

Fraud ShieldSM

Detect identity fraud quickly and easily



Fraud techniques are becoming increasingly sophisticated. You require new ways to automate and standardize your processes and reduce fraud losses. Experian's Fraud ShieldSM helps you take the first step in quickly and easily detecting various forms of identity fraud.

Identify high-risk characteristics

Fraud Shield uses the power of predictive indicators and scoring to provide specific high-risk characteristic descriptions. It utilizes predictive crosschecking within Experian's File OneSM relational consumer credit database, which houses more than 215 million active consumer profiles. This powerful tool provides a number of key benefits in the fight against identity fraud:

- Instantly recognizes addresses that never have been associated with the consumer on the application
- Screens for more than 30 high-risk address profiles and provides a detailed series of address checks
- Automatically flags telephone numbers that don't correlate with the listed address via a powerful ZIP CodeTM and telephone cross-reference database
- Identifies the high probability that a Social Security number belongs to another consumer

- Instantly tracks the number of times a specific Social Security number has been used on previous inquiries
- Automatically uncovers inconsistencies in an applicant's identifying information, such as address and Social Security number mismatches
- Identifies recent authorized user tradeline information to highlight potential credit boosting schemes

This important information is returned via an easy-to-read Fraud Shield summary on Experian's Credit Profile Report. Fraud Shield provides an optional add-on score that integrates both fraud and credit variables into a single, easy-to-interpret value. This enables the creation of consistent and analytically supported decisioning thresholds based on false-positive and fraud-detection rates within score bands.

Facing the challenge of fraud

Fraud Shield provides value to a variety of institutions that face the challenge of dealing with identity fraud, including banks, credit card issuers, retailers, telecommunications companies and other credit grantors. Including Fraud Shield in your fraud prevention efforts offers clear benefits:

Predictive indicators — Via a series of checks, searches and counters, Fraud Shield returns a set of 27 indicators that provide specific high-risk characteristic descriptions. This allows you to instantly and specifically recognize the warning signs of potential fraud. Make educated and consistent decisions based on detailed understanding of any high-risk consumer profile attributes derived from both fraud and credit variables.

Fraud ShieldSM Score — This optional add-on score integrates both fraud and credit variables into a single, easy-to-interpret value. Fraud ShieldSM Score helps you gain efficiencies in credit decisioning via score thresholds based on false-positive and fraud-detection rates. Unlike other tools on the market, it combines both fraud and credit variables into one cumulative score. Using the most predictive indicators gives you a full perspective on an account's fraud and/or potential first-payment default risk via a single value.

Customizable results — You have the flexibility to receive only those Fraud Shield indicators relevant to your business requirements and market-risk profile. This streamlines your processes, as Fraud Shield presents only pertinent information for further review or decisioning while avoiding irrelevant data.

Performance reporting — Receive monthly summaries of Fraud Shield inquiries and resulting "hits." You can understand and monitor the performance and distribution of each of the received Fraud Shield indicators across all inquiries.

Convenient delivery — The Fraud Shield predictive indicators and score may be returned via an easy-to-read Fraud Shield summary on Experian's Credit Profile Report. You'll require little to no development effort to start using Fraud Shield.

Fraud Shield from Experian helps you in two key areas: reducing loss and gaining efficiency.

Reduce loss by receiving warnings on:

- Potentially fraudulent applications
- Fraudulent or cautious address changes or mismatches
- High-risk inconsistencies or inquiry counts on a consumer's Credit Profile Report

Gain efficiency and consistency:

- Isolate consumer profiles that warrant further review while lowering false-positive rates
- Differentiate address variations that sound and look alike
- Establish set parameters for decisioning based on specific high-risk indicators and scores
- Receive a summary that is comprehensive, concise and easy to read

In addition, Fraud Shield eliminates the need for you to write software to compare applications with Credit Profile Reports and provides quick alerts to notify you of possible identity fraud. Take the first step to quick and easy fraud detection — with Fraud Shield from Experian.

Fraud Shield is a first line of defense that allows you to instantly and specifically recognize the warning signs of potential fraud.

