

Case Study:

SAFE Federal Credit Union Achieves Anti-Fraud and Compliance Success



Overview

Founded in 1955 by 15 civilian employees at Shaw Air Force Base in Sumter, (SAFE FCU) South Carolina, SAFE Federal Credit Union (SAFE FCU) today consists of more than 15 branches serving 199,000 members, and manages assets in excess of \$500 million. As a financial cooperative serving members worldwide, it is the mission of SAFE FCU to operate in a sound manner while providing quality service and products designed to manage the financial well-being of its members. To help fulfill this mission SAFE FCU turned to LexisNexis® Risk Management Solutions® featuring InstantID®.

“ We derive so much value from the LexisNexis Risk Management Solutions® that we believe it has already paid for itself. From stopping fraud to ensuring regulatory compliance and enhancing our ability to serve our members, our partnership with LexisNexis has enhanced our business.”

– Doris Horton
Executive Vice
Compliance/Loss
Prevention Officer
SAFE Federal
Credit Union

The Challenge

SAFE FCU historically verified identities by checking Social Security numbers (SSNs) and comparing information supplied by loan applicants with information about members that employees had previously captured and entered into SAFE FCUs databases. This process provided the credit union with limited data on which to verify identities, and sometimes resulted in minor human error—transposed numbers in a SSN, for instance. Nevertheless, SAFE FCU’s anti-fraud approach had proved to be successful. Throughout 2008, however, SAFE FCU was confronted with a rise in fraud attempts. In order to meet this challenge and ensure effective compliance with new and existing government regulations, SAFE FCU decided to enhance their identity verification and fraud prevention approach.

The Solution

Committed to protecting their members, SAFE FCU researched and evaluated the range of solutions available. After an exhaustive search the credit union selected LexisNexis Risk Management Solutions featuring InstantID.

LexisNexis Risk Management Solutions include the most comprehensive and robust online risk management research tools in the industry, enabling financial institutions to monitor, identify, authenticate and investigate clients and prospects quickly and easily. InstantID delivers real-time identity verification and risk scoring, providing institutions with the ability to make informed decisions.

Using LexisNexis Risk Management Solutions, SAFE FCU significantly enhanced its anti-fraud practices. Today, the identity of individuals attempting to open an account or qualify for a loan are verified by comparing the information they provide against the information available through InstantID. If an employee mistypes information, the solution auto-corrects the entry, helping employees do their jobs faster and more accurately. The scoring features also enable SAFE FCU to more easily identify and route suspicious activity to the institution's anti-fraud professionals for further scrutiny.

In addition, SAFE FCU can open accounts for individuals who may previously have been turned down—individuals, for instance, whose bills may be exclusively in their spouses' name. SAFE FCU has also been able to locate members who may have forgotten about their accounts or the heirs of members who may have passed away. Finally, the solution supports the credit union's collections efforts, enabling the collections team to better serve SAFE FCU's members by collecting debts owed to the institution.

The Results

SAFE FCU estimates that LexisNexis has helped the credit union avoid making approximately 20-30 loans to fraudsters and identity thieves in the first eight months since putting the system into production. Previously, according to SAFE FCU, these loans would probably have been made:

- Solution paid for itself within eight months
- Avoided 20-30 fraudulent loans in first eight months
- Solution helped comply with financial regulations
- Significant enhancements to anti-fraud practices
- Productivity improvements and reduction in data entry errors

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For more information:
Call 866.858.7246 or visit
lexisnexis.com/risk/financial-services

About LexisNexis Risk Solutions

LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government predict, assess and manage risk. Combining cutting-edge technology, unique data and advanced scoring analytics, we provide products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of Reed Elsevier, a leading publisher and information provider that serves customers in more than 100 countries with more than 30,000 employees worldwide.

Our financial services solutions assist organizations with preventing financial crime, achieving regulatory compliance, mitigating business risk, improving operational efficiencies and enhancing profitability.



The InstantID services are not provided by "consumer reporting agencies," as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) ("FCRA") and do not constitute "consumer reports," as that term is defined in the FCRA. Accordingly, the InstantID service may not be used in whole or in part as a factor in determining eligibility for credit, insurance, employment or another purpose in connection with which a consumer report may be used under the FCRA. Due to the nature of the origin of public record information, the public records and commercially available data sources used in reports may contain errors. Source data is sometimes reported or entered inaccurately, processed poorly or incorrectly, and is generally not free from defect. This product or service aggregates and reports data, as provided by the public records and commercially available data sources, and is not the source of the data, nor is it a comprehensive compilation of the data. Before relying on any data, it should be independently verified. LexisNexis Risk Management Solutions and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. InstantID is a registered trademark of LexisNexis Risk Solutions FL Inc. Other products and services may be trademarks or registered trademarks of their respective companies. Copyright © 2011 LexisNexis. All rights reserved. NXR01437-11211