



*Know your
payee: AI-
powered
compliance
for modern
workflows*



Introduction

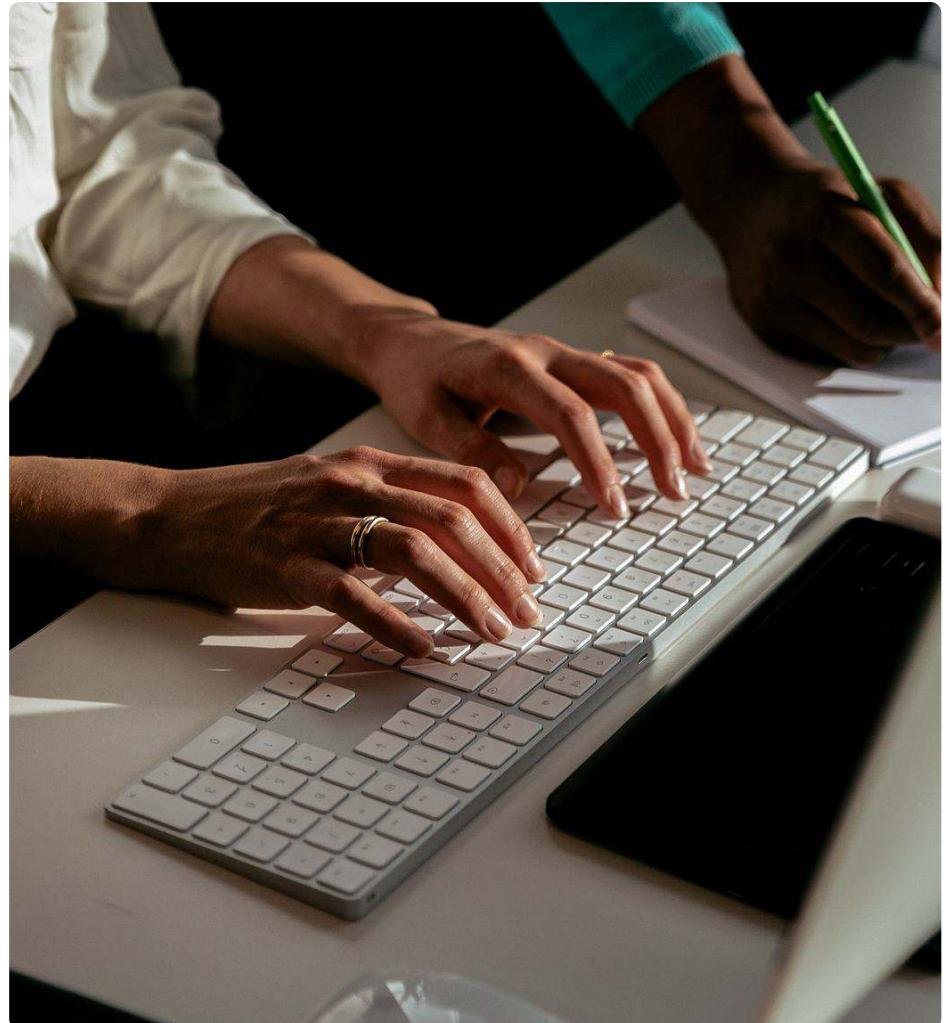
The evolution of AI in finance

Accounts Payable teams are caught in a difficult balancing act: processing payments quickly while meeting ever-growing compliance demands.

AI represents a practical solution to this everyday challenge, helping businesses manage vendor relationships more securely without sacrificing efficiency.

Manual processes simply can't keep up anymore. They're slow, error-prone, and increasingly vulnerable to sophisticated fraud schemes.

As regulations grow more complex, finance teams need adaptive solutions. This is where AI shines—continuously learning and improving to keep you compliant without constant manual updates.

