



# Fraud Shield<sup>SM</sup>

Fraud loss. It's a real risk. But we can help you detect it before it happens.  
How does that sound?

Being able to quickly and easily detect identity fraud is worth more than simply verifying your customer's identity. It's the first step to reducing fraud losses.

## Identify high-risk characteristics

Fraud Shield<sup>SM</sup> uses the power of predictive indicators and scoring to provide specific high-risk characteristic descriptions. It uses predictive crosschecking within Experian's File One<sup>TM</sup> relational consumer credit database, which houses more than 215 million active consumer profiles. This powerful tool provides a number of key benefits in the fight against identity fraud, including:

- Instantly recognizes addresses that never have been associated with the consumer on the application.
- Screens for more than 30 high-risk address profiles and provides a detailed series of address checks.
- Automatically flags telephone numbers that don't correlate with the listed address via a powerful ZIP Code<sup>TM</sup> and telephone cross-reference database.
- Identifies the high probability that a Social Security number (SSN) belongs to another consumer.
- Instantly tracks the number of times a specific SSN has been used on previous inquiries.
- Automatically uncovers inconsistencies in an applicant's identifying information, such as address and SSN mismatches.
- Identifies recent authorized user tradeline information to highlight potential credit boosting schemes.

This important information is returned in an easy-to-read summary on Experian's Credit Profile Report, Social Search, Address Update, Employment Insight<sup>SM</sup> and more.

Fraud Shield is a first line of defense that allows you to instantly and specifically recognize the warning signs of potential fraud.

## Facing the challenge of fraud

Fraud Shield provides value to a variety of institutions that face the challenge of dealing with identity fraud, including banks, credit card issuers, retailers, telecommunication companies and other credit grantors. Including Fraud Shield in your fraud prevention efforts offers clear benefits.

**Predictive indicators** — Via a series of checks, searches and counters, Fraud Shield returns a set of 27 indicators that provide specific high-risk characteristic descriptions. This allows you to instantly and specifically recognize the warning signs of potential fraud. Make educated and consistent decisions based on detailed understanding of any high-risk consumer profile attributes derived from both fraud and credit variables.

**Customizable results** — You have the flexibility to receive only those Fraud Shield indicators relevant to your business requirements and market-risk profile. This streamlines your processes, as Fraud Shield presents only pertinent information for further review or decisioning while avoiding irrelevant data.

## Fraud Shield<sup>SM</sup>

**Performance reporting** — Receive monthly summaries of Fraud Shield inquiries and resulting “hits.” You can understand and monitor the performance and distribution of each of the received Fraud Shield indicators across all inquiries.

**Convenient delivery** — The Fraud Shield predictive indicators may be returned via an easy-to-read Fraud Shield summary on various Experian® products. You’ll require little to no development effort to start using Fraud Shield.

Fraud Shield from Experian helps you in two key areas reducing loss and gaining efficiency. Reduce loss by receiving warnings on:

- Potentially fraudulent applications
- Fraudulent or cautious address changes or mismatches
- High-risk inconsistencies or inquiry counts on a consumer’s Credit Profile Report

### Gain efficiency and consistency

- Isolate consumer profiles that warrant further review while lowering false-positive rates.
- Differentiate address variations that sound and look alike.
- Establish set parameters for decisioning based on specific high-risk indicators and scores.
- Receive a summary that’s comprehensive, concise and easy to read.

In addition, Fraud Shield eliminates the need for you to write software to compare applications with Credit Profile Reports and provides quick alerts to notify you of possible identity fraud. Take the first step to quick and easy fraud detection — with Fraud Shield from Experian.

Fraud Shield indicator	Explanation
01 Inquiry/on file current address conflict	The current address provided on inquiry is different from the address Experian has identified as the consumer’s best address.
02 Inquiry address first reported less than 90 days	The current address used on inquiry was first reported for the consumer within the last 90 days.
03 Inquiry current address not on file	The current address used on inquiry doesn’t match an address File One has for this Experian consumer.
04 Input SSN issue date unverified	The issue date of the SSN provided on inquiry can’t be verified. <sup>1</sup>
05 Input SSN recorded as deceased	The SSN provided on inquiry was reported to the Social Security Administration (SSA) as deceased.
06 Inquiry age younger than SSN issue date	The age used on inquiry is younger than the SSN issue date (this indicator isn’t available if the YOB or age isn’t provided on inquiry).
07 Credit established before age 18	Consumer established credit before the age of 18 (this indicator isn’t available if the YOB or age isn’t provided on inquiry).
08 Credit established prior to SSN issue	Consumer’s first trade was opened prior to the SSN issue date (this indicator isn’t available if the YOB or age isn’t provided on inquiry and/or the issue date of the SSN isn’t available).
09 More than three inquiries in the last 30 days	More than three inquiries have been posted to the consumer’s profile within the last 30 days.
10 Inquiry address: high risk	The current address used on inquiry is a business address type having a potential for fraudulent activity.
11 Inquiry address: nonresidential	The current address used on inquiry is a business address.
12 Security statement present on report	The consumer has a victim or consumer statement on file identifying them as a victim of fraud.

