



HUB SPOKE

INTRODUCTION

The *Hub-Spoke* rules are set up to identify multiple ordering parties sending to a single beneficiary and vice versa (a single ordering party sending to multiple beneficiaries). If the specific parameters for transaction type, dollar amount and number of transactions are met, the rule will flag the transactions. There are four versions of the rule, which are designed to run monthly with a look-back period of 30 days.

ANALYTICAL PROCESS

Rule Name	Additional Details/Parameter Settings
HubMBenM	Must include at least six (6) transactions. Cumulative amount between \$100K-\$250K
HubMBenLow	Must include at least five (5) transactions. Cumulative amount between (\$5K-\$25K)

Month	WiresOut		Avg. Wires Out per cust (excl. omni account and accounts >=2 wires)	
	Vol	Total Amt	Vol	Amt
Feb-12	8889	\$ 2,539,174,840.68	4.662361624	\$946,664.58

For the Hub-Spoke rules involving multiple beneficiaries, all outgoing wires for the month of February were reviewed. The average number of wires per customer and corresponding amount were calculated. It was determined that out of the 8,889 outgoing wires in February 2012, the average outgoing wires per customer is 4.6 (excluding the omnibus account and those with only 1 wire for the entire month), while the average wire amount per customer is \$946,664.58. About 48% of all February wires do not contain beneficiary information because the transactions passed through the omnibus account and/or were internal transfers.

So, taking into account only wires in which the beneficiary field is populated a review of varying dollar ranges yielded the following: