

# Precise ID

*Online Identification Verification*

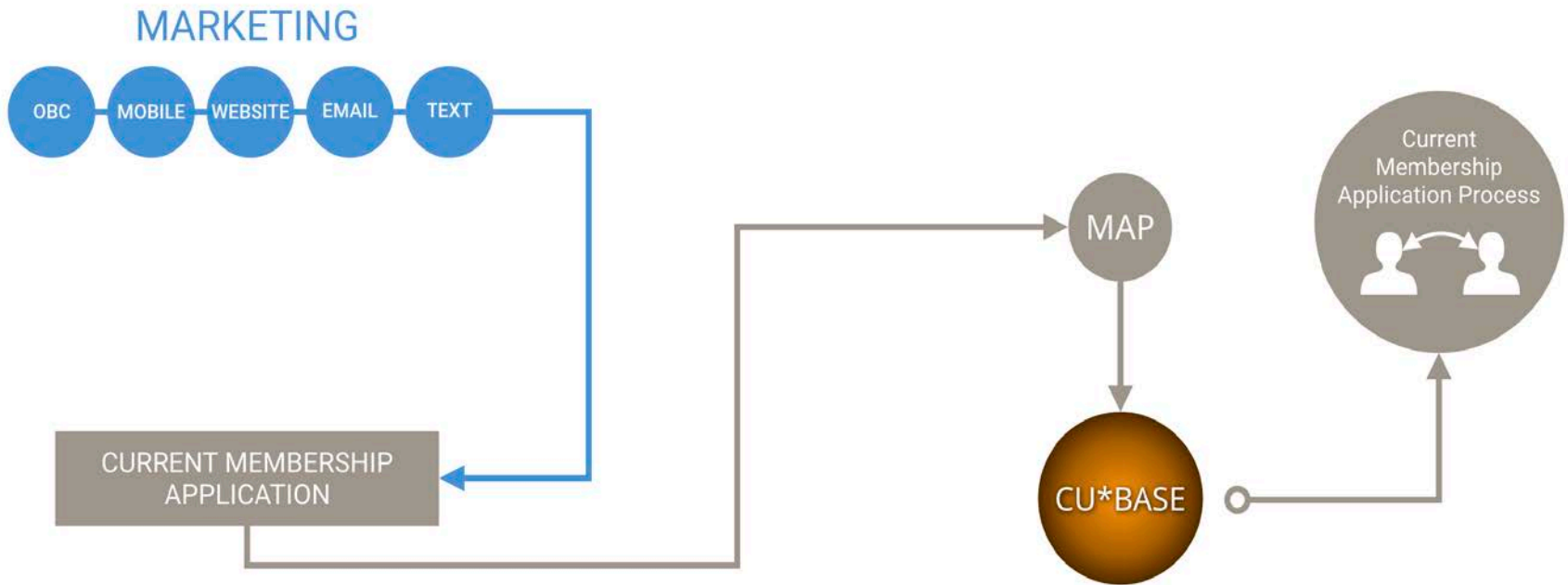
May 19

3-4 PM ET

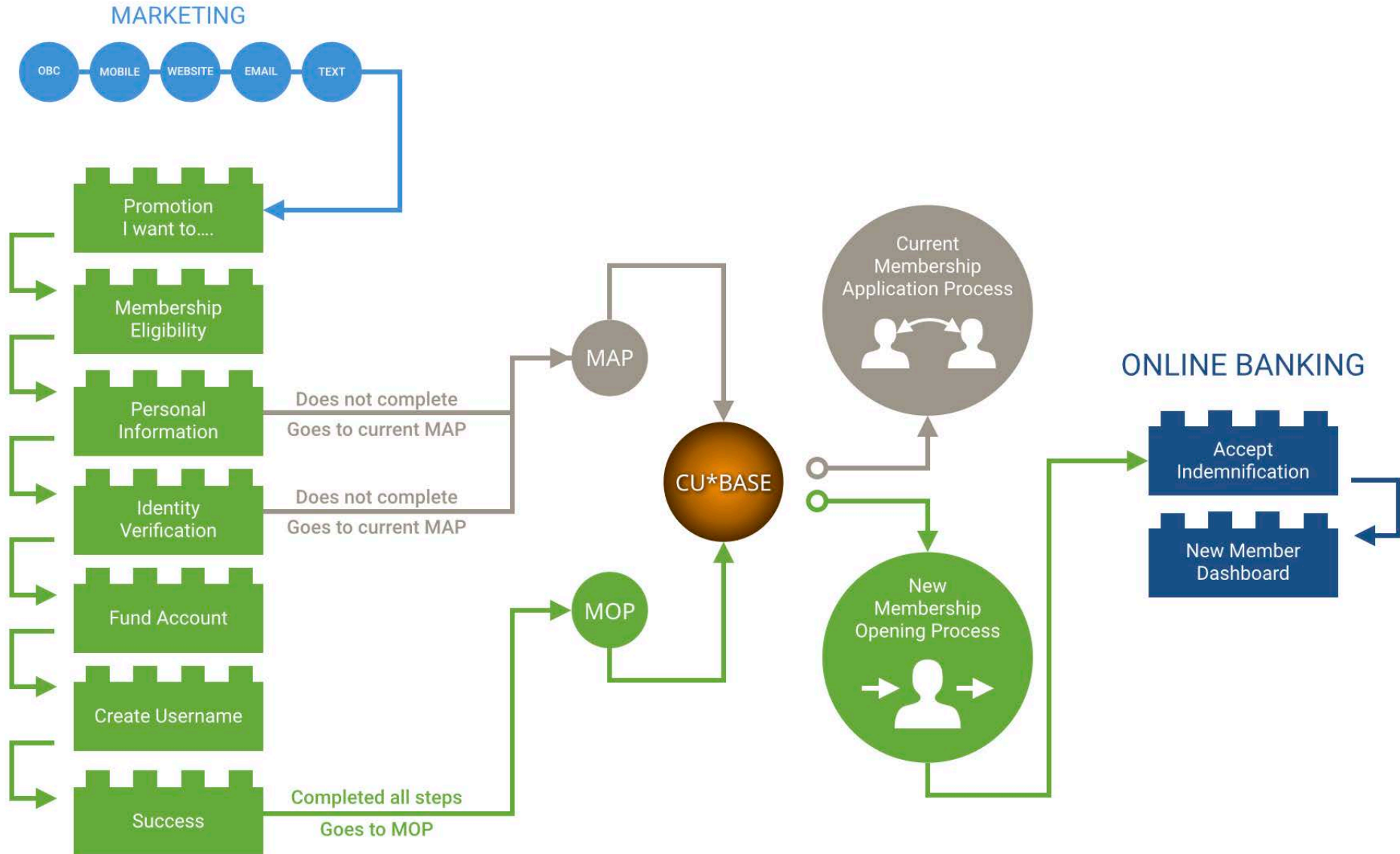
*Part of the FREE Webinar Series*

## Building Blocks to Online Account Opening

# CURRENT MEMBERSHIP APPLICATION



# NEW MEMBERSHIP OPENING



Success Credit Union

I want to..

Become a Member    Get a Loan    Open a Checking Account    Save Money for my Future


# GET \$50 BY JOINING TODAY!

Lorem Ipsum Lorem Ipsum is simply dummy text of the printing and typesetting industry. Lorem Ipsum has been the industry's standard dummy text ever since the 1500s, when an unknown printer took a galley of type and scrambled it to make a type specimen book.

Requirements    Apply Now

**?** **NEED HELP OR HAVE ANY QUESTIONS?**  
Help available if you'd like to chat with a live representative or call us

## WHY SUCCESS CREDIT UNION?




**John Smith**  
President, Success Credit Union

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# Becoming A Member

Becoming a member is easy. Before we begin, review the items you'll need below.