Fraud Shield indicators

Fraud Shield indicator	Explanation
01 Inquiry/Online current address conflict	The address used on inquiry is different from the address Experian has as the consumer's best, most accurate address
02 Inquiry address first reported less than 90 days	The address used on inquiry was first reported for the consumer within the last 90 days
03 Inquiry current address not on file	The address used on inquiry does not match an address File One has for this consumer
04 Input Social Security number issue date not verified	The issue date of the Social Security number provided on inquiry cannot be verified
05 Input Social Security number recorded as deceased	The Social Security Administration reports death benefits are being paid on the Social Security number used on inquiry
06 Inquiry age younger than Social Security number issue date	The age used on inquiry is younger than the Social Security number issue date
07 Credit established before age 18	Consumer established credit before the age of 18
08 Credit established prior to Social Security number issue	Consumer's first trade was opened prior to the Social Security number issue date
09 More than three inquiries in the last 30 days	More than three inquiries have been posted to the consumer's profile within the last 30 days
10 Inquiry address: high risk	The address used on inquiry is a business address type having a potential for fraudulent activity
11 Inquiry address: nonresidential	The address used on inquiry is a business address
12 Security statement present on report	The consumer has been reported as a victim of fraud
13 High probability Social Security number belongs to another	According to File One, the Social Security number used on the application is more closely associated with another consumer
14 Inquiry Social Security number: format invalid	The Social Security number used on inquiry is not a valid number as reported by the Social Security Administration

Fraud Shield indicator	Explanation
15 Inquiry address: cautious	Fraud has been perpetrated and reported at the address used on inquiry
16 On-file address: high risk	One of the consumer's on-file addresses is a business address type having a potential for fraudulent activity
17 On-file address: nonresidential	One of the consumer's on-file addresses is a business
18 On-file address: cautious	Fraud has been perpetrated and reported at one of the consumer's on-file addresses
19 Current address reported by new trade only	The consumer's current address on file has been reported only by the most recently opened trade
20 Current address reported by trade open less than 90 days	The consumer's current address has been reported by a trade opened within the last 90 days
21 Telephone inconsistent with on-file information	The telephone number used on inquiry does not correlate to the consumer's current address
25 Best on-file Social Security number recorded as deceased	The best match Social Security number to the consumer is reported as deceased
26 Best on-file Social Security number issue date not verified	The issue date of the best Social Security number matched to the consumer cannot be verified
27 Social Security number reported more frequently for another	The reported Social Security number has been reported more frequently for another consumer
30 More auth user trades than other trades	There are more auth user tradelines than other types (i.e., primary)
31 Current address reported by inquiry only	The consumer's current address on file has been reported only by an inquiry

To find out more about Fraud Shield, contact your local Experian sales representative or call 1 888 414 1120.

Sample Credit Profile Report

Your Fraud Shield summary identifies discrepancies in use of personal information such as Social Security numbers, addresses and telephone numbers, helping you recognize the warning signs of fraud.

Credit Profile Report

TCA1
 005 310050K1J CONSUMER, JONATHAN QUINCY 90000000;
 CONSUMER, NANCY CHRISTINE 02846078;
 CA 10655 NORTH BIRCH STREET BURBANK CA 91502; PH 714.588.1111; DL CA ND45678;
 PA 1314 SOPHIA LANE APT 3 SANTA ANA CA 92708-5678; F 1551; 3 04DAN000;
 E-AJAX HARDWARE/0535 BROADWAY SUITE 300 LOS ANGELES CA 90019

PAGE 1 DATE 5-15-2002 TIME 10:27:16 PHP26 Y306 TCA1

JONATHAN QUINCY CONSUMER 10655 N BIRCH ST BURBANK CA 91502-1234 RPTD: 4-97 TO 1-02 U 3X LAST SUB: 1220855	SS: 999 99 9990 234-56-7891* DOB: 1/10/1951	E-AJAX HARDWARE 2035 BROADWAY SUITE 300 LOS ANGELES CA 90019-1234 RPTD: 4-02 I
1314 SOPHIA LN APT 3 SANTA ANA CA 92708-5678 RPTD: 1-96 U 1X	*3600 BOWSER ST #312 LOS ANGELES CA 90017-0826 RPTD: 9-95 I	E: BELLAUTOMOTIVE 111 MAIN STREET BURBANK CA 91503 RPTD: 5-95 TO 9-98 I

