Confirmation.com™
*The world’s leading provider of secure electronic confirmations.*
Improves productivity and reduces costs
• Increases financial fraud detection
• Supports green initiatives
• Cloud-based service

Confirmation.com: Secure Confirmation Clearinghouse

Exclusively Endorsed by

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

Corporation for American Banking, L.L.C.

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Confirmation.com

Processes millions of confirmations.

• Confirms more than **$1 Trillion** in assets and liabilities annually

• Used in more than **100** countries

• Processing confirmations for **175,000** private, public, government, and not-for-profit audited entities.
Confirmation.com

• Network reaches **thousands** of banks
  - All of top 10 Banks
  - 70 of the top 100 Banks

• More than **12,000** registered CPA firms, Regulatory agencies and Internal audit departments

• **80,000+** auditors worldwide
Confirmation.com
An Award-Winning Solution

• 2011 Award for Best Audit Service
• Ranked #96 in 2010 Inc. 500 List
• Ranked #169 in 2011 Inc. 500 list
• 2010 Reader’s Choice Award The CPA Technology Advisor
• “Ease of Use” Award for Tax & Audit Technology
Corporate Responsibility: Environment

Use of Confirmation.com has saved...

- 60,510 pounds of paper
- 577,110 gallons of wastewater
- 17,810 gallons of gas
- 1,011,450 pounds of greenhouse gases
  - 1,026,960 miles driven
  - 11,790 trees planted and grown for 10 years
  - 178,140 sq/ft of forest preserved
Old Paper Confirmation Process is Inefficient & Ineffective

1. 4 - 6 week turnaround
2. 30+ steps
3. 40% lost/error rates
4. Difficult to track
5. No identity validation

Outdated Mail and Fax Process

Order Paper Forms
Order Envelopes
Order/Stocking Clerk
Supply Room
Accounting Firm
Emailroom
Branch/Local Office
Fax
Mailroom
US Post Office
Accountant
Operations
US Post Office
Relationship Manager
Assistant
Fraud Issues to Consider
re: the Paper Confirmation Process

Who has access to confirmation information in the response?

Who is completing the response?

Did the bank really sign the confirmation?

Who validated the return address on the confirmation?

Is the requestor authorized to make the request?

Who receives the confirmation?
Sample of Confirmation Frauds

Europe’s Largest Fraud - $4.9 Billion fake confirmation – 2 Top 10 Firms both sued for $10 Billion; Investors lost billions

India’s Largest Fraud - $1 Billion fraud using fake confirmations.

Multi-million dollar receivable confirmation fraud led to Bankruptcy and investors losing millions of dollars.

$5.1 Billion of fake revenue missed by auditors in confirmation fraud.

$1 Billion fraud with $525 million of fake bonds confirmed by the auditors led to hundreds of millions of dollars of investor losses.

$1.4 Billion fraud with $400 million of fake cash by manipulating the auditor’s confirmation procedures.
Sample of Recent Confirmation Frauds

- Boshiwa (2012)
- Advanced Battery Technologies (2011)
- Olympus (2011)
- Sino-Forest (2011)
- China Biotics (2011)
- Longtop (2011)
- ShengdaTech (2011)
- China New Century Media (2011)
- China Intelligent Lighting & Electronics (2011)
- NIVS Intellimedia Technology Group (2011)
- China Integrated (2011)
- Electronic Game Card (2010)
- Satyam (2009)
- Take-Two Interactive (2007)
- Refco (2006)
- Daisytek International (2006)
- Lipper Holdings (2006)
- Kmart (2005)
- Royal Ahold (2005)
- Just for Feet (2005)
- e-Safetyworld (2005)
- Del Global Technologies Corporation (2005)
- Parmalat (2004)
- Suprema Specialties (2004)
- Amicom (2004)
- Safescript (2003)
- Barings (2003)
- Cronos (2002)
- Ebix (2002)
- PictureTel (2002)
- Healthsouth (2001)
- Allfirst Financial (2001)
- Quintus (2001)
- I&J Bagel/Manhattan Bagel (2001)
- American Bank Note Holigraphics (2001)
- Madera International (2001)
- Pier 1 Imports (2000)
- Three Point Digital (2000)
- Digital Lava (2000)
- Livent (1999)
- Just for Feet (1999)
- CF Foods (1999)
- Sunrise Medical (1999)
- Laser Photonics (1999)
- YBM (1998)
- Hybrid Networks (1997)
- Physician Computer Network (1997)
- Cambridge Biotech (1996)
- Pathe Communications (1996)
- Happiness Express (1995)
- Bio Clinic (1995)
- Northstar Health Services (1995)
- Kurzweil Applied Intelligence (1995)
- Standard Oil & Exploration of Delaware (1995)
- Refco (1991)
- Datamag (1991)
- BCCI Bank (1990)
- RSI (1988)
- ZZZZ Best Carpet Cleaning (1987)
- 18 Utah Companies (1987)
- Flight Transportation (1985)
- J.B. Hanauer & Company (1983)
- ...McKesson & Robbins (1930's)
Industry Creator – Creator and world’s leading provider of secure electronic audit confirmations used by firms in more than 100 countries