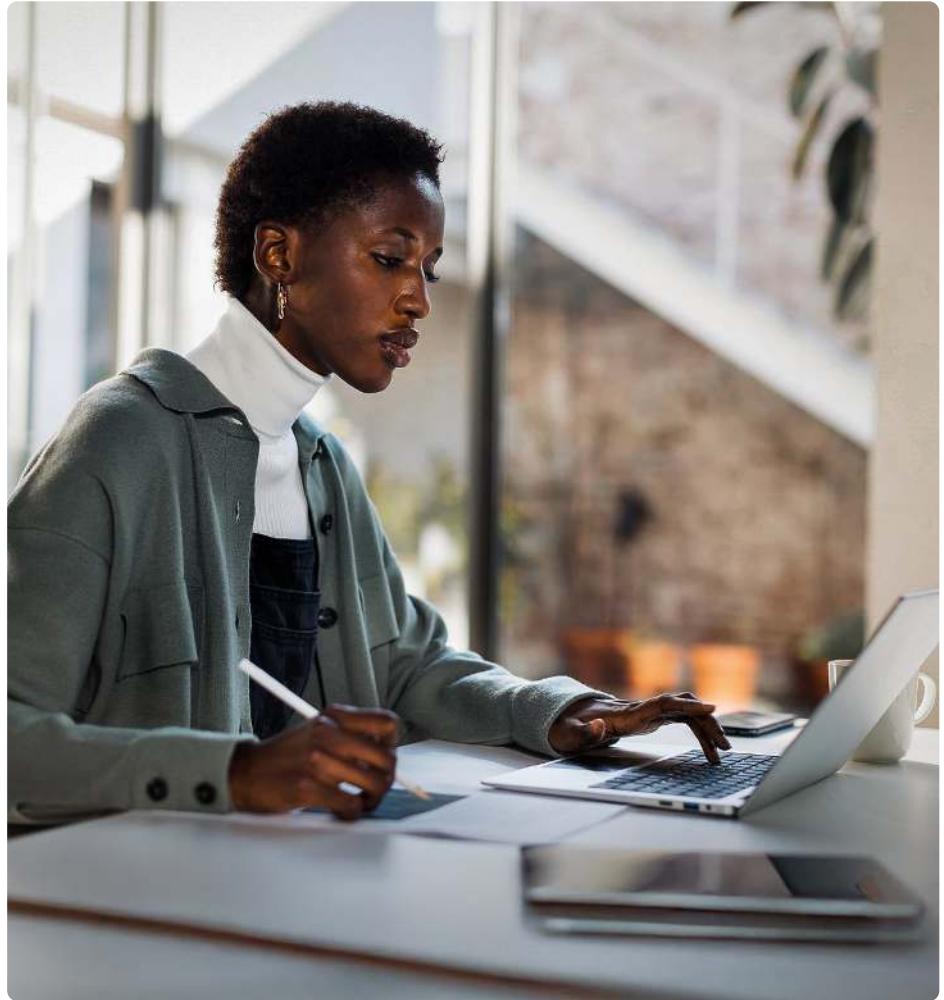


The growing threat of fraud

Financial fraud has become an urgent business risk in today's digital payment landscape.

As companies digitize payment processes, fraudsters have developed increasingly sophisticated techniques:

- Business email compromise attacks have increased by over 65% between 2017 and 2023, with the average attack costing businesses \$130,000 per incident, according to the [FBI's Internet Crime Report 2023](#)
- Invoice fraud schemes cost businesses billions annually, with research from the [Association of Certified Fraud Examiners](#) showing that over 74% of organizations reported attempted or successful attacks in their 2022 study
- Payment diversion tactics have evolved into highly targeted attacks, with criminals exploiting verification gaps between systems
- Supply chain infiltration allows fraudsters to pose as legitimate vendors, often remaining undetected for months

