

## National Fraud Database<sup>SM</sup>

Combat fraud with shared information

**Fraud targets every business that extends credit. The financial gains from application fraud and identity theft often support large-scale criminal activities. With profit margins shrinking in today's economy, you cannot afford fraud write-off as an acceptable cost of doing business. The stakes are much too high.**

### An industrywide database of known frauds

Now you can help combat this growing threat — to your business and to society — by sharing information about fraudulent activity with various industries throughout the nation. Experian's National Fraud Database<sup>SM</sup> cuts across industry boundaries, creating a single, accurate repository for information about consumer and commercial fraud. It contains information from card issuers and other credit grantors that is not available in any other industry database.

### Save money and improve processes

The National Fraud Database is accessible by contributing subscribers who intend to lessen their fraud losses.

As a National Fraud Database member, you can:

- Eliminate time-consuming individual industry searches — Data sharing creates single-point, direct access to consumer or commercial fraud records
- Access reliable fraud records — Established categories and reporting guidelines are derived from industry best practices

- Reduce fraud review costs — Provides immediate indication of prior fraud activity at time application is being processed

### Data sharing as a solution

Sharing confirmed fraud records is a viable and valuable response to the growing problem of fraud.

Credit grantors in several industries are experiencing the benefits of shared fraud data. In fact, data sharing with your peers is key to:

- Benefiting from past incidence of fraud
- Responding to industry demand for a safe, secure method of sharing data
- Protecting consumers against identity theft
- Alerting multiple industries to specific fraud activity

The concept of data sharing assumes even greater power when combined with traditional data sources and fraud prevention to create a truly automated, integrated decisioning strategy.



# National Fraud Database

## Prevent losses by catching fraud earlier

National Fraud Database gives you real-time, online access to detailed fraudulent records. You can confirm fraud sooner to reduce the potential for large losses.

Using data supplied by subscribers, Experian® processes millions of inquiries per month, identifying potential fraud by matching:

- Address
- Phone number
- Driver's license
- Social Security number

Users report an average hit rate of 1 percent to 3 percent. Following are actual results for National Fraud Database clients:

- A telecommunications company cut fraud confirmation time from 25 days to just 10 days, dramatically reducing the opportunity for large fraud losses.

- In a recent test, a major credit card company reported a 94 percent fraud rate — or one good for every 17 frauds — on inquiries that hit on one or more phone numbers. That would have prevented 233 frauds, for savings of about \$700,000.

## Available to any type of business

Any business entity that needs information on consumer and credit fraud activity and that has permissible purpose may subscribe to National Fraud Database. As part of a reciprocal database, members must completely cooperate in contributing information about their known incidents of fraud. Members then can access records on fraudulent activity when processing requests for credit reports.

Members also have access to member directories and monthly reports with a summary of data contribution and usage activity. Members follow reporting guidelines to ensure the integrity of the data.



Fast and accurate browser-based review system allows record details to be viewed conveniently online.

Ten categories (nine fraud categories and one victim category) show you the crime perpetrated against other National Fraud Database members, helping you identify potential fraud.

Reporting category	Definition
V = Handle with care — victim	A person or business entity that has suffered from identity theft

Fraud category	Definition
I = Identity theft approved E = Identity theft declined	Perpetrator uses the details of another person's identity to obtain goods or financial services
T = Account takeover	Unauthorized takeover of an existing account using another person's or business's information
F = Fictitious identity	Perpetrator provides or uses a false identity, complete with a Social Security number, driver's license number, etc.
M = Money-laundering fraud	An individual or business establishes a financial account that meets the institutional and regulatory definition of money laundering
A = Asset fraud	Conversion/Disposal or sale of goods under a purchase, conditional sale, financing, leasing or rental agreement where the buyer acted to deprive the owner of the goods
P = Application data inconsistencies approved D = Application data inconsistencies declined	Subscriber has made a decision on an application wherein a perpetrator provides or uses a genuine name and address but with one or more material falsehoods pertaining to the person or the business
B = Bust-out	Perpetrator establishes the credit account for the sole purpose of extending the available credit limit with the intent of using it and not paying

To find out more about National Fraud  
Database, contact your local Experian  
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1224/1778 11/03

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