### Provide Each Applicants

- Social Security Number
- Driver's license or state-issued ID
- Contact information like name, address and phone




### Fund Your Account

- Use a credit or debit card



### Enroll & Confirmation

- Other Products
- Create User Name & PW
- Log into online banking




## Need help or have any questions?

Use the help icon at top of the page to speak to a live representative or call us.

## Eligibility

To become a member of Success Credit union you must meet the requirements. Financial history will help use verify your identity. Please select the correct answer to each question and click "Next" to continue your application.



Click to view

Yes, I meet the requirements to become a member at Success Credit Union



# Personal Information



**Applicant Information**

First Name

Middle Name

Last Name

Male

Female

Social Security Number  No Dashes

Mother's Maiden Name

Email Address

Home Phone  000-000-0000

Work Phone  Extention

Drivers License Number

State Issued

**U.S. Citizen**

Yes

No

Address Line 1

Address Line 2

City  State

Zip Code  County

**Number of Joint Applicants**

No Joint Applicants

1 Joint Applicants

2 Joint Applicants

**Continue**



# Identification Verification





# Precise ID<sup>SM</sup> for Account Opening

## Agenda

FRAUD LANDSCAPE & CHALLENGES

IMPACT ON OUR CLIENTS

SOLVING THE PROBLEM

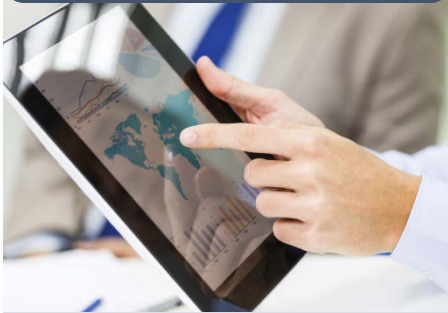
THE PRODUCT IN ACTION

QUESTIONS & ANSWERS



# Pressure to be a steward of identity and behavioral information

## TECHNOLOGY



Expanded use of mobile devices has made the Internet a covert and fertile breeding ground for fraudsters

## ECONOMIC



As fraud grows in complexity and magnitude, the potential for losses and rising operational costs is increasing

## SOCIAL



Limitless choices and options makes the need to minimize friction on existing relationships a primary member experience concern

## OPERATIONS



Know Your Customer and Customer Identification Program accountability and urgency can strain operations and increase costs

## HIGHER COST AND COMPLEXITY



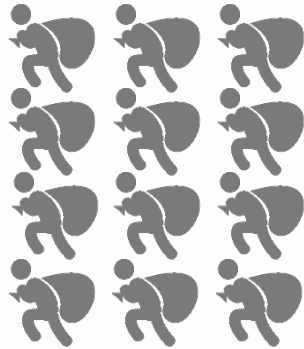
# The fraud landscape

Threats continue to grow and evolve

## INDUSTRIALIZATION OF FRAUD

**10,000**

Estimated number of fraud rings in the U.S. alone



## PHISHING

**80%**

Annual increase in phishing attacks



## DATA BREACHES

**2,200,000,000**

The number of records exposed as a result of data breaches in 2014

## MALWARE

**75,000,000**

Estimated annual unique strains of malware



Source: Risk Based Security/Open Security Foundation, Data Breach Quick View (February 2014)

# Precise ID<sup>SM</sup>

## Summary of services

Precise ID<sup>SM</sup> is a single-platform hosted solution that delivers real-time or batch identity authentication services across various customer lifecycle process points. Precise ID enables holistic fraud prevention and identity authentication via the customizable delivery of:

- Identity and identity element validation and verification results
- High risk condition alerts
- Relational data appends
- Identity transactional link analysis and risk assessment
- Identity risk scores and attributes
- Knowledge-based authentication via **Knowledge IQ** component
- Decisioning strategies



# The more we know about your members... The better you can serve them

Our business is information...enhanced by powerful analytics...

