LexisNexis
RISK SOLUTIONS

Are your profits tangled in the evolving web of fraud tactics?

Combat identity fraud with sophisticated scoring and leading analytics.

LexisNexis® FraudPoint® solutions can help prevent fraud, reduce costs and streamline decisions so that your business steers clear of fraud and stays focused on profitable customers. FraudPoint® solutions are available as an effective, calculated risk score or as attributes for modeling within internal scoring or rules engines.

FraudPoint Attributes

FraudPoint Attributes give your business the power to harness the value of the identity intelligence that is the foundation of the FraudPoint scoring solution.
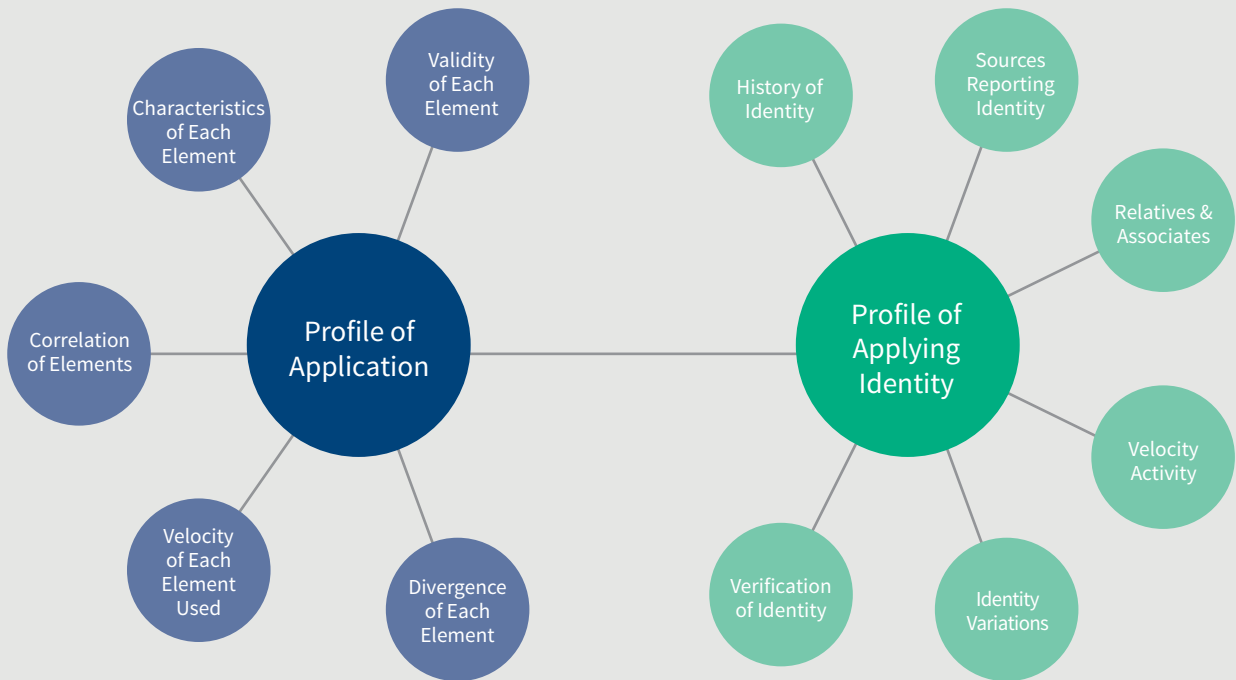
FraudPoint Score

FraudPoint Score provides three unique components that allow you to reliably detect fraud, identify the type of fraud being perpetrated and efficiently investigate high risk applications.

Risk Score	Risk Indices	Warning Codes

Validity of Each Element

Characteristics of Each Element

Correlation of Elements

Profile of Application

Velocity of Each Element Used

Divergence of Each Element

History of Identity

Sources Reporting Identity

Relatives & Associates

Profile of Applying Identity

Velocity Activity

Verification of Identity

Identity Variations

FraudPoint solutions provide visibility into the application profile and the applying identity to detect multiple forms of identity fraud.

Protect profits with a complete prevention strategy

Balancing the threats of stolen, synthetic or manipulated identities with the on-demand service expectations of legitimate customers creates a significant challenge for lenders who are battling identity fraud or fending-off account takeover fraud. Losses from fraud reach into the billions annually as technology continually widens exponential avenues for fraud schemes. Protecting your business should not impact your competitive advantage or disrupt your customer's experience. LexisNexis® FraudPoint® solutions can help prevent identity fraud, reduce costs and streamline decisions so that your business steers clear of fraud and stays focused on profitable customers.

Fraud prevention that supports business growth

FraudPoint® solutions use comprehensive and dynamically updated identity intelligence and pattern recognition analytics to detect fraudulent applications. FraudPoint® allows you to identify fraud incidents before the application is booked—resulting in significantly reduced fraud incidents and losses. FraudPoint minimizes administrative costs associated with inefficient and unnecessary investigation to improve your bottom line.