Fraud Shield indicator	Explanation
13 High probability SSN belongs to another	According to File One, the SSN provided on inquiry is more closely associated with another consumer.
14 Inquiry SSN: format invalid	The SSN provided on inquiry isn't a valid number as reported by the SSA. An SSN is identified as invalid if one or more of the following is true: <ul style="list-style-type: none"> <li>All 9 digits are the same</li> <li>The 9-digit number provided on inquiry is in sequential order</li> <li>The 1st and 3rd digits are zeros</li> <li>The 4th and 5th digits are zeros</li> <li>The 4th digit is a zero</li> </ul>
16 On-file address: high risk	One of the consumer's on-file addresses is a business address type having a potential for fraudulent activity.
17 On-file address: nonresidential	One of the consumer's on-file addresses is identified as a business address currently or formerly.
19 Current address reported by new trade only	The consumer's Experian-identified best address on file has been reported by the most recently opened tradeline.
20 Current address reported by trade open less than 90 days	The consumer's Experian-identified best address on file has been reported by a tradeline opened within the last 90 days.
21 Telephone inconsistent with on-file information	The telephone number used on inquiry doesn't correlate to the consumer's Experian-identified best address on file.
23 Inquiry address reported by inquiry less than 90 days	The current address matches an on-file address that was reported less than 90 days ago.
25 Best on-file SSN recorded as deceased	The best matched SSN to the consumer is reported as deceased.

Fraud Shield indicator	Explanation
26 Best on-file SSN issue date can't be verified	The issue date of the best SSN matched to the consumer can't be verified. <sup>1</sup>
27 SSN reported more frequently for another	The SSN provided on inquiry has been reported more frequently for another consumer within Experian's File One database.
30 More auth user trades than other trades	There are more auth user tradelines than other types (e.g., primary).
31 Current address reported by inquiry only	The consumer's Experian-identified best address on file has been reported only by an inquiry.

**Note:** This document provides information about the meaning of each Fraud Shield indicator that may be returned in connection with a given consumer.

Your Fraud Shield results are the result of a comparison of information you submit about a consumer with information already present in Experian's database. **A Fraud Shield indicator doesn't necessarily mean that a consumer is committing fraud or that they aren't who they say they are.**

The Experian Fraud Shield product may be used for fraud prevention purposes and may not be used, in whole or in part, as a basis for an adverse action involving the consumer or for determining the eligibility of a consumer for credit, insurance, employment or any other service.

As used in this reference guide, the term "inquiry" refers to the information you submit about a consumer when requesting a report.

<sup>1</sup>Prior to July 5, 2011, the SSA assigned SSNs based on geography and date range. SSNs are nine digits (e.g., 123-45-6789) and are comprised of a three-digit area number, followed by a two-digit group number and a four-digit serial number. The area number is assigned by state, with most states given a range of three-digit numbers.

Beginning July 2011, the SSA migrated to a randomized method of assigning SSNs. They'll allow unused area numbers that were previously assigned to a specific state to be used by other states. The SSA will also make previously unassigned area numbers available for issue across all states.

Experian will still be able to validate SSA-issued state and date ranges for those issued before the new method of SSN assignment is implemented.

## Sample credit profile report

Your Fraud Shield summary identifies discrepancies in use of personal information, such as SSNs, addresses and telephone numbers, helping you recognize the warning signs of fraud.

**Credit Profile Report**

TCA1  
 RTS 8122250X1 J CONSUMER JONATHAN QUINCY 806699960;  
 CONSUMER NANCY CHRISTINE 123456789  
 CA-10555 NORTH BIRCH STREET BURBANK CA 91502, PH-714.555.1111, DL-CA N234567E;  
 #6-1314 SOPHIA LANE APT 233 SAN JUAN CA 92708-2678, Y-1561 1-04043000;  
 E A JAX HARDWARE 2035 BROADWAY SUITE 3000 LOS ANGELES CA 90017