All Top 10 Banks + Federal Reserve – Each of the Top 10 U.S. banks and the Federal Reserve respond to confirmations through Confirmation.com

All Top 100 Accounting Firms – All of the Top 100 U.S. accounting firms and 10,000+ firms in the world

Investor Confidence – Confirmation.com is used to confirm more than $1 Trillion a year

Patented Business Process – Multiple U.S. patents granted with additional patent-pending in both in the U.S. and internationally.

“Fortunately, technology has caught up with the confirmation process.”
– CPA Technology Advisor

“If the lower-level staff see the value in the product, then it must be good.”
– CPA Technology Advisor
Integrations: 3 Largest Audit Software Packages
Provides Custom Designed Functionality

- Developed specific confirmation types and complex routing for Fed. Reserve Banks
- Integrated into the firm audit software solution
- Customized training for all the firms users
- E&Y staff connect to confirmation platform seamlessly after validation by E&Y Intranet
- Integrated into E&Y New Hire Training course
- Electronic fulfillment
- Confirmation completed by reviewer
- Files exchanged 5 times daily
- Monthly file recapping activity with SunTrust billing codes fed directly into the billing system at bank
- Daily file with Client engagement numbers to enable timely and accurate data
- Customized management reports including reports on activity and office statistics
- Unique global firm profile set up and management

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Mobile App
Global Usage

Confirmation.com

Bestätigung  确认  confirmación  पुष्टिकरण  conferma  確認
審核確認變得簡單

作為首選提供商為美國註冊會計師（AICPA），並贊同由美國銀行家協會（ABA），Confirmation.com是世界領先的網絡為基礎的審計確認的解決方案，帶來了效率和安全性的確認過程。

收件者的觀觀註冊會計師技術顧問的稅務及會計科技創新獎，我們的在線審核確認的解決方案提供了應付賬款和應收賬款的確認，以及超過30種的銀行確認。它還提供移動接入審核確認的數據為蘋果®iPhone®，iPad的®和iPod touch®用戶。我們承諾遵守嚴格的銀行法規和審計標準，並成為您值得信賴的供應商審核確認，Confirmation.com經過SAS 70 II型，SysTrust和WebTrust審計評價每半年一次。

蘋果公司®，iPhone®，iPad的®和iPod touch®是蘋果電腦公司的註冊商標
Confirmation.com Security

- 24+ annual External Security Reviews including each of the Top 10 Accounting Firms and the majority of the Top 25 Banks
- ISO 27001/27002 review annually
- SOC 1, 2, & 3 examinations every six months
- TRUSTe Certified Privacy Policy
- EU Safe Harbor Certified
- SOC 1 Audited Hosting Facility
- SCIF Certified Hosting Facility by the Federal Government & Department of Defense (Sensitive Compartmented Information Facilities)
- PCI Compliant
- Tested Daily to Comply with:
  - Health Insurance Portability and Accountability Act of 1996 (HIPAA)
  - Gramm-Leach-Bailey Act (GLBA)
  - Sarbanes-Oxley Act (SOX)
- Extended Validated SSL for Website Identity Verification
- 128-Bit SSL Encryption/HTTPS throughout Site
- 128-Bit Triple Des Encryption of All Sensitive Data
- Daily Third-Party Vulnerability & Penetration Testing
Testimonials – Banks

“It's user friendly and just easy to use.”

“It's paperless.”  JPMorganChase


“It makes the process more standard and secure.”  SVB

“One place for confirmations.”  PlainsCapitalBank.

“It’s quick.”  SunTrust

“It is a lot less paper work.”  Bank of Oklahoma
Global Network

Accounting Network

- All Big 4 Firms
- All Top 100 Firms
- Custom Integration

- 10,000 Small & Mid-Size Firms
- Sole Practitioners

Financial Network

- Federal Reserve
- All Top 10 US Banks
- Majority of Top 100 (US)
- Custom Integration

- International

Companies

Resellers

Banks

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Fraudulent Electronic Confirmation Processes
Fake Address

Creating a Fraudulent – Legitimate Street Address is Easy: UPS Store Brochure

Every aspect of your business matters. Including the address.

