acuant ®

Case Study:

Regional Credit Union Uses **Acuant AssureID™**
to Fight Synthetic ID Fraud

New account fraud is up 13%.

The most common targets for new account fraud:
- mortgages
- student loans
- car loans
- credit cards

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The Client

A Credit Union serving more than 400 employer groups seeks to reduce fraud and streamline loan application onboarding.

85 to 95% of synthetic fraud identities are easily slipping past risk detection systems that are failing to flag them.
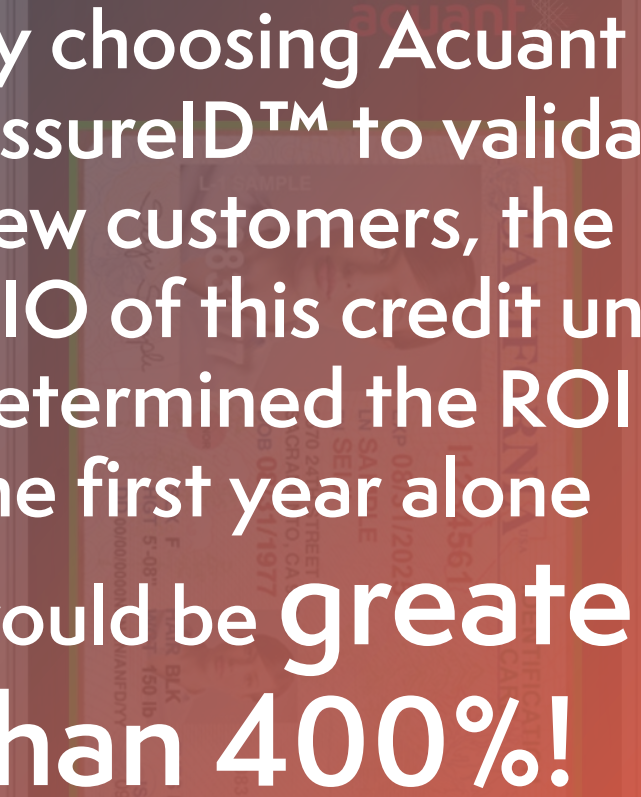
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The Challenge

Synthetic fraud is one of the fastest growing financial crimes in the U.S. At one regional Credit Union branch, a fraudster opened an account and applied for a $40,000 auto loan with fake credentials, answering all knowledge-based authentication questions (KBA) correctly and presenting a convincing synthetic identity document.

Once receiving the loan in the form of a check, the fraudster posing as the seller presented the check for cash at a different branch. Only when he attempted this scam a second time for $25,000 did a loan officer spot the identical photo and call authorities who were able to arrest the man.

Fraud involving synthetic IDs is difficult to catch, and not every employee will be able to spot fraudulent transactions. The credit union needed a solution to effectively validate new customers and catch fraudulent activity without sacrificing employee time.

By choosing Acuant AssureID™ to validate new customers, the CIO of this credit union determined the ROI in the first year alone would be **greater than 400%!**

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The Solution

After some due diligence and evaluating multiple vendors, the Credit Union selected Acuant and its award-winning Acuant AssureID™ to validate new customers and protect against identity theft and fraud.

AssureID authenticates identity documents with patented technology that extracts biometric and alphanumeric data and applies 50+ forensic document-specific tests in less than 5 seconds. It supports identity documents including but not limited to driver's licenses, passports and visas from over 196 countries and all 50 U.S. states.

Working in real time, AssureID eliminates manual screening errors, speeds up the document inspection process and significantly reducing employee training, operating costs and customer inconvenience.

In just a *few months*, Acuant saved this Credit Union *100's* of hours in employee time and *tens of thousands of dollars* in losses.

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The Result

The Credit Union's CIO studied the negative impact from the original fraudulent transaction and found that not only would they lose $40,000 from the original loan but would cost them a minimum of 90 hours in employee productivity – another $4,500 in costs. Those lost hours include filing police reports in multiple jurisdictions, completing a Suspicious Activity Report (SAR) and extensive employee training. Furthermore, the Credit Union believed that they were also being targeted for additional synthetic ID fraud by a criminal ring; this was not an isolated incident.

The CIO also determined that the ROI from using Acuant solutions in the first year would be greater than 400% and more importantly, would be better equipped to stop identity fraud at the initial account opening stage.

The Credit Union is now able to determine the difference between bad actors and real customers at account opening, while providing an exceptional and positive experience. The value Acuant provides to financial institutions can be measured in time saved, losses avoided and sheer peace of mind.

The Acuant Solution

- Faster & Accurate Onboarding
- Fewer Rejected Applications
- Avoid Time Consuming SARs

- Process More Applications
- Increase Employee Productivity
- Increase Customer & Employee Satisfaction

CATCH FRAUD

Acuant AssureID detected fake IDs within months of implementation, saving tens of thousands of dollars

STREAMLINE ACCOUNT OPENING

Eliminated manual errors & authenticated IDs in real time allowing for faster account opening & more transactions

INCREASE PRODUCTIVITY

Saved hundreds of hours of employee training & resources spent on filing reports

About Acuant

Acuant enables and enhances trusted transactions for all industries. Our Trusted Identity Platform provides complete identity verification, regulatory compliance and digital identity solutions leveraging AI and human assisted machine learning to deliver unparalleled accuracy and efficiency. Acuant Compliance (formerly IdentityMind) delivers automated and cost effective KYC, AML, transaction monitoring and sanctions screening.

Our omnichannel platform provides seamless customer experiences when it comes to verifying identity, fighting fraud and establishing trust across the physical and digital world. Patented and proprietary digital identity technology provides a trust score when you need it, expedites trusted users and detects suspicious users before they transact. Acuant's global footprint spans every industry with premier partners and has completed more than one billion transactions in over 200 countries and territories for the best coverage.

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