

Authentication Services Level Three

Experian's knowledge-based authentication capability

With annual application fraud losses measured in tens of billions of dollars, you can't afford to treat your authentication solutions casually. You need a strong, comprehensive authentication solution to combat multiple challenges: identity theft, fraud risks associated with a steep rise in e-commerce activity, international criminal organizations and increasingly stringent legislation. Confront these challenges head-on with Authentication Services Level Three, Experian's knowledge-based authentication capability solution.

Authenticating identities in a difficult marketplace

The current financial services marketplace demands stronger efforts around authentication systems. Reliance on Social Security numbers for identification is no longer sufficient, and manual processes are too slow in a world that increasingly conducts business online. Additionally, consumers are increasingly aware of and concerned about identity fraud and like to see that their financial institutions are taking proactive steps to protect them.

Experian's Authentication Services Level Three helps you validate and verify customers, minimize fraud and protect your profits, all while instilling customer confidence. This powerful solution will help you to:

- Fulfill your regulatory obligations with flexible Fair Credit Reporting Act (FCRA) and non-FCRA options
- Identify fraudulent applications before they are approved
- Enable instant activation on the right consumers and maximize profitability
- Improve efficiencies in your application processes by reducing manual verifications without increasing risk

- Facilitate sales and create a positive customer experience
- Adhere to new Federal Financial Institutions Examination Council (FFIEC) guidelines

Interactive, flexible features

Authentication Services Level Three from Experian provides a comprehensive solution to enhance your authentication efforts.

Interactive, customizable challenge-response session

— Consumers respond to personal questions that can be answered correctly only by the true customer. This enables real-time, consistent and objective fraud prevention using a single platform across channels, including Internet and call center. The overall customer-friendly experience instills confidence and trust.

Flexible time limitations on question and answer sessions

— Configurable time limits prevent fraudsters from researching answers during faceless transactions and ensure that the true consumer can set up his or her account quickly.



Questions derived from multiple sources — More than 30 questions are available from sources that include credit and noncredit data such as mortgage, vehicle, personal, employment, student loan, property, Social Security number and address information. Quickly and reliably verify your customers' information and authenticate their identities.

Flexible thresholds for decision making — Questions can be individually weighted, emphasizing those that are highly predictable. This allows you to establish thresholds based on your own risk-management policies and consumer target market.

Knowledge-based authentication
At its most basic level, Authentication Services Level Three helps reduce fraud while improving application processing by providing consistent and objective decisions. By implementing this knowledge-based authentication solution capability, you will see a variety of additional benefits:

- Cost savings — Minimize review queues; analysts work only the riskiest applications
- Automatically generated management reports — Receive detailed or summary-level reports daily, weekly or monthly
- Question sequencing methods — Choose one of three sequence

methods; questions in sequence, at random or by category

With a single inquiry, you receive:

- Verification results confirming all identifying information, including address, Social Security number, telephone number, date of birth and driver's license information
- Experian's Fraud ShieldSM indicators
- Challenge-response questions and results

Each Authentication Services Level Three inquiry provides a validation score, a verification score and a knowledge-based authentication performance score that combine into an overall decision on that customer. Clients know that the customer's information is legitimate, that it is associated with the specific individual and that the customer can respond to questions not found on a credit report or in his or her wallet. The triple check of the Authentication Services Level Three inquiry provides strong, reliable assurance that you are transacting with the true individual.

To find out more about Authentication Services Level Three, contact your local Experian sales representative or call 800 831 5614.

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