

## Streamlining and Strengthening Regulatory Compliance with Identity Intelligence

Effective regulatory compliance solutions should support sound business processes, not detract from daily operations. With the adoption of the Red Flag rules, creditors have new duties to protect their customers from identity fraud at the point of account origination and throughout the account lifecycle. ID Analytics for Compliance can help your organization meet its compliance obligations while improving the bottom line.

id:analytics™

ID Analytics for Compliance eliminates costly compliance burdens by delivering the on-demand identity intelligence trusted by leading companies throughout the communications, financial services, mortgage, retail, and auto lending industries. In fact, this same technology is already used to satisfy Red Flag compliance programs at Fortune 100 institutions.

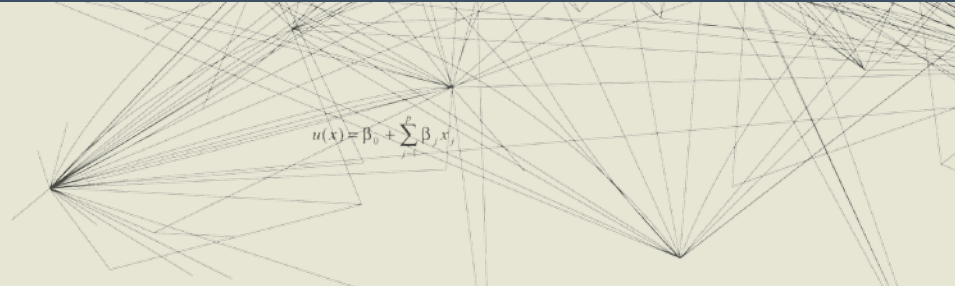
### Compliance without Customer Friction

Red Flags are defined as “a pattern, practice, or specific activity that indicates the possible existence of identity theft.” From a compliance perspective, the Red Flag rules specifically direct creditors to develop a written program to specify, detect, and respond to relevant Red Flags associated with consumer accounts. From a business perspective, these regulatory requirements must be met without increasing operational costs, delaying legitimate transactions, or escalating customer abandonment rates.

ID Analytics for Compliance evaluates and interprets over a hundred identity risk variables including dozens of Red Flags specifically designed for regulatory compliance. Based on information from the ID Network®, the nation's only real-time, cross-industry compilation of identity information, ID Analytics for Compliance delivers high resolution visibility into identity activity across industries over time.

RED FLAG RULES REQUIREMENTS	ID ANALYTICS FOR COMPLIANCE
<b>Identify Red Flags</b> Creditors must identify the Red Flags relevant to their organizations	Evaluates more than 100 identity risk variables including 30 Red Flags specifically designed for compliance.
<b>Detect Red Flags</b> Creditors must detect Red Flags during the ordinary course of business	Interprets application velocity, information validity, and associations with reported frauds, in real time or in batch.
<b>Respond to Red Flags</b> Creditors must evaluate and resolve detected Red Flags	Automatically resolves flags for low-risk identities. Delivers specific Red Flags to creditors in order to focus review efforts and lower costs.
<b>Update Red Flag Program</b> Creditors must update their compliance program to reflect changes in risk	Advanced Analytics <sup>SM</sup> are periodically updated to capture evolving fraud tactics.





The proven accuracy of ID Analytics for Compliance allows creditors to streamline regulatory requirements for legitimate individuals while reserving additional verification efforts for the riskiest transactions. As a result, ID Analytics for Compliance can lower manual reviews by up to 50% while avoiding unnecessary customer friction and account origination delays.

In order to provide guidance to creditors tasked with developing their own Red Flag programs, the regulations include example Red Flags. ID Analytics for Compliance seamlessly evaluates Suspicious Personal Identity Information (PII) Red Flags contained in the regulations. These examples should be considered standard benchmarks that regulators will likely consider when evaluating an organization's Red Flag program.

**How It Works**

The ID Network contains 360 billion aggregated attributes, one billion consumer transactions, and two million reported frauds. This depth and breadth of information enables a broad range of Red Flags including identity validity checks, associations with reported frauds, application velocity indicators, and activity patterns associated with known fraud.

ID Analytics for Compliance not only detects the presence of Red Flags via the ID Network, but weighs Red Flags, individually and in combination with multiple identity risk variables. These Advanced Analytics eliminate the need to investigate and manually resolve individual Red Flags when the overall risk of identity fraud is low. When an identity is considered high risk, specific Red Flags may be reported to the creditor in order to focus review efforts.

In order to streamline the review process for high-risk identities, ID Analytics for Compliance uses Certain ID™ to generate and deliver strong authentication questions that are top of mind for legitimate individuals. These questions are based on data from the ID Network, not public-records data. Additionally, Certain ID satisfies the regulatory suggestion that authenticating questions should not be based on information found in a consumer report.

Data within the ID Network is never sold or distributed. As Red Flag compliance deadlines approach, this policy allows you to protect the privacy of your consumers while rapidly satisfying compliance requirements. ID Analytics for Compliance can be delivered via a standardized API or a web-based interface. These options provide seamless implementation while delivering the real-time results required to eliminate account origination delays.

SUMMARY OF IDENTITY FACTORS	ID ANALYTICS FOR COMPLIANCE RESULTS
<b>Identity Risk Summary</b>	
Identity Risk Outcome	Low-Risk Identity
<b>Compliance Summary</b>	
Identity Risk Indicators	No Risk Indicators
USA PATRIOT Act	Compliant
Red Flags	No Unresolved Flags
<b>Sample of Red Flags Evaluated</b>	
Address associated with reported fraud	Clear
Unusual number of events using Address	Automatically Resolved
Address is invalid	Clear
Address associated with multiple phone numbers	Clear
SSN associated with multiple names	Automatically Resolved
SSN issue date suspicious	Clear
Unable to confirm DOB associated with other identity elements	Clear
<b>Action Summary</b>	
Administer Certain ID	Not Necessary

**Efficiently Achieve Optimal Compliance Today**

Turn to ID Analytics for Compliance to satisfy Red Flag rules and USA PATRIOT Act requirements while minimizing operational costs and customer abandonment. Contact us today at marketinginfo@idanalytics.com, 858-312-6200, or 866-248-7344 to learn how simple it is to satisfy Red Flag rule requirements. Or, visit www.idanalytics.com for more information about our identity intelligence solutions.