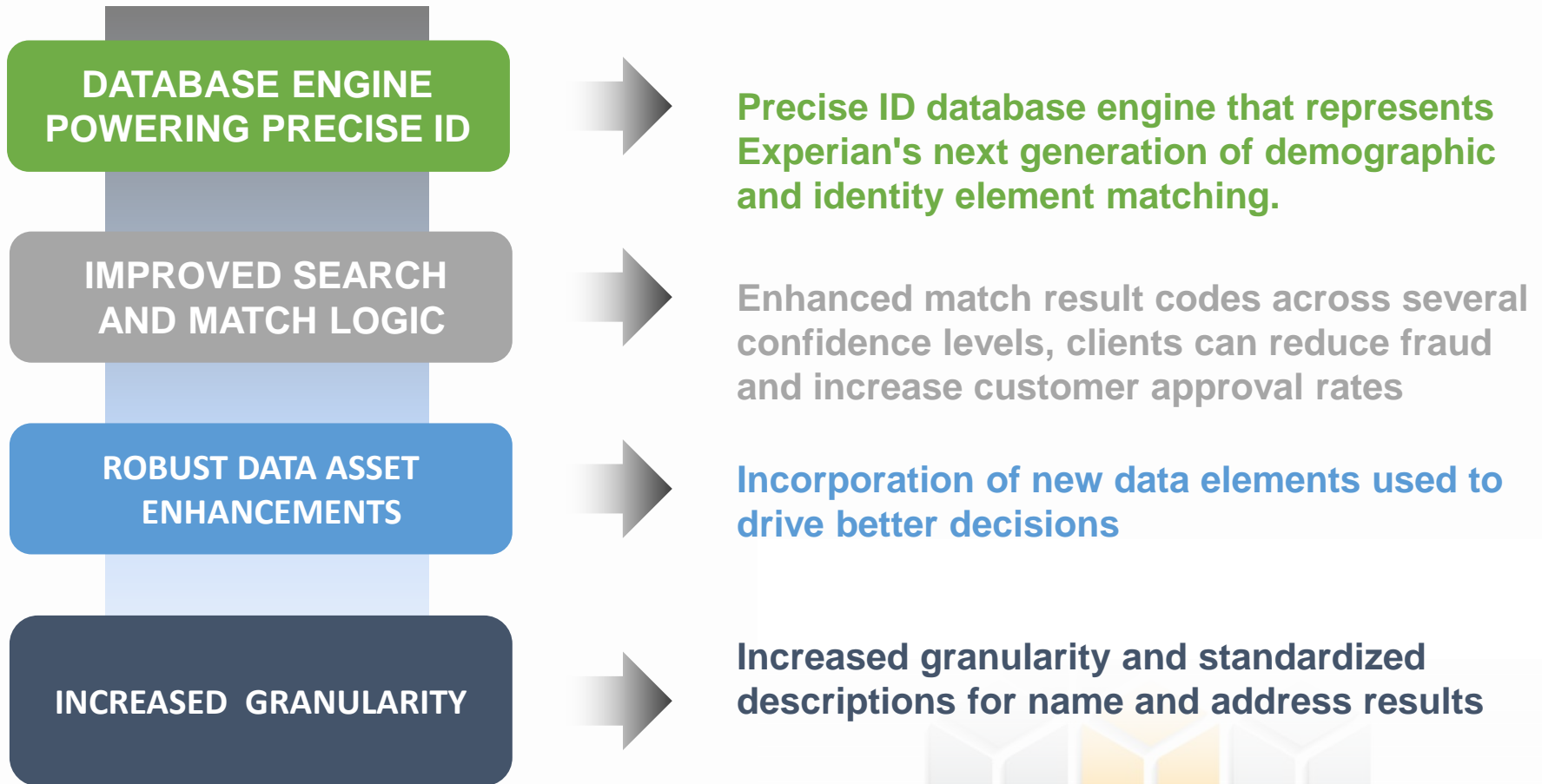


... equals real customer insights and profits



# Precise ID - Precise Match

## What is Precise Match?



# Precise Match Search and Match Logic

Each match situation receives a unique match code rank-ordered by match confidence then split out into 6 groups for decisioning.