The LexisNexis® FraudPoint® Score is reported with fraud-indicative warning codes for high risk conditions. To help pinpoint the type of fraud most likely being perpetrated against your organizations, six innovative fraud type indices are dynamically calculated and provided.

Data-driven insight provides advantages

FraudPoint solutions utilizes four major categories of information that provide real-time visibility into identity activity and identity behavior across multiple industries.

LexID®, the advanced linking technology from LexisNexis, aggregates information from 36 billion records and intelligently examines the data interconnections to provide clear perspective into the complex world of identity fraud. With an identity repository of more than 95% of the U.S. adult population, including entities with limited credit and financial histories, no other provider can offer the level of sophistication, coverage and fraud prediction.

In sample validations, FraudPoint has been found to identify up to 75% of fraudulent applications in just 5.9% of a new account base. By pushing a higher percentage of the riskiest applications into a smaller, more focused manual review, FraudPoint can help expedite approvals and minimize time and resources dedicated to managing exceptions. Leverage the advantage of focusing investigative efforts on the fraud events that threaten your business without disrupting productive customer relationships.

Benefits of an Intelligent Fraud Prevention Strategy

FraudPoint® helps you identify an applicant's risk to commit fraud and delivers an intelligent fraud prevention strategy:

- Increase profits by realizing faster customer acquisition
- Reduce operating costs
- Reduce fraudulent write-offs
- Minimize unnecessary delays in approvals for legitimate customers
- Streamline decisions to increase operational efficiencies
- Lower false positives

Credit Bureau Identity Activity	Local, State & Federal Government Records
Online, Utility, Phone & Other Behavioral Activity	LexisNexis® Customer Network

Finding connections and associations

Quickly connect identity records across a proven network of disparate sources. FraudPoint identifies both valid and suspicious associations in the data and dynamically develops unique identifiers that other more platforms are unable to make. High-risk touch points and interconnections of seemingly unrelated events include:

- Validity of identity elements supplied
- High-risk characteristics of the input address
- Frequency of the correlation of input elements
- Identity density at input address
- Types of sources reporting the identity
- Level of variation in reported identity elements
- Velocity of activity associated with the identity
- Verification of identity elements
- Velocity of identity activity at input address
- High fraud risks in identity's associate network

Advanced fraud scoring capabilities

With access to the most authoritative data and analytics the FraudPoint Score is an analytic scoring solution that delivers critical, relevant insight that can substantially improve your ability to predict and prevent fraud — and recognize and approve authentic customers.

Leveraging authoritative consumer, business and asset content and advanced linking technology from LexisNexis, FraudPoint Score gathers and analyzes hundreds of unique identity characteristics and life events to identify inconsistencies and fraud patterns in application profiles. FraudPoint Score goes far beyond pass/fail criteria used to verify if an identity exists. It is a holistic examination into known fraudulent and suspicious profiles using authoritative identity data sets and high-powered analytics derived from the predictive FraudPoint identity attributes.

Innovation in scoring

FraudPoint Score provides scoring insights through three unique components:

Three-Digit Fraud Score:

- Predict the likelihood an application will result in fraud if the account is opened
- Focus investigative efforts on most-likely fraud applications
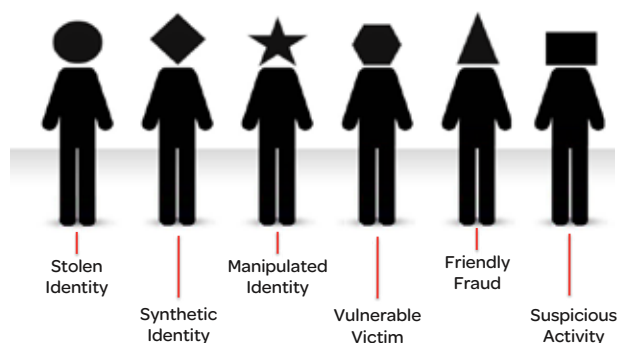
Fraud Indices:

- Improve operational efficiency.
- Provide powerful insights into the propensity and profile of different fraud types:
  - identity theft
  - synthetic identity fraud
  - friendly fraud
  - suspicious activity
  - vulnerable victim

Fraud Warning Codes:

- Help pinpoint high fraud risk conditions for low scores.
- Equip fraud investigators and minimize unnecessary approval delays for legitimate customers.

These warning codes help pinpoint high-risk conditions for low scores.

FraudPoint Score is the essential tool for building a decisioning strategy that protects against fraud while promoting business growth.