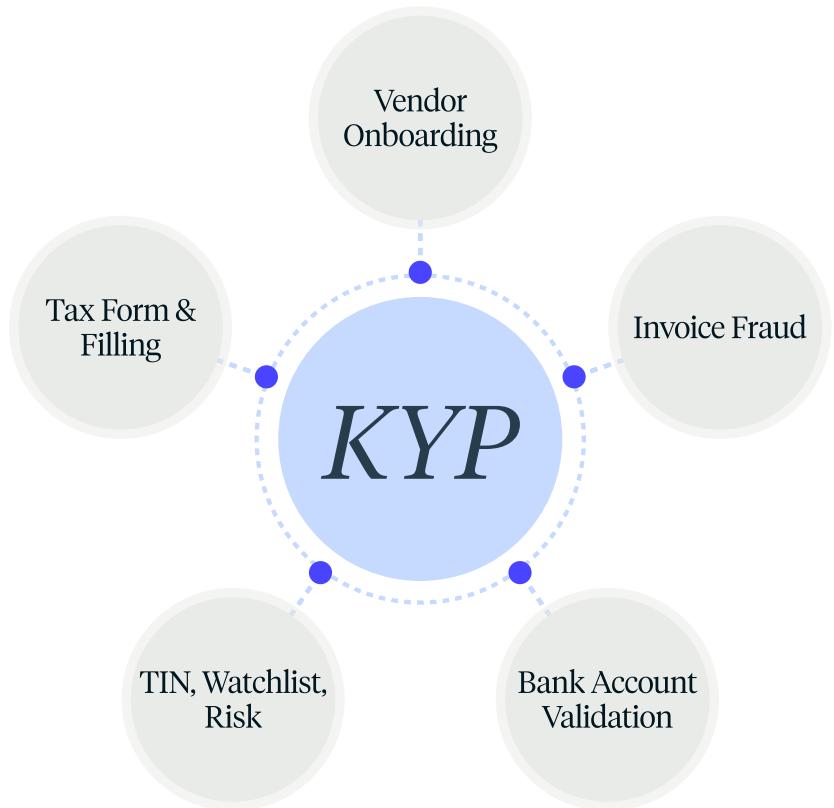


Many AP departments find themselves in a difficult position: they need robust security measures but can't afford to slow down payments or frustrate vendors. Traditional verification processes often require multiple manual steps, document uploads, phone calls, and lengthy approval chains - creating bottlenecks that delay payments and strain vendor relationships.

Why KYP matters: *Beyond basic verification*

Know Your Payee (KYP) takes a holistic approach to vendor management that goes beyond simple verification. While Know Your Customer (KYC) and Know Your Business (KYB) are standard in financial services, KYP addresses the specific challenges facing AP departments:

- **Tax compliance across vendor types** - From corporations to sole proprietors
- **Early fraud detection** - Identifying payment anomalies before fraud occurs
- **Audit-ready documentation** - Maintaining complete records for all vendor relationships
- **Streamlined onboarding with robust security** - Using intelligent risk assessment
- **Sanctions screening** - Preventing payments to sanctioned entities through automated checks
- **Regulatory compliance** - Reducing penalty risks through continuous monitoring

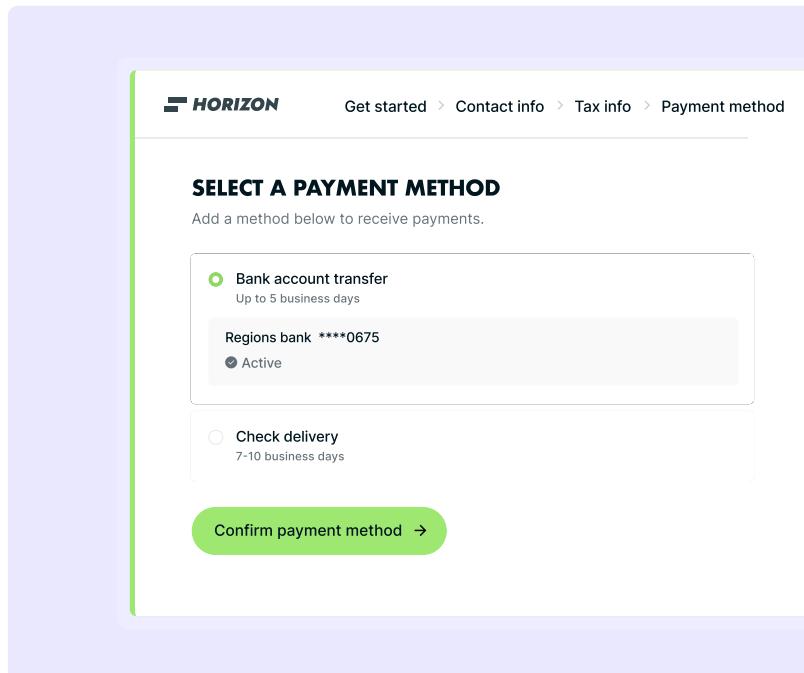


For businesses processing high volumes of payments, manual KYP processes are inefficient and they're practically impossible at scale. Research from the [Institute of Finance & Management](#) suggests that comprehensive vendor verification can increase AP workload by 15-25% without technological assistance.

The regulatory landscape continues to evolve rapidly, with new requirements emerging regularly. Organizations need systems that adapt to changing compliance standards without constant reconfiguration.