Every application is assigned one out of over 400 results codes that describe the match condition.

**Level 5:** (7) Exact Match Conditions

**Level 4:** (66) High Confidence Match Conditions (minor amount of typos)

- Example: C1- Misspelling of either first OR last name; Exact match on address

**Level 3:** (142) Partial Match Conditions (medium typos)

- Example: G1 - First name does not match or is missing, exact match on last name; Exact match on address

**Level 2:** (171) Low Confidence Partial Matching Conditions

- Example: G6 - First name does not match or is missing, exact match on last name; No match to street number (all other fields match)

**Level 1:** (54) No Match with Detail

- Example: G4 - First name does not match or is missing, exact match on last name; Different Street number and different street name (all other fields match)

**Level 0:** (2) No Match without Detail



# Knowledge Based Authentication evolution

## Unweighted questions only

- Without question weighting, and without incorporating a behind-the-scenes fraud score, there are only a few possible degrees of freedom in the outcome of a KBA session
- This provides less decisioning flexibility, and less granularity in being able to find that sweet spot of a low fraud rate and low false positive rate

<b>KBA score</b> Example with four questions				
0	25	50	75	100
Fail	Fail	Fail	Pass	Pass





# Knowledge Based Authentication evolution

## Score and unweighted questions

- When you include a fraud score into your KBA decisioning strategy, you create a matrix with which to decision
- You end up with many more degrees of freedom in your ability to decision
- In this example, a customer getting a very high-risk fraud score (1-299) will have to get 100% of questions correct to pass
- In this example, a customer getting a very low-risk fraud score (755-999) will only have to get 25% of questions correct to pass

	<b>KBA score</b> Example with four questions				
<b>Fraud score</b>	<b>0</b>	<b>25</b>	<b>50</b>	<b>75</b>	<b>100</b>
<b>1 – 299</b>	Fail	Fail	Fail	Fail	Pass
<b>300 – 364</b>	Fail	Fail	Fail	Fail	pass
<b>365 – 429</b>	Fail	Fail	Fail	Pass	Pass
<b>430 – 489</b>	Fail	Fail	Fail	Pass	Pass
<b>490 – 529</b>	Fail	Fail	Fail	Pass	Pass
<b>530 – 569</b>	Fail	Fail	Pass	Pass	Pass
<b>570 – 624</b>	Fail	Fail	Pass	Pass	Pass
<b>625 – 679</b>	Fail	Fail	Pass	Pass	Pass
<b>680 - 754</b>	Fail	Pass	Pass	Pass	Pass
<b>755 – 999</b>	Fail	Pass	Pass	Pass	Pass



# Knowledge Based Authentication evolution

## Score and weighted questions

	KBA score										
Fraud score	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80-89	90-99	100
1 – 299	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass
300 – 364	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass
365 – 429	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass
430 – 489	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass
490 – 529	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass
530 – 569	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass
570 – 624	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
625 – 679	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
680 - 754	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
755 – 999	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	pass

- Score plus weighted questions allows for the greatest possible fraud risk stratification in a decision matrix
- This granularity helps to achieve more precise performance results in both the fraud rate and the pass rate

