Editorial...

Welcome to the Autumn 2018 issue!

As most readers will know, Exactech specializes in Digital Forensics & Fraud Risk Management (fraud prevention & detection).

Our fraud risk management services tend to be seen as a ‘nice to have’ and, as a result, management in many organisations will have a lot of excuses why they cannot do training or fraud risk assessments this year.

However, once these organisations suspect a fraud and/or have potentially lost millions, then the urgency sets in. Now they want to react to try and find out who did it, how much was stolen and where are the assets. That’s human nature and that’s where our digital forensic business comes to the rescue.

We are able to image laptops, mobile phones and any other data device to try and find the evidence to prosecute the perpetrator, find accomplices and recover the stolen funds/assets.

We use the traditional state of the art tools to find evidence, as do many organisations with in-house forensic departments.

These eDiscovery tools can provide good results, but they come at a cost:

- You need specialist technical expertise to use them, so you end up either spending more money on training your employees or outsourcing this function
- By outsourcing you lose control and must hand over confidential information to strangers
- These tools cost a lot of money to procure, which means only the large organizations can afford them

At Exactech we always try to put ourselves in our clients’ shoes and as a result we tend to do things differently.

For example, we offer co-sourcing on all our jobs so that your employees can learn to do the jobs themselves. We also combine various elements like surveys with training to reduce costs.

For digital forensics we asked, ‘how can we provide our clients with a better service where they don’t pay millions, don’t need on-going training, don’t need to hand over their confidential data and where they control the whole digital forensic process.

Hence, we became sole distributors for the ExactRisk™ platform. It is subscription-based and provides all the above benefits to clients, so we have devoted the whole newsletter edition to this innovative new product.

Enjoy!

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James Bond movies have a lot in common with Fraud!

In the Bond movies the stories generally go like this…

- **Stage 1: The Challenge** - James Bond must stop the forces of evil from taking over the world.

- **Stage 2: The Struggle** - The forces of evil constantly try to kill James Bond.

- **Stage 3: The Resolution** - James Bond saves the world and, of course, gets the girl. (Actually, he ends up with more than one girl at the end of most Bond movies!)

When it comes to fighting fraud and other unethical behaviors in organisations, the story is very similar and progresses in three identical stages, the only major difference being that Bond swaps his gun for a powerful digital forensics tool…
**The Challenge**

Fraud, corruption & unethical behaviors are on the rise – not a day goes by without seeing newspaper headlines of attacks on organisation’s assets, perpetrated by both outsiders & insiders.

As Jeffrey Robinson, an international organized crime & fraud expert said,

> “Fraud has become pandemic around the world and if fraud were a disease, political leaders of all our nations would have to declare a global health emergency!”

He’s right! According to the Association of Certified Fraud Examiners, the average organisation loses an average of **5%** of its annual turn-over to fraud each year.

In the 2018 PWC Global Fraud survey, South Africa’s **77%** rate of reported economic crime was significantly higher than the global average rate of **49%**.

And according to this [article](#), an average of **95%** of employees are stealing from their employers in some capacity! They are stealing time, stationary, colleague’s lunches, inventory and cash.

Add to the above, embezzlement, kickbacks, EFT fraud, tender manipulation, ghost employees, financial statement fraud, conflicts of interest, fake invoices, false expense claims, illegal gifts plus computer fraud and we see just what a huge problem this is!
The Struggle

In terms of good corporate governance, every organisation needs to try and detect suspicious activity and they do this by monitoring their vendor master files, staff master files, and transaction files.

This is good, but this **structured data** accounts for about only 20% of an organisation’s ‘big data’ and we have found that most suspicious activity and evidence for fraud investigations comes from the remaining 80% - the emails, videos, social media posts, photos, and documents, all the **un-structured data**.

Sifting through all this data can be likened to an arcade ‘**Toy Grabber Crane Machine**’ where you get many more misses than hits!

There are forensic solutions that allow organisations to analyse this big data, but they come with a large price tag:

- They tend to be very costly.
- Using the products requires specialist technical expertise so either you hire these expensive people, or you must train your own people, which is also costly and takes time.
- Then the danger is that these employees are a scarce resource, so they tend to be poached, leaving you with a continuous cycle of hiring and training.
- You are forced to give confidential information to strangers.
- In some cases, not all relevant data was obtained, thereby jeopardizing the case.
The Solution

In 2017, the Cowen Group released their Corporate eDiscovery Critical Trends Report based on the responses of 44 of the Fortune 500 companies.

These top four takeaways summarise their corporate pain points:

1. Corporate eDiscovery workload is up at 67% of the F-500.
2. 77% of corporate counsel expect to increase their use of predictive analytics and artificial intelligence in the coming 12 months but lack the internal resources to execute.
3. 43% of the F-500 will increase their use of strategic partners and vendors in response to the increase in eDiscovery workload and complexity of tools and technology in 2017.
4. 85% of corporate counsel will not be adding staff- thus relying more on strategic partners and service providers.

