

The Industry's Best Model for Risk Management

The battle against fraud is never-ending. When financial services institutions identify vulnerabilities or eliminate threats, clever fraudsters exploit different or emerging channels with fresh schemes. No single defense can withstand the constant barrage from probing criminals. Instead, a layered risk-management strategy – utilizing the most innovative technologies and processes – is required to minimize fraud losses. This approach has made PSCU an industry leader in providing anti-fraud solutions to its Owner credit unions.

Bring Innovative Solutions for Fraud Prevention and Mitigation Together

PSCU's layered risk management strategy utilizes:

- Teradata® Warehouse to store cardholder behavior and provide predictive analytics for our Owners in pre-set or customizable reports. (PSCU was an early adopter.)
- PSCU's Dark Web crawler solution to identify compromised accounts and initiate a proactive response with stricter rule strategies.
- Pindrop's Phoneprinting™ technology for analyzing nearly 1380 unique phone call characteristics that identifies suspicious behavior and facilitates member verification. (PSCU was first to adopt.)
- The DefenseEdge Fraud Detection Tool for enabling PSCU's analytics team to identify suspicious activity with 100% ability to real-time decline at the point of sale for all credit and debit portfolios.

Solution Summary

PSCU's fraud risk management capabilities provide Owner credit unions and their members with protection against losses from fraud, lost/stolen accounts, and disputed transactions.

- **Multi-Channel Monitoring** – *As new strains of fraud constantly emerge, PSCU continually fine-tunes and invests in innovative tools to surveil multiple channels, including the call center, Dark Web, rewards, Bill Pay, etc.*
- **Fraud Detection and Prevention** – *We use technology and data from local and global events for a holistic view to better predict fraud. Once a suspicious transaction is spotted by our fraud detection analysts, we will reach out to your member by phone, text, or email.*
- **Lost/Stolen Processing** – *Credit union members can report their card lost or stolen any time by calling our 24/7/365 Total Member Care™ contact centers.*
- **Disputes Management** – *PSCU's highly trained and experienced dispute staff efficiently processes disputed credit and debit transactions.*

Fraud Risk Management

- Our expert monitoring tool, FraudNet™, to save credit unions millions of dollars per year in attempted Bill Pay and rewards fraud.
- Ethoca for stopping fulfillment of goods and services tied to fraudulent card use, helping recapture lost revenue, and providing rapid repayment to rightful cardholders.
- Orion®, PSCU's internal fraud investigation tool, for getting investigations underway within hours instead of the industry's more common scenario of days or even weeks.

As a result of such measures, PSCU's total risk management has delivered the lowest credit fraud-to-sales ratio in the entire financial services industry at \$.07 per \$100 versus the average \$.13. For debit, our fraud-to-sales ratio is even lower at \$.03 per \$100!

Put Skilled, Well-Equipped Professionals on Point

PSCU's Fraud Detection Work Center (FDWC) is staffed by experienced and highly trained professionals who thoughtfully work with credit union members to identify and confirm fraudulent activity.

The moment PSCU monitoring finds something amiss, FDWC representatives attempt to reach the member by phone, email, digital voice recording, or SMS text that uses two-way technology so the member can immediately respond. All confirmed fraudulent activities are then processed by the PSCU fraud management team.

Additionally, our risk analytics team monitors Visa CAMS and Mastercard Alerts

to react against large-scale fraudulent activity. Before anyone reads of a security breach in a newspaper headline, our global fraud mitigation strategies will have been implemented to minimize the impact.

Decrease Your Liability with Experts Who Tackle Disputes Swiftly

PSCU provides mechanisms to process chargebacks in a full-service environment for Owner credit unions – meaning there is no need for integration with the core system, no paperwork for the credit union to manage, and nothing to support with regard to chargeback dispute processing. We accept full liability for our processing, so if we make a mistake we absorb any related losses. Our dispute analysts perform a series of steps to process the member's case, and because the activities and statuses of the case are noted in memos, your credit union can keep track of member disputes.