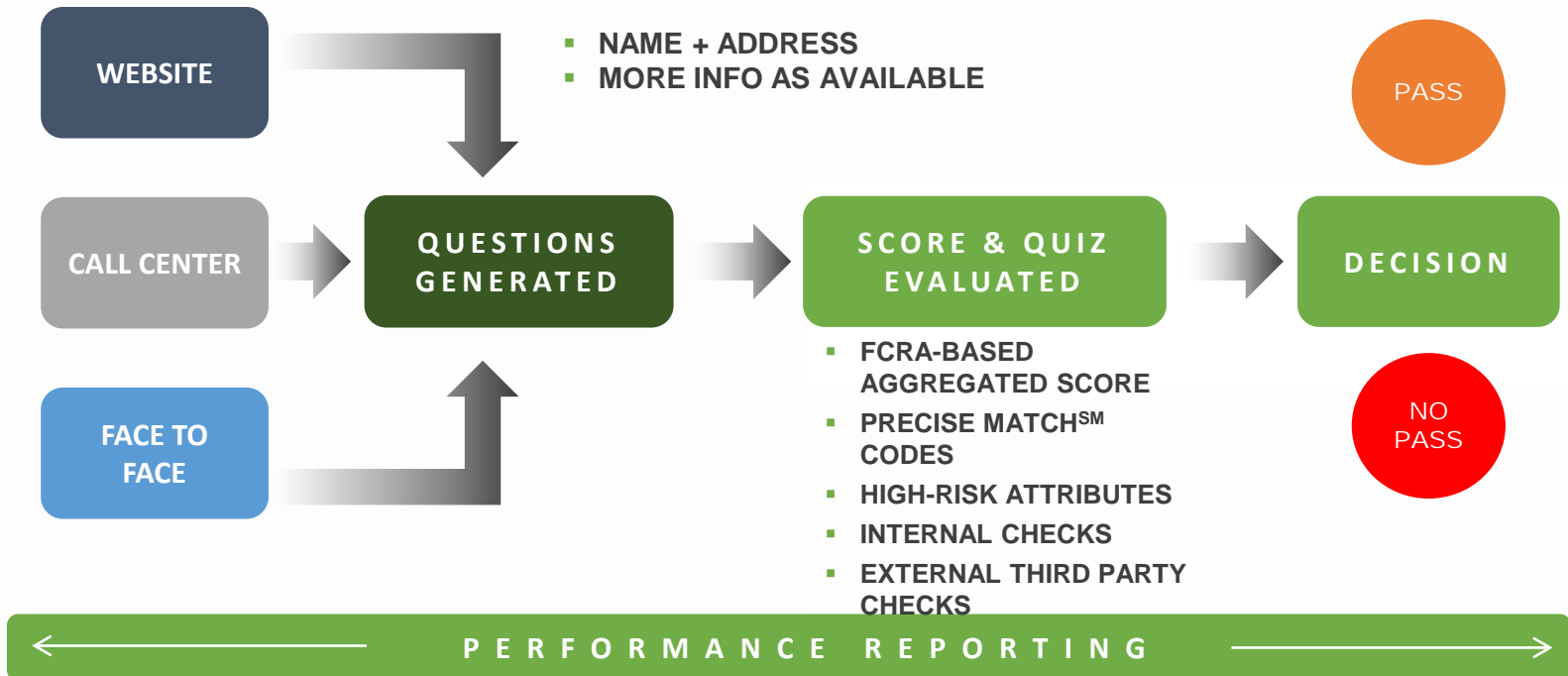


# Precise ID with Knowledge IQ

## How it works

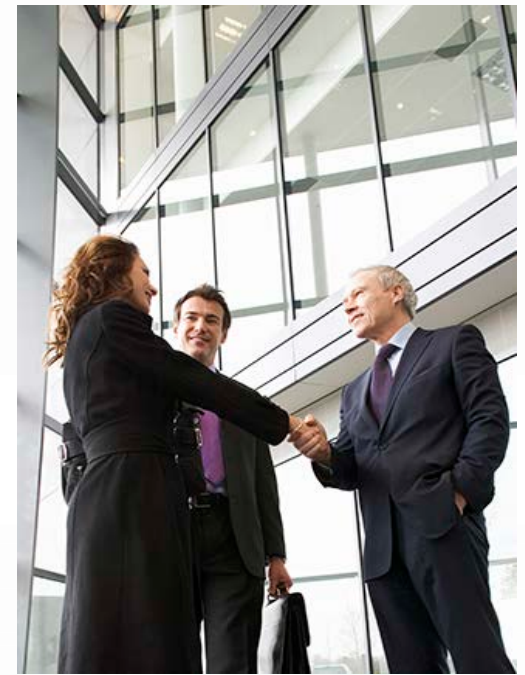
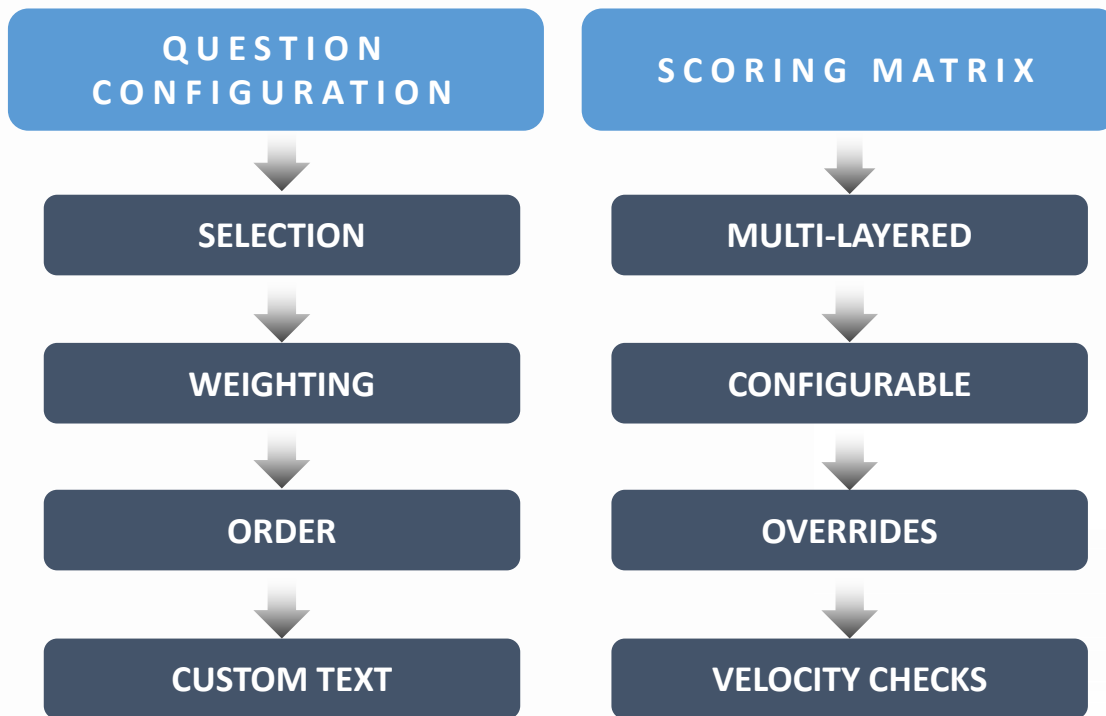
**KNOWLEDGE IQ<sup>SM</sup>**

A **dynamic identity tool** that evaluates true consumers by questions generated from a wide dataset of personal information and is used in combination with an identity-based risk score.



# Precise ID with Knowledge IQ Setup

Experian provides a best practice default configuration while enabling customization for each credit union



# Verify Your Identity

Susie Q Member, the following questions about your personal financial history will help use verify your identity. Please select the correct answer to each question and click "Next" to continue your application.