ExactRisk™ has been designed with the investigator and legal reviewer in mind and solves these, and other pain points, allowing you to perform forensic data analysis to find the ‘smoking gun’ without the need for external IT forensic assistance.

Own your investigation!
The Solution (cont)

ExactRisk™, powered by dtSearch® with the Integration Expertise of Contegra, Delivers the Next Generation in Secure and Streamlined eDiscovery

ExactRisk is an eDiscovery tool that seeks to simplify the eDiscovery process.

ExactRisk™ costs a fraction of what traditional forensic tools cost, there is no training required, you retain all your data and control the whole process from data collection to analysis. What more could you ask for?

These are the ExactRisk™ features:

**Load data**

Simply point the index wizard to the location of your data and enjoy full control and security over that data. This information is never sent to the internet. No more challenges with compliance to varying international data residency requirements.

**Index**

Our advanced multi-threaded index engine can process over a terabyte of text in a single index, which spans multiple directories and emails with attachments.

**Search**

ExactRisk™ search interface supports integrated relevancy ranking with highlighted hits. Intermediate users can enjoy searching using natural language keywords or phrases, whilst advance users make full use of the Boolean commands and other data culling features.
Tag

Create custom tags and bookmarks and annotate your search results for ease of reference and file management. Share tagged files and file annotations with team members allocated to your project.

Review

Enjoy full file viewing capabilities from within the ExactRisk™ platform. Our build-in file viewer supports a myriad of legacy and modern file types. You also have the option to export the file and view it in its native environment/application.

Report & Audit History

Once done with your eDiscovery process, enjoy our reporting features which allow you to export investigation results, including file metadata (file properties, hash signatures, file path etc.) and search history.

The ExactRisk™ platform gives you access to an advanced indexing engine, quick and easy text searching, results tagging, case and file management. Team collaboration on an eDiscovery platform has never been easier! ExactRisk is an eDiscovery tool that seeks to simplify the eDiscovery process. ExactRisk™ search interface supports integrated relevancy ranking with highlighted hits. Intermediate users can enjoy searching using natural language keywords or phrases, whilst advanced users make full use of the Boolean commands and other data culling features. Visit our website for more on the tool and the company.

For searching in its eDiscovery datasets, the ExactRisk platform embeds the dtSearch Engine. Using the dtSearch Engine, we are able to process terabytes of text spanning multiple directories as well as emails with attachments. dtSearch developer products instantly searches terabytes of text including over 25 full-text and metadata-driven search options across multiple different platforms and operating systems. dtSearch’s proprietary document filters support a wide range of online and offline data covering numerous document types, emails plus nested attachments, website data and other databases.

Specializing in seamless user interface design for some of the world’s largest datasets, Contegra Systems assisted with the integration. “We tailor-made the HTML application interface for the dtSearch Engine along with the document tagging and access control modules in accordance with ExactRisk’s multi-user subscription-based business model,” said Contegra.
About ExactRisk

ExactRisk™ is a product by Survey Fiesta Limited, which is based in Malta.

It’s a product that specializes in big data analytics and it’s targeted at organizations in the private and public sectors, where privacy, confidentiality and data residency are amongst concerns that drive the need for a locally hosted and operated eDiscovery solution.

On February 13th 2018, ExactRisk, Contegra and dtSearch announced the new ExactRisk™ product release.

You can read more in the press release.
Want to learn more on how ExactRisk can help your organization?

If you need access to an advanced indexing engine, quick and easy text searching, results tagging, case & file management with easy team collaboration then we have a solution for you!

Contact either Antonio or Mario for more information…

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To see how easy it is to use ExactRisk, visit their YouTube channel to see a selection of videos:
Who do you trust to help protect your organisation's profits from Fraud?

“If you were to ask a group of typical accountants what deters fraud, they would respond in unison: ‘Internal control!’
Using this logic, companies with adequate controls would not have fraud. But they do, time & again”
– Joe Wells, founder of the ACFE

Internal Controls ≠ Fraud Prevention!!

Every organisation has internal controls but they don’t all have fraud prevention!

**Exactech** specializes in helping private and public sector organisations to implement best-practice anti-fraud initiatives based on the ten fraud prevention building blocks.

Fraud is present in almost all businesses, with only the 10 fraud prevention elements to keep it in check. When some of these elements are missing or are circumvented, frauds can quickly grow to shocking proportions.

**Exactech specializes in:**

**Fraud Risk Management:**
- Code of Ethics Review / Creation
- Data Analytics
- Ethics Training & Surveys
- Fraud Awareness Training
- Fraud Risk Assessments
- Employee Surveys
- Policy Reviews

**Digital Forensics:**
- Computer/PDA/Cell phone imaging
- ExactRisk platform
- Discovery & examination of deleted & Formatted data
- Password & data recovery
- Vulnerability Audits

[Click here to download a catalog of our training courses.](#)
Contact details

As usual, we welcome your feedback, ideas for future issues and suggestions of how we might make the newsletter more useful for you. Please send your comments to: mario.fazekas@exactech.co

You can also use this email address to tell us if you would like to receive this free newsletter in future.

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