PAGE 1 DATE 5 15 2002 TIME 10:37:16 \*HP26 V306 TCA1

JONATHAN QUINCY CONSUMER	SS: 999-99-9990	E: A JAX HARDWARE
11665 N BIRCH ST	758-66-7891	2035 BROADWAY
BURBANK CA 91502-1234	123-45-6789	SUITE 300
RPTD: 4-97 TO 1-02 L 3X	DOB: 1/10/1951	LOS ANGELES CA 90017-1234
LAST SUD: 122CB25		RPTD: 4-02 I

1314 SOPHIA LANE APT 3	* 2600 BOWSER ST #312	E: BELLAUTOMOTIVE
SANTA ANA CA 92708-5678	LOS ANGELES CA 90017-5878	111 MAIN STREET
RPTD: 1-96 U 1X	RPTD: 9-95 I	BURBANK CA 91502
		RPTD: 5-95 TO 9-96 I

\* JACK CONSUMER, JOHN SMITH, JONATHAN SMITH JONES IS

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**FRAUD SHIELD SUMMARY**

1 INPUT SSN RECORDED AS DECEASED	INQ: PHONE ANSWERING SERVICE:
2 DOR 1-10-195 DOB: 3-30-1956	ABC ANSWER-ALL
3 INPUT SSN ISSUED: 1995-1956	10653 N BIRCH ST
4 TELEPHONE NUMBER INCONSISTENT W/ ADDRESS	BURBANK CA 91502
	818.555.1212
5 FROM 10-01-97 INQ COUNT FOR SSN=8	7 FILE: COMMERCIAL BUSINESS ADDRESS:
6 FROM 10-01-97 INQ COUNT FOR ADDRESS=15	.42 INVESTMENTS
	2500 BOWSER ST #312
	LOS ANGELES CA 90017
	718.411.2222

The easy-to-read Fraud Shield summary on Experian's Credit Profile Report conveniently highlights information that indicates possible fraud.

1 Deceased Social Security number message	5 Social Security number and address counters
2 Date of birth and date of death	6 High-risk, cautious or nonresidential address
3 Social Security number issue date	7 Business address and telephone number
4 Fraud Shield indicators	

## Sample Fraud Shield management report

- Detail the indicators and hit percentages.
- Assess both value of indicator hits as well as associated costs.
- Add or suppress indicators that are either more beneficial or extraneous.

**Company Totals — Fraud Shield Demo Report**

Profile totals		
Description	Count	% of Inquiries
Total Number of Profiles Requesting Fraud Shield	3,459,484	100.00%
Total Profiles With a Hit	861,971	24.92%
Total Profiles With an Address Hit	575,689	16.64%
Total Profiles With an Inquiry Address Hit Only	177,022	5.12%
Total Profiles With an On-file Address Hit Only	165,094	4.77%
Total Profiles With Multiple On-file Address Hits	38,004	1.10%
Total Profiles With a Combo of On-file and Inquiry Address Hits	26,089	0.75%

  

Flags/Messages totals			
#	Description	Count	% of Inquiries
01	Inquiry/On-file Current Address Conflict	433,619	12.53%
02	Inquiry Address First Reported <90 Days	119,840	3.46%
03	Inquiry Current Address Not On-file	224,159	6.48%
04	Inquiry SSN Issue Date Not Verified	17,594	0.51%
05	Inquiry SSN Recorded as Deceased	8,684	0.25%
06	Inquiry Age Younger Than SSN Issue Date	9,052	0.26%
07	Credit Established Before Age 18	21,828	0.63%
08	Credit Established Prior to SSN Issue Date	16,133	0.47%
09	More Than 3 in Last 30 Days	25,083	0.73%
10	Inquiry Address: ALERT	3,385	0.10%
11	Inquiry Address: NON-RESIDENTIAL	196,137	5.67%
12	Security Statement Present on Report	2,387	0.07%
13	High Probability SSN Belongs to Another	46,736	1.35%
14	Inquiry SSN Format is Invalid	1,078	0.03%
16	Onfile Address: ALERT	5,539	0.16%
17	Onfile Address: NON-RESIDENTIAL	223,946	6.47%
19	Current Address Reported by New Trade Only	127,635	3.69%
20	Current Address Reported by New Trade Open <90 Days	29,865	0.86%
21	Telephone Number Inconsistent With Address	100,271	2.90%
25	Best Onfile SSN Recorded as Deceased	2,121	0.07%
26	Best Onfile SSN Issue Date Not Verified	6,374	0.19%
27	SSN Reported More Frequently Than Another	45,254	1.25%
30	More Authorized User Trades Than Other Trades	5,520	0.16%
31	Current address reported by inquiry only	3,832	0.11%

To find out more about Fraud Shield, contact your local Experian sales representative or call 1 855 339 3990.