**Please select the model year of the vehicle you purchased or leased prior to November 2013**

- 2007
- 2008
- 2009
- 2010
- NONE OF THE ABOVE

**Please select the term of your auto loan (in months) from the following choices. If you auto loan term is not one of the choices, please select "NONE OF THE ABOVE"**

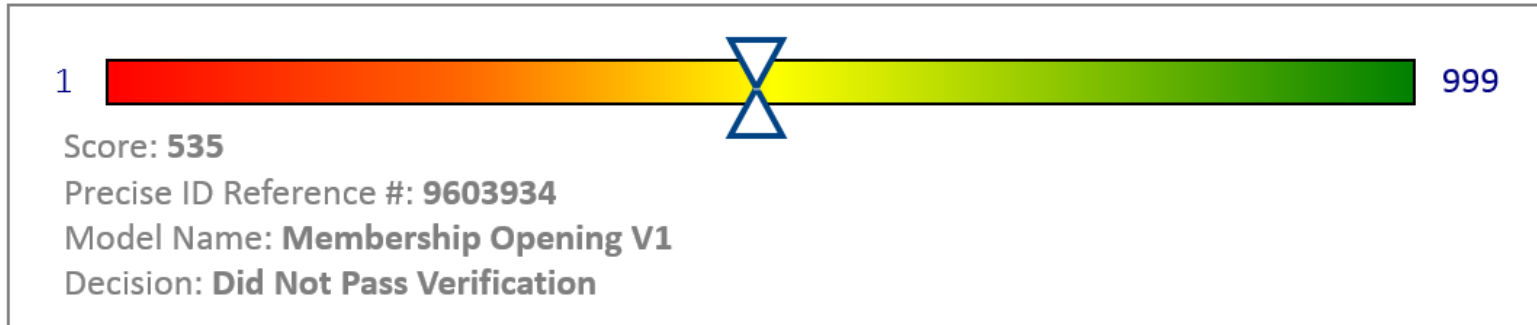
- 24
- 36
- 48
- 60
- NONE OF THE ABOVE

Next

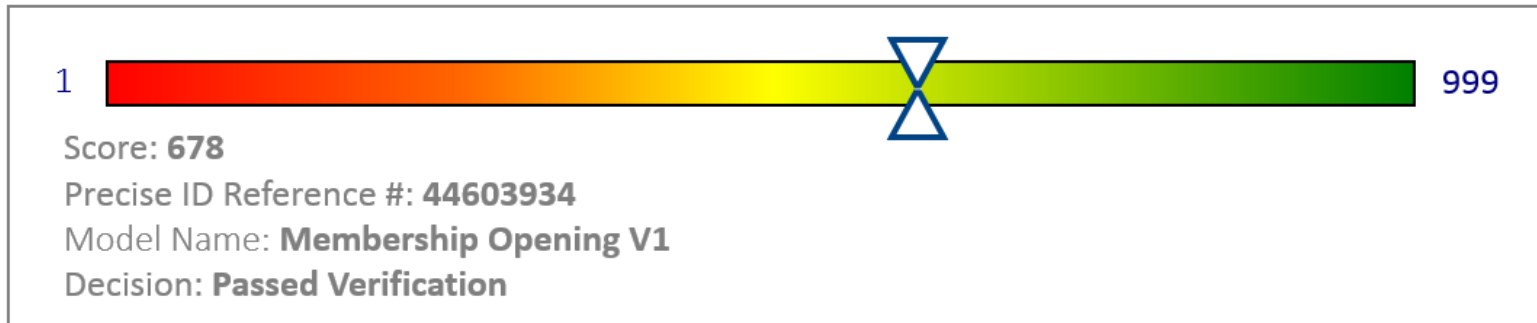


# Examples of what CUs will see

## Goes to MAP (Current Membership Application)



## Goes to MOP (Goes to Membership Opening & Online Banking)



# What are my next steps?

- Stay tuned for more 'Building Block' webinars
- Sign-Up form will be sent Wednesday, May 20<sup>th</sup> Client News
- Contact Pete Wwinner for more details  
[Pete.Wwinner@cuanswers.com](mailto:Pete.Wwinner@cuanswers.com)



# QUESTIONS?

