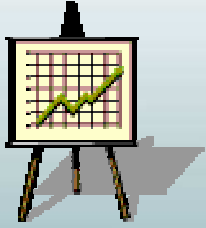


CIFAS – The UK's Fraud Prevention Service

CIFAS Data
– a new source of data
for use in fraud prevention models

Sue Wishart, Head of Member Development
CIFAS

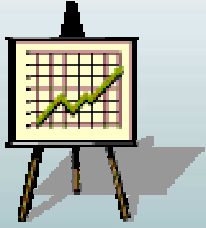
C I F A S



CIFAS – Some Background

- **CIFAS was formed in 1988 and is non-profit making**
- **CIFAS is the largest fraud data sharing scheme in the world**
- **Members pay an annual subscription fee**
- **Each Member shares data on proven fraud on applications and within its customer base**
- **Each Member prevents fraud by checking other Members' frauds at various stages in the customer cycle**
- **Since 2007, CIFAS also operates a database on Staff Fraud**

C I F A S



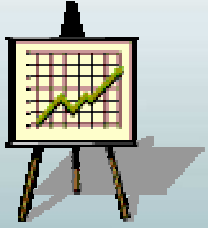
CIFAS – From Small Beginnings...

CIFAS by all measures is large and growing:

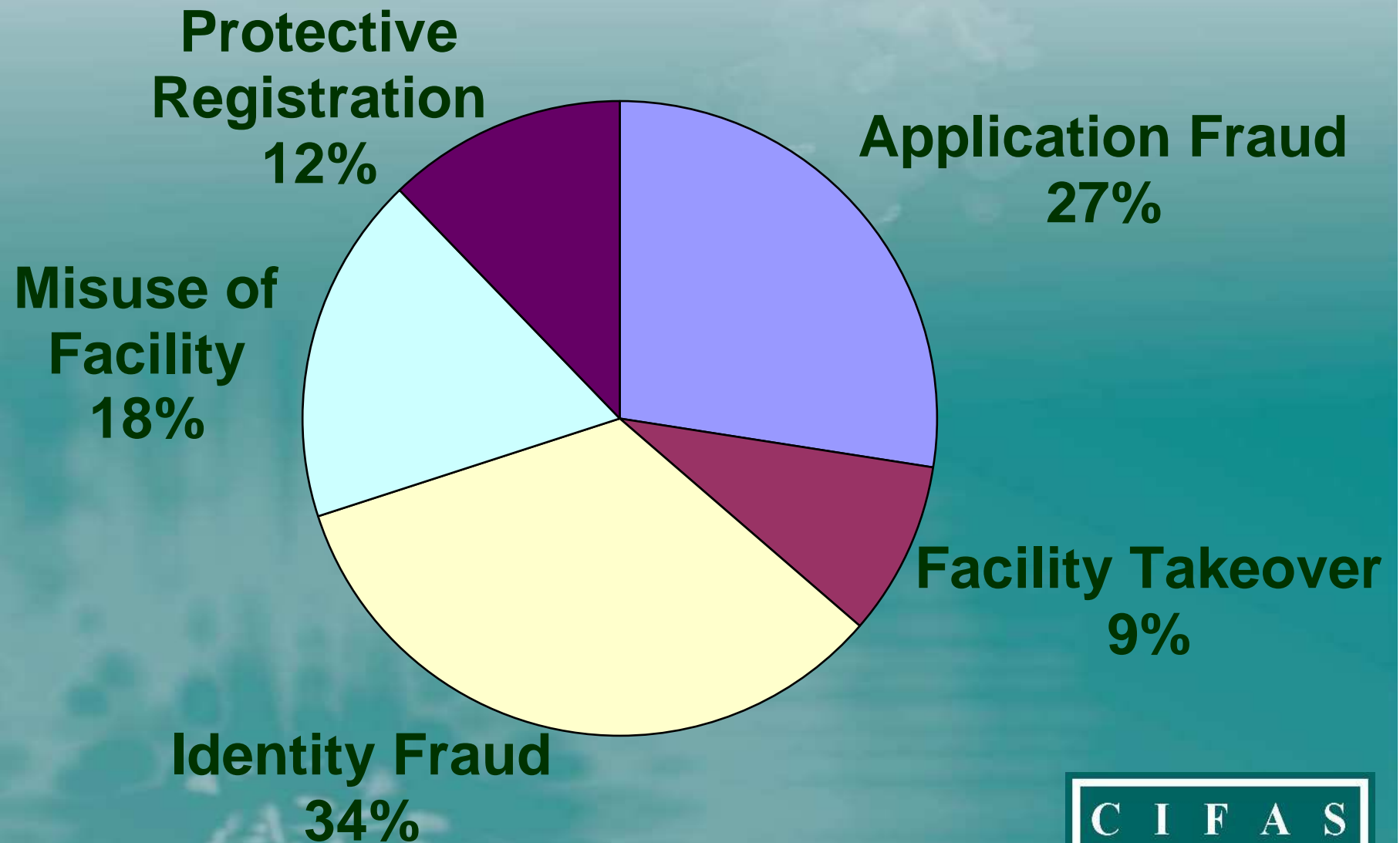
	1991	2006	2007	2008
Members	74	254	261	273
Address Records Filed	11,097	433,961	502,141	570,608
Cases Filed		191,881	217,967	270,514
Matches	9,427	6,381,674	8,081,579	9,033,675

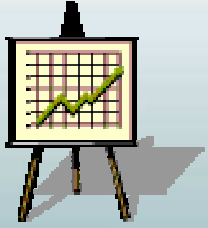
CIFAS is the largest fraud data sharing scheme in the world





Database – Case Types



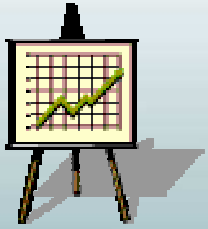


CIFAS – Effectiveness