Stolen Identity   Synthetic Identity   Manipulated Identity   Vulnerable Victim   Friendly Fraud   Suspicious Activity

FraudPoint Score: Six Powerful Risk Indices

Typical Score Distribution And Fraud Rates

Score	Count	Fraud	Fraud Rate
300 - 350	3,120	1,868	59.9%
351 - 400	2,309	797	34.55%
401 - 450	3,167	613	19.4%
451 - 500	4,509	471	10.45%
501 - 550	6,856	379	5.5%
551 - 600	11,772	330	2.8%
601 - 650	24,310	353	1.5%
651 - 700	59,063	319	0.5%
701 - 750	133,939	345	0.3%
751 - 999	193,764	204	0.1%
Total	**442,809**	**5,684**	**1.3%**

In sample validations, FraudPoint® has been found to identify up to 73% of fraudulent applications in just 4.5% of a new account base.

Sample FraudPoint Report
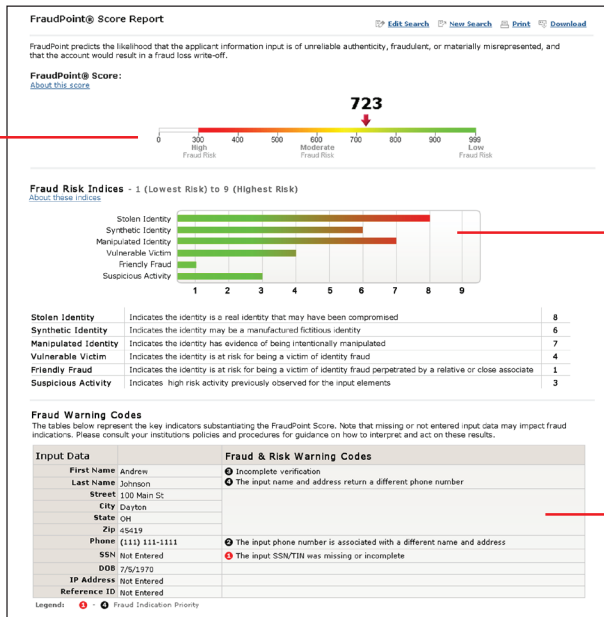
1. FraudPoint Score: A three-digit (300-999) fraud score to predict application fraud.
2. Fraud Risk Indices: Six fraud types indices returned with FraudPoint. Each risk index returns a value from 1 (Low Risk) to 9 (High Risk).
3. Fraud Risk Indicators: Warning codes returned for applicable input data.

Expanded fraud variables deliver deeper fraud detection power

LexisNexis® FraudPoint® Attributes give your business the power to harness the value of the identity intelligence that is the foundation of the FraudPoint Scoring solution. FraudPoint Attributes consist of over 200 model-ready, highly-predictable fraud variables comprised of insights not found in credit bureau or other identity aggregator products.

With FraudPoint Attributes, you can:

- Confidently strengthen your own internal scoring algorithms.
- Build dimensional acceptance models.
- Implement fraud risk policies that drive efficiency across multiple fraud prevention processes.
- Integrate identity variables into transactional monitoring systems including drivers license data.

Delivery options that fit your business needs

Available in batch, XML and a simple user interface. FraudPoint solutions can be used in conjunction with other LexisNexis identity verification and authentication solutions to strengthen your prevention strategy and supporting programs.

Access the advantage of industry-driven insight

FraudPoint Solutions are now available with LexisNexis® Fraud Defense Network (FDN) Advantage, a powerful upgrade that adds suspicious warning code alerts and expanded coverage of hard to compromise data that is vital in prevention of synthetic identity fraud. FraudPoint with FDN Advantage fosters greater visibility into fraud incidents from a cross-vertical perspective, improves the identification of fraudulent applications[1] and helps to preserve a superior customer experience.

The combination of FraudPoint with FDN Advantage enhances the impact of your fraud prevention tools with supplemental industry-driven fraud insights. FraudPoint with FDN Advantage opens access to shared fraud intelligence and identity information that can help highlight historical fraud patterns and perpetrators and strengthen your specific fraud prevention and investigative processes. By leveraging FraudPoint with FDN Advantage, your business can detect more fraud while protecting legitimate customers from identity fraud risk.

FraudPoint with FDN Advantage is currently available within a FraudPoint Score via XML, Batch or as a feature within the FraudPoint Online solution. Access to Fraudpoint with FDN Advantage requires customers to participate in either the Event Activity or Event Outcome program and in return customers receive new relevant warning codes to use in tandem with the FraudPoint score and access to a unique set of hard to compromise, high integrity and high verification data. Contact your sales representative to begin participating today.

Increased profitability begins with smarter fraud prevention

FraudPoint provides your business with intelligent decisioning power to better predict and prevent the main drivers of the fraudulent activity that erodes profitability. With access to the most wide-reaching consumer data in the market, FraudPoint solutions delivers a robust foundation for fraud prevention that seamlessly fits into core operational and risk strategies. These predictive tools help your business quickly ascertain fraud threats and manage exceptions without compromising the services or delivery channels. An effective strategy focused on mitigating loss and building greater profits begins with LexisNexis FraudPoint solutions.

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

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1. Testing of the Fraud Defense Network in FraudPoint has shown an incremental increase of identifying 5% more fraud applications in the FraudPoint "bad" tail. Individual results may vary.