Mailbox services from The UPS Store. We give you a real street address, not just a box number. And that's only the beginning. From convenient Call-in MailCheck® to 24-hour access and much more, we invite you to discover the many services you'll receive as a mailbox holder with The UPS Store.

Mailbox services at The UPS Store offer convenience, professionalism, and an array of benefits to make your life easier:

- A real street address, not a P.O. box: A private mailing address gives your business the professional image you want.
- Package acceptance from all carriers: We'll hold your packages in a secure location for pickup at your convenience.
- Package notification: We'll let you know when a package arrives for you.
- Call-in MailCheck®: Save a trip... call to find out if you have new mail.
- Mail holding and forwarding: Just let us know when and where.

- Receipt of oversized parcels: Large packages are no problem for The UPS Store.
- 24-hour access: Pick up your mail and postal deliveries any time, day or night.
- Peace of mind: You no longer have to wait at home for a package delivery or risk having valuable shipments left on your doorstep.
- Convenience: The UPS Store also provides copying, binding, printing and a variety of document finishing services... so you can take care of business while you take care of the mail.

Mailbox services are provided at every one of our locations. You'll also find most of the postal products and services you need at your neighborhood The UPS Store. Ask us for details.

* Additional item may apply
** Available at participating locations.

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Buying a URL/Website for $168.40

Ability to pay $11 to hide the true ownership of a website.

Purchase:
1. URL
2. Website development tools
3. Email service
4. Feature to hide the ownership information
All for just $168.40
Fake Website

Entering Fake Ownership Information is Simple

Enter fake ownership information into the Whois Information
Fake ownership information is now updated
Fake Website

Illegitimate Website Ownership Information on WhoIs

Type in the website URL
WHOIS information for fakecompanywebsite.com:

[Querying whois.internic.net]
[Redirected to whois.register.com]
[Querying whois.register.com]
[whois.register.com]

The data in Register.com's WHOIS database is provided to you by Register.com for information purposes only, that is, to assist you in obtaining information about or related to a domain name registration record. Register.com makes this information available "as is," and does not guarantee its accuracy. By submitting a WHOIS query, you agree that you will use this data only for lawful purposes and that, under no circumstances will you use this data to: (1) allow, enable, or otherwise support the transmission of mass unsolicited, commercial advertising or solicitations via direct mail, electronic mail, or by telephone; or (2) enable high volume, automated, electronic processes that apply to Register.com (or its systems). The compilation, repackaging, dissemination or other use of this data is expressly prohibited without the prior written consent of Register.com. Register.com reserves the right to modify these terms at any time. By submitting this query, you agree to abide by these terms.

Registrant:
AICPA
Chuck Landes
330 Franklin Road Suite 135A
Brentwood, TN 37027
US
Email: chuckl@fakecompanywebsite.com

Registrar Name:....: Ranger Registration Madeira LLC
Registrar Whois:....: whois.register.com
Registrar Homepage: www.register.com
Domain Name: fakecompanywebsite.com

Created on:............: Fri, Aug 21, 2009
Expires on:.............: Sat, Aug 21, 2010
Record last updated on: Fri, Aug 21, 2009

Verify that Chuck Landes and the AICPA own this URL.

Note that the address appears to be a real street address when in fact it is a PO Box.
Fake Website

Shows that the AICPA owns the site and Chuck Landes is the contact person. The fake phone number and fake email controlled by someone else help to legitimize the website.
1. Go to a website
2. Click View, and the Source
The site’s Source Code will appear.
3. Copy the Source Code
4. Open the website builder software and click on the Edit HTML Source icon.
5. Paste the legitimate site's Source Code.
The fake site is a replica of the legitimate site.

You can go back into the website builder to change phone numbers, email, mailing addresses, etc. and to redirect the links to your own pages.

New! You could also go back in and create a **special** login section just for auditors where they can get audit confirmations.
Sending a Fake Email

1. Within your User Preferences for your email, change who you want the email to be from.
2. Create and send an email.

A phone number is provided in case the auditor wants to “call and verify the contents of the email” with the fraudster.
The email will appear to be legitimate even though it is not. You can even provide your fake contact information.

This email contains a fake confirmation as well.

NOTE: Had the auditor asked “Chuck” to send this via secure email, the fraudster could have done that as well.
Testimonials – CPA Firms

“I like your customer support staff.”

“It’s a win-win situation.” - Greg Shelton, Sole Practitioner

“I can literally get a response within an hour.”

“What’s not to like about Confirmation.com?”
- Lori Beirman, Dannible & McKee, LLP

“Simple and easy to implement.”
To learn more, visit Confirmation.com