AI-enabled KYP across the payment lifecycle

Modern AI solutions transform how businesses manage payee relationships through targeted technology addressing specific challenges throughout the payment lifecycle:



The screenshot shows a user interface for selecting a payment method. At the top, there is a navigation bar with the 'HORIZON' logo and links for 'Get started', 'Contact info', 'Tax info', and 'Payment method'. The main section is titled 'SELECT A PAYMENT METHOD' with the sub-instruction 'Add a method below to receive payments.' Below this, there are two options: 'Bank account transfer' and 'Check delivery'. The 'Bank account transfer' option is selected, indicated by a green circle and the text 'Up to 5 business days'. It also shows a placeholder for a bank account number ('Regions bank ****0675') and a status indicator ('Active'). The 'Check delivery' option is shown with a green circle and the text '7-10 business days'. At the bottom of the list is a green button labeled 'Confirm payment method →'.

Vendor onboarding

AI-powered systems create a secure, streamlined onboarding experience by:

- Intelligently analyzing submitted documents to extract key information
- Detecting potentially fraudulent submissions by examining document structure and patterns
- Adapting verification intensity based on risk factors
- Creating complete audit trails that document every step

mono — Get started > Contact info > Tax info > Payment method

Add your W-9 tax information

Business
e.g. Corporation

Individual
e.g. Freelancer

Business legal name
Mono Inc

Business type
C-Corporation

Business EIN
23-563800

Tax and regulatory compliance

AI simplifies tax compliance through:

- Real-time TIN validation against government databases
- Intelligent determination of required tax forms based on vendor profiles
- Bulk actions to run compliance checks on all applicable vendors
- Watchlist validation against over 6,000 watchlists

1 Compliance issues found which will prevent this payment from initiating

Stellar Solutions
Bill #SA-748439 \$50,000.00 USD

Overview Messages & history

Attachment 1 of 3

Status Compliance hold

Bill

Invoice date	Due date	Posting period
September 1	December 15	September

Department	Account	Class
Marketing	None	None

Memo	Tags
Payment for services provided in August	Amount over

Fraud detection

AI enhances fraud detection by:

- Establishing unique behavioral baselines for each vendor relationship
- Analyzing thousands of data points across invoice history
- Continuously adapting to new fraud techniques without manual rule updates
- Flagging suspicious activities while providing specific risk context

New bill

High risk

Acme Corporation

Acme Co.
220 5th Ave, New York NY 10001
info@acme.com

Bills: Equinox Consulting
21 Harrison St, New York 10001
info@equinox.com

Invoice # 0046760
Invoice date 06/01/2024
Due date 06/15/2024

Items

Item	Description	Qty	Rate	Amount
Clarifying Conditioner	Shampoo & Conditioner	100	\$4.00	\$400.00
Unscented Soap	Body Scrub Soap	90	\$2.00	\$180.00
Organic Deodorant	Body Lotion	100	\$6.00	\$600.00
Facial Sheet	Exfoliating Face Wash	100	\$8.00	\$800.00
Moisturizing Cream	Concentrate Face Oil	100	\$8.00	\$800.00
Super Hand Lotion	UV Defense SPF 50+	100	\$5.00	\$500.00
Antiseptic	Handwashing Hydration Wash	200	\$5.00	\$1,000.00
Urea	Facial Cream	400	\$6.00	\$2,400.00

Submitted
Total amount: \$44,010.00

Bill details

Vendor

Display name: Acme Corporation

Form W-9 missing [View last 1](#)

Address changed [View last 1](#)

Purchase Order

Linking a purchase order is optional [View all POs](#)

Linked purchase order: PO-00015 (Total amount: \$48,178.80) [View](#)

Bill details

Bill name: JP Morgan Chase
Address: 1530 Park Street, New York, NY 10014-0001
Account number: 123456789012345678
Routing number: 000123456

Expenses (0) Items (8)

Payment security

AI secures the payment process through:

- Multi-layered validation of payment destinations
- Continuous monitoring for suspicious account changes
- Risk-based verification that applies appropriate scrutiny where needed
- Real-time screening against global watchlists and sanctions databases



Compliance *without compromise*

AI transforms compliance from a burden into a business advantage by:

- Reducing manual effort while improving accuracy
- Integrating seamlessly with existing financial systems
- Creating clear audit trails that simplify regulatory reporting
- Allowing finance teams to scale payment operations without proportional headcount increases

By addressing compliance challenges with AI, companies can protect themselves from fraud while maintaining the payment efficiency that vendors expect.

