

Fraud Shield Score

A quantitative solution for predicting application fraud

Now you can evaluate application fraud risk with one simple number.

Experian's Fraud Shield Score interprets highly predictive fraud and credit risk indicators for you and delivers the results in an easy-to-interpret score.

Accessible exclusively through Experian's Fraud ShieldSM, the Fraud Shield Score is a comprehensive fraud solution for all industries and every business size.

Application fraud: a growing threat

Application fraud poses a serious threat to your bottom line and the threat is growing every day. Fraud techniques are becoming increasingly sophisticated, with application fraud costing U.S. businesses an estimated \$35 billion a year. According to the Federal Trade Commission, identity theft represented 42 percent of consumer fraud complaints in 2001.

Fraud Shield Score: a unique and powerful solution

The Fraud Shield Score enhances Fraud Shield's power to protect your business by providing these key benefits:

- Aggregated fraud and credit information to better predict fraud and first payment default
- Reduced and more targeted manual reviews
- Ability to preset thresholds to automate decisioning
- Optional integration of fraud score with credit scores
- Easy system implementation

Highly predictive of fraud and first payment default

The Fraud Shield Score is the only tool to integrate both fraud and credit variables into a single score, giving you the full

perspective on fraud risk and potential first payment default. It combines Fraud Shield's most predictive fraud indicators, such as Social Security number information, address validations and telephone validations, with key credit risk variables.

Save time and money on manual reviews

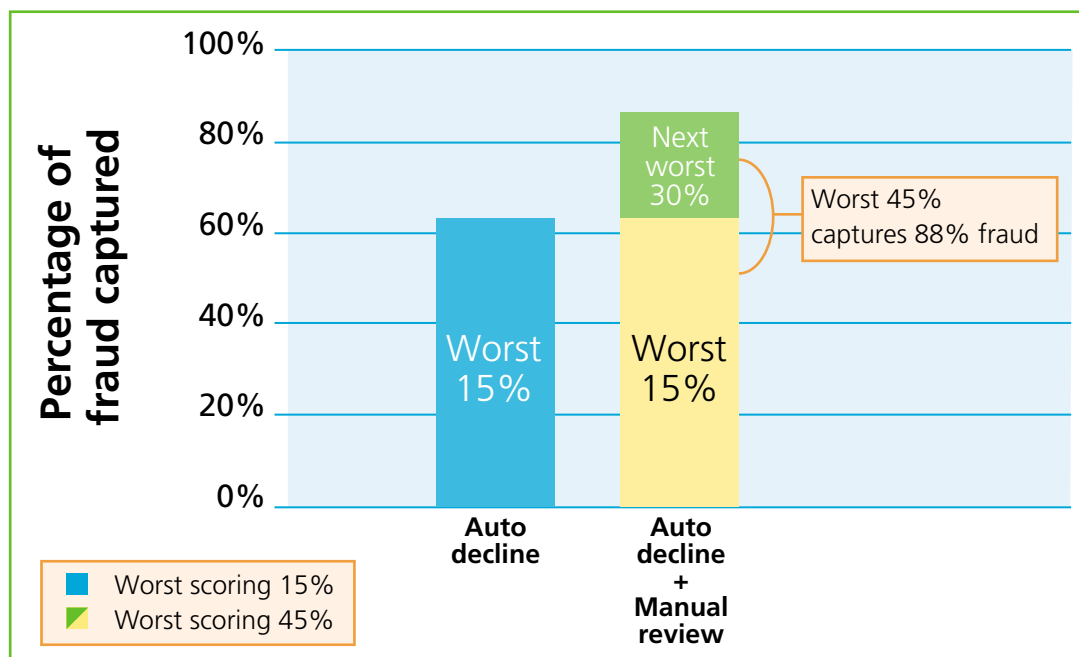
With the Fraud Shield Score, you can tell at a glance which applications are most likely to be fraudulent and which require further review. The score will help you to automate your decisioning, enabling you to set predetermined thresholds for approving and denying applications or routing them for manual review. You'll also benefit from the increased accuracy the Fraud Shield Score affords. With fewer false positives, you can reduce the time and costs associated with the review process.

Easy to integrate and access

As part of Fraud Shield, the Fraud Shield Score is an ideal first step for any size business looking to implement an application fraud prevention program. The score — which is returned in the Score Summary band **where other scores are returned** — can be easily integrated into your current system and can be used in combination with any existing risk models.



Fraud Shield Score performance



This chart depicts the amount of fraudulent accounts that are captured in the worst scoring ranges. A strong model will push more fraudulent accounts to the bottom of the score range. Based on research, Experian has seen that on average, clients are automatically approving approximately 55 percent of total applications and automatically declining 15 percent of applications (based on preset credit thresholds), thus leaving 30 percent for review. Based on these averages, the Fraud Shield Score will capture 64 percent of total fraud in the worst scoring 15 percent and will capture 88 percent in the worst scoring 45 percent.

Fraud Shield Score features:

- Integration of fraud indicators and credit risk variables
- Predictive fraud indicators — alerts on Social Security numbers, addresses and credit inconsistencies
- Predictive credit variables — alerts on first payment default risk variables
- Score ranges from 1 to 999 — a high score indicates low risk
- Up to four score factor codes returned

To find out more about Fraud Shield

Score, contact your local Experian sales representative or call

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