two types:

- A professional investment counselor who is responsible for investing securities, implementing investment decisions on behalf of the client, and managing the day-to-day portfolio trading.
- A focus type of cases and alerts within the Broker Compliance (BC) solution set. The abbreviation displays as PM within the application. *See also* Focus.

Portfolio Pumping	The illegal act of bidding up the value of a fund's holdings right before the end of a quarter when the fund's performance is measured. This is done by placing a large number of orders on existing holdings to drive up the value of the fund.
Portfolio System for Institutional Trading (POSIT)	An electronic system that matches institutional buy and sell orders for individual stocks and for portfolios of stocks. Trades are priced from the stock's primary market at the time the match is run, and matches take place at the midpoint of the best asking price and the best selling price.
POSIT Orders	A trading system into which orders are placed and periodically matched at prices that the system itself determines. *See also* Portfolio System for Institutional Trading (POSIT)
Potential Loss	Represents the potential financial loss that a financial institution may experience as a result of the possible fraudulent activity identified by an alert or case.
Price Disimprovement	The phenomenon of shares bought at a price higher than reasonably expected or sold at a price lower than reasonably expected.

Price Improvement	The phenomenon of shares bought at a price lower than reasonably expected or sold at a price higher than reasonably expected.
Primary Node	A node in the network that has the largest number of links to other distinct nodes.
Primary Rule	Specifies the matches based on a dataset and any additional constraints that are applied to the matches found by the primary rule. Only one primary rule is allowed within a rule pattern.
Prior	The number of previous matches associated with the focal entity. Displays in the application as two fields:

- **All Prior:** Number of previously generated matches for the same focal entity across all scenarios and solution sets.
- **Same Scenario Class Prior:** Number of matches previously generated for the same focal entity by the same scenario as the current alert.

Private Client	Personalized financial and banking services that are traditionally offered to a bank's high net worth individuals (HNWIs). For wealth management purposes, HNWIs have accrued far more wealth than the average person and, therefore, have the means to access a larger variety of conventional and alternative investments. Private banks aim to match such individuals with the most appropriate options.
Profile	A summary of information that establishes the normal behavior for an entity.
Profit and Loss (P&L)	Within the Oracle Financial Services solution sets, P&L may display realized profit and loss or unrealized profit and loss. The Oracle Financial Services client can populate the P&L field with either value.

R

Realized Profit/Loss	*See* Profit and Loss (P&L).
Reassign Alert	The manual process by which the Analyst or Supervisor assigns ownership of an alert or a case to an individual user or a group of users.
Recovery Amount	Represents the financial losses that have been recovered during the course of an investigation into the possible fraudulent activity identified by an alert or case.
Registered Representative	A focus type of cases and alerts within the Oracle Financial Services Anti-Money Laundering (AML) solution set. Its abbreviation displays as RR within the application. *See also* Focus.

Regulatory Reporting Efiling Solution (RRS)	An Oracle Financial Services Software, Inc., application that supports the development of Regulatory Report workflows and the creation of corresponding Regulatory Report paper formats and electronic filing formats for different geographic regions. The information provided by this tool is used to assist government regulatory bodies in detecting and deterring criminal activity within the financial system.

Related Accounts One of two types:

- Accounts within the same household.
- Group of accounts specified by the firm.

Related Alerts Other alerts with the same focus as the current alert for a focus with a direct relationship to the current focus.

Related Cases Other cases with the same focus as the current alert or case for a focus with a direct relationship to the current focus.

Relationship Association between two nodes. For example, two nodes are related in one or more transactions.
Two nodes can only share zero (0) or one (1) relationship.

Respondent Bank *See* Correspondent Bank.

Retail Banking Typical mass-market banking where individual customers use local branches of larger commercial banks. Services offered include savings and checking accounts, mortgages, personal loans, debit cards, credit cards, and so forth.

Risk In the application, the risk ratings that the firm can assign to geographies, account numbers, or names based on firm policies, government lists, or other information. Oracle Financial Services uses these risk ratings to determine the overall risk of transactions and parties. *See also* Watch List.

Role A job description for an individual that determines the user's access to the functionality of the application. *See also* Analyst, Auditor, Executive, and Supervisor.

Routing *See* Reassign Alert.

Row An event in a sequence or outlier pattern.

Rule Scenario Editor A tool used within the Scenario Manager application that enables a user to define, access, and maintain existing rule scenarios.

S

Salient Entity
A dataset attribute that is set up in the Scenario Manager job editor to perform a special function during a job run, such as directing the job to run in multiple iterations.

Same Prior
See Prior.