Payment approvals

1 All approvers are required



Jayden Howards

Amount is greater or equal to

\$0.00 USD Department is

Design or R&D

2 All approvers are required

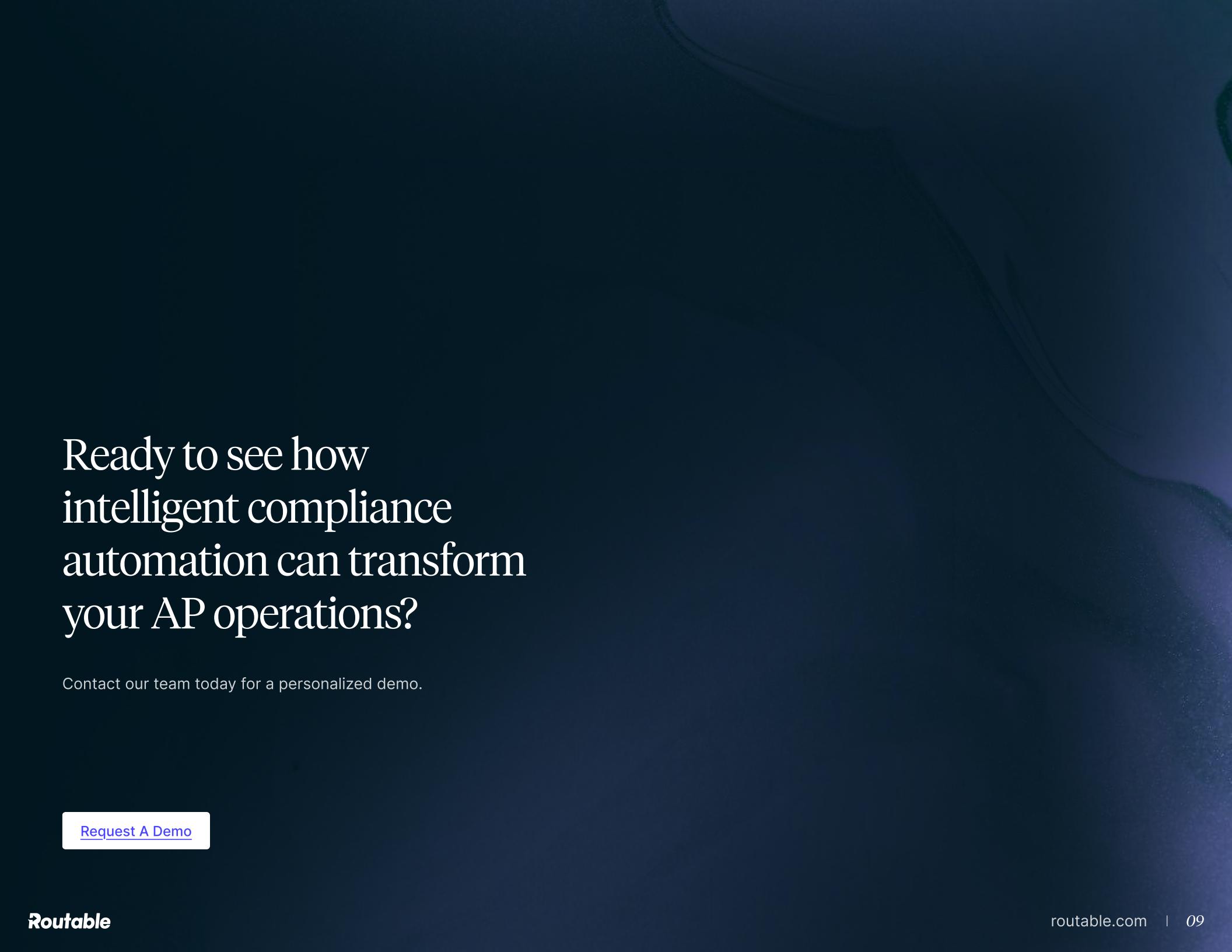


Anthony Lee

Amount is greater or equal to

\$1,000 USD Department is

Design or R&D



Ready to see how
intelligent compliance
automation can transform
your AP operations?

Contact our team today for a personalized demo.

[Request A Demo](#)

Routable

Routable's Accounts Payable Automation platform offers the most efficient and robust solution to streamline and scale the end-to-end AP process. With automated invoice capture and processing, flexible payment options, and seamless vendor management, Routable reduces manual payment tasks by 80% so finance teams can focus on impact. Routable's deep ERP integrations and configurable approval workflows support complex business requirements with ease. Routable eliminates compliance headaches through detailed audit trails, role-based access, and vendor risk checks. All with an average savings of 30%. AP Automation, solved.