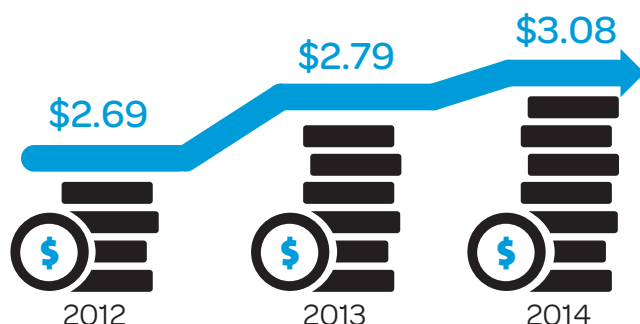


Large eCommerce and mCommerce Hit by Rising Fraud Costs

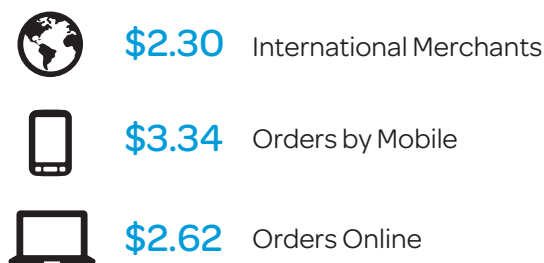
LexisNexis® Fraud MultiplierSM calculates the cost of fraud shouldered by merchants. For every \$1 in fraud loss, the LexisNexis Fraud Multiplier calculates the cost to the merchant.

LexisNexis Fraud Multiplier Is...

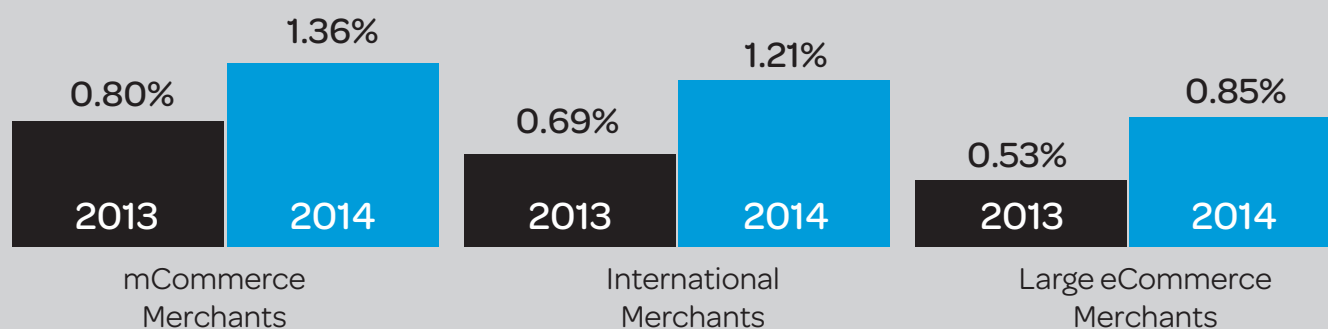
Increasing For The Average Merchant



And Higher For Certain Merchants and Channels



Fraud Losses Growing



(Fraud losses as percent of revenue)

Merchants' Beliefs About Fraud



Risk Solutions

For the purpose and scope of this study, fraud is defined as the following:

- Fraudulent and/or unauthorized transactions
- Fraudulent requests for a refund/return; bounced checks
- Lost or stolen merchandise, as well as redistribution costs associated with redelivering purchased items (including carrier fraud)

This research covers consumer-facing retail fraud methods and does not include information on insider fraud or employee theft. This study was conducted for LexisNexis by Javelin Strategy & Research establishes the actual cost of fraud as borne by U.S. merchants and specific guidance for the industry. LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. True Cost of Fraud and Fraud Multiplier are service marks of LexisNexis Risk Solutions Inc. Copyright 2014 LexisNexis. All rights reserved.

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