*JACK CONSUMER, JOHN SMITH, JONATHAN SMITH JONES JR

FRAUD SHIELD SUMMARY

<ol style="list-style-type: none"> 1 INPUT SSN RECORDED AS DECEASED 2 DOB: 1-10-1951 DOD: 3-30-1996 3 INPUT SSN ISSUED 1965-1966 4 TELEPHONE NUMBER INCONSISTENT W/ADDRESS 5 FROM 10-01-97 INQ COUNT FOR SSN=8 FROM 10-01-97 INQ COUNT FOR ADDRESS=15 	<p>INQ: PHONE ANSWERING SERVICE: ABC ANSWER-ALL 10655 N BIRCH ST BURBANK CA 91502 818.555.1212</p> <p>FILE: COMMERCIAL BUSINESS ADDRESS: J&I INVESTMENTS 3600 BOWSER ST #312 LOS ANGELES CA 90017 213.111.2222</p>
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The easy-to-read Fraud Shield summary on Experian's Credit Profile Report conveniently highlights information that indicates possible fraud.

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|--|---|
| <ol style="list-style-type: none"> 1 Deceased Social Security number message 2 Date of birth and date of death 3 Social Security number issue date 4 Fraud Shield indicators | <ol style="list-style-type: none"> 5 Social Security number and address counters 6 High-risk, cautious or nonresidential address 7 Business address and telephone number |
|--|---|

Company Totals — Fraud Shield Demo Report

Profile totals

Description	Count
Total Number of Profiles Requesting Fraud Shield	3,459,484
Total Profiles With a Hit	861,971
Total Profiles With an Address Hit	575,689
Total Profiles With an Inquiry Address Hit Only	177,022
Total Profiles With an On-file Address Hit Only	165,094
Total Profiles With Multiple On-file Address Hits	38,004
Total Profiles With a Combo of On-file and Inquiry Address Hits	26,089

Flags/Messages totals

#	Description	Count	% of Inquiries
01	Inquiry/On-file C Current Address Conflict	433,619	12.53%
02	Inquiry Address First Reported <90 Days	119,840	3.46%
03	Inquiry Current Address Not On-file	224,159	6.48%
04	Inquiry SSN Issue Date Not Verified	17,594	0.51%
05	Inquiry SSN Recorded as Deceased	8,684	0.25%
06	Inquiry Age Younger Than SSN Issue Date	9,052	0.26%
07	Credit Established Before Age 18	21,828	0.63%
08	Credit Established Prior to SSN Issue Date	16,133	0.47%
09	More Than 3 in Last 30 Days	25,083	0.73%
10	Inquiry Address: ALERT	3,385	0.10%
11	Inquiry Address: NON-RESIDENTIAL	196,137	5.67%
12	Security Statement Present on Report	2,387	0.07%
13	High Probability SSN Belongs to Another	46,736	1.35%
14	Inquiry SSN Format is Invalid	1,078	0.03%
15	Inquiry Address: CAUTIOUS	3,832	0.11%
16	Onfile Address: ALERT	5,539	0.16%
17	Onfile Address: NON-RESIDENTIAL	223,946	6.47%
18	Onfile Address: CAUTIOUS	5,520	0.16%
19	Current Address Reported by New Trade Only	127,635	3.69%
20	Current Address Reported by New Trade Open <90 Days	29,865	0.86%
21	Telephone Number Inconsistent With Address	100,271	2.90%
25	Best Onfile SSN Recorded as Deceased	2,121	0.07%
26	Best Onfile SSN Issue Date Not Verified	6,374	0.19%
27	SSN Reported More Frequently Than Another	45,254	1.25%
30	More Authorized User Trades Than Other Trades	5,520	0.16%
31	Current address reported by inquiry only	3,832	0.11%

Sample Fraud Shield Management Report

- Detail the indicators and hit percentages resulting from inquiries
- Assess both value of indicator hits as well as associated costs
- Add or suppress indicators that are either more beneficial or extraneous

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