SAR
An acronym for Suspicious Activity Report (Form TD F 90-22.47). This report is filed with the U.S. Treasury and the Financial Crimes Enforcement Network to report suspicious activity for transactions aggregating USD 5,000 or more and involving potential fraudulent activity, money laundering, or violations of the Bank Secrecy Act.

Scenario
A behavior or situation that is of interest to the firm. One or more patterns compose a scenario. *See also* Pattern.

Scenario Class
A group of related behaviors and entities of interest exhibits (for example, High Risk Geographies, Hidden Relationships, Change In Behavior, High Risk Entity, Rapid Movement of Funds, and Other Money Laundering Behavior).

Scenario Group
An installation-configured association of users to scenarios for the purpose of applying data access permissions.

Scenario Migration Utility
A utility that migrates scenarios, datasets, networks, and associated metadata from the development environment to the production environment.

Schema
A data model that represents the relationships of a set of concepts within a domain.

Score
A workload management tool that prioritizes matches, alerts, and cases based on the firm's business rules. Scoring helps ensure that the most critical alerts and cases are addressed first.

Security
One of two types:

- A financial instrument (for example, stock, bond, derivative product, fund, or other obligation) issued by an organization, either corporate or government. Securities may be bought or sold on listed exchanges or in the over-the-counter marketplace. Ownership of securities is bought and sold on the trading markets, and a security is a record proving ownership of a stock, bond, or other investment.

- A focus type of cases and alerts within the Oracle Financial Services Trading Compliance (TC) solution set. Its abbreviation displays as SC within the application. *See also* Focus.

Sequence Scenario Editor

A tool used within Scenario Manager for creating, modifying, and maintaining sequence scenarios.

Service-Oriented Architecture Protocol (SOAP)

A protocol for exchanging XML-based messages over computer networks, normally using HTTP/HTTPS. SOAP forms the foundation layer of the Web services stack, providing a basic messaging framework that more abstract layers can build on.

Settlement Currency

The currency in which payment for the security is made.
See also Base Currency, Currency, Issuing Currency, and Trading Currency.

Short Name

The abbreviated name for a scenario that displays in the Web Application.

Short Position

A situation in which an account has a negative holding in a security (that is, owes units of the security to the firm) as a result of performing a short sale in that security.

Source Link Dataset

A dataset that represents a set of logic used to find links and nodes and the relationship between them.

Spoofing

Spoofing describes a quote activity indicating that an actual demand to buy/sell stock did not exist. This type of quoting can deliberately deceive market participants by making it appear that a large quantity of stock is either wanted or available for sale.

Standard Characteristics

Properties of a network (for example, the number of nodes or average link weight). In the Link Analysis process, the system captures fourteen standard characteristics automatically and stores them in the KDD_NTWRK table for a network.

Status

See Alert Status and Case Status.

Structured Deal

A binding agreement between two or more parties for performing specified act(s) in exchange for lawful consideration.

Sub-Rule

Additional pattern elements that are applied to matches that the primary rule pattern finds, which further defines the data matches. Many sub-rules can be applied to a rule pattern.

Supervisor	A user role within the application. This user ensures the application of process management controls. Tasks include tactical oversight and supervision of investigative activities. Supervisors have oversight of alerts that fall within their individual business units such as organizations.
Suppression	A process in the application whereby users can suppress a scenario for a specific entity for a set amount of time (for example, three months). Additionally, users can optionally specify an additional criteria for suppression based upon a value bound to the alert on which the suppression action is being taken. Scenario suppression is a closing action available on the Actions Page. A suppressed scenario continues to generate alerts against the specific focus, but the application automatically closes these alerts with an action of Suppressed before displaying them to users.
Surveillance Tier	A numeric indicator that describes how closely an account should be monitored for risk and suitability issues. The scale ranges from one (most strict monitoring) to six (least strict monitoring).
Systematic Internalizers (SI)	Among the major changes that MIFID aims to introduce is the creation of Systematic Internalizers (SIs), which are brokers, banks, or investment firms that can set themselves up as execution venues. Systematic internalizers can match a client order against other client orders on its own books rather than sending the orders for execution on an exchange. However, SIs are mandated to state publicly the market prices traded on their own books.

T

Tab Page	Detailed information about a business entity related to the focus of the current alert, case, or entity being researched. This data reflects the firm's latest data submission to the application.
Target Binding Name	Binding to which a rule applies.
Technical Scenario Description (TSD)	Usually refers to a solution set or product document (for example, AML, BC, FR, or TC). It can also be used as the term for an individual document for a scenario.
Third Party	An entity that participates in the transaction that is neither the originator nor the beneficiary.
Third Party Pass-Through	An indication that the funds transfer displayed as a part of an alert contains information indicating that the ultimate beneficiary or recipient of the funds may be an entity other than that stated in the beneficiary information field.

Threshold	A configurable parameter in a scenario that allows a firm to refine a scenario's detection logic used to increase or decrease the number of alerts generated.
Threshold Analyzer	A standalone Oracle Financial Services Software, Inc., application that allows users to optimize the ratio of productive alerts to non-productive alerts through threshold values and scoring rules. Analysts can use past alerts to help tune their system for newly created alerts, identifying correlations between alert attributes and alert quality.
Total Cash and Security Value	The aggregate value of all holdings in an account, not considering any margin loans or other debts owed to the firm. This is equal to that account's net worth plus its outstanding debts.
Total/Net Loss Amount	The amount calculated as the total loss remaining after Averted Loss and Recovery Amounts have been subtracted from the Potential Loss: Potential Loss - Averted Loss - Recovery Amounts = Total/Net Loss Amount
Trade Blotter	A feature of the application that allows a user to review trades that are executed each day for suitability.
Trader	One of two types:

- A representative who buys and sells in a particular security with traders at other firms to broker a trade for a customer or for the firm's proprietary accounts. A trader may or may not also act as a broker, depending on the organization of a firm. In general, the trader is responsible for reporting a trade after it is executed.
- A focus type of cases and alerts within the Oracle Financial Services Trading Compliance (TCS) solution set. Its abbreviation displays as TR within the application. *See also* Focus.

Trading Currency	The currency in which the trade is conducted. *See also* Base Currency, Currency, Issuing Currency, and Settlement Currency.
Transaction	The movement of funds between parties by various means, including deposits, withdrawals, journals, payments, funds transfers, or Electronic or Internet transfers.
Transfers	The movement of assets between parties by various means, including deposits, withdrawals, journals, payments, or Electronic or Internet processes.

Transforms	Components used to construct datasets in the Dataset Editor of the Scenario Manager application. Four types of transforms include:

- **DataSet Source:** Identifies a table or view used in the dataset.

- **Join:** Combines multiple source datasets.

- **Filter:** Creates a restrictive clause to limit the records in the dataset.

- **Derive:** Enables derivation of a new attribute from an existing attribute.

Triggering Alert	During the correlation of alerts, the Triggering Alert is the alert that was either just posted or is being processed in the batch.
Trusted Pair	The pair of parties who have been found to share a trusted relationship.
Trusted Relationship	A transactional relationship between two parties that has been investigated and found to be non-suspicious.
Trusted Transaction	A transaction in which one or more pairs of parties who are interacting with one another by sending and receiving funds are identified as trusted.

U

Units	Unit of measure for the variable defined in a threshold as it applies to the defined data type. Valid values are MONEY and PERCENTAGE (which apply to the INTEGER data type) and time increments (which applies to REAL data type).
Unrealized Profit/Loss	The gain or loss that would result from closing out an open security position at its current market value. *See also* Profit and Loss (P&L).
User Interface (UI)	Portions of the application with which the user can interact.

W

Watch List	An assigned numeric rating that indicates how risky an account, entity, geography, or transaction is considered from an alert processing perspective. Risk levels vary from negative two (-2) to ten (10):

- A risk level of one through ten (1 through 10) is considered risky, with ten (10) being the highest risk.

- A risk level of zero (0) indicates that there is not enough information available to make an assessment.

- A risk level of negative one (-1) is low risk and a risk level of negative two (-2) is the least risky.

Watch List Management Utility
An Active Pages application in the Oracle Financial Services Behavior Detection Platform 6.2, where a user can:

- Search and select watch lists and watch list entries based on one or more criteria.

- Create or deactivate a watch list and watch list entry.

- Modify watch list and watch list entry attributes.

- Add and remove watch list and watch list entries.

- Select multiple lists on which to apply modifications.

Wholesale Banking
Banking services between merchant banks and other financial institutions.

Wire Transfer
An order to pay funds electronically by wire or telephone instruction, which usually involves a large monetary payment.

Withdrawal
The withdrawing of funds from a deposit account by writing a check, draft, or withdrawal slip in the case of a time deposit or a saving deposit.

Workflow
A workflow is a reliably repeatable pattern of activity enabled by a systematic organization of resources and information flows into a work process that can be documented and learned. Workflows refer to the process of deriving and aggregating data, which occurs after data ingestion.

Wrapper Dataset
Provides attribute definitions and other descriptive information but does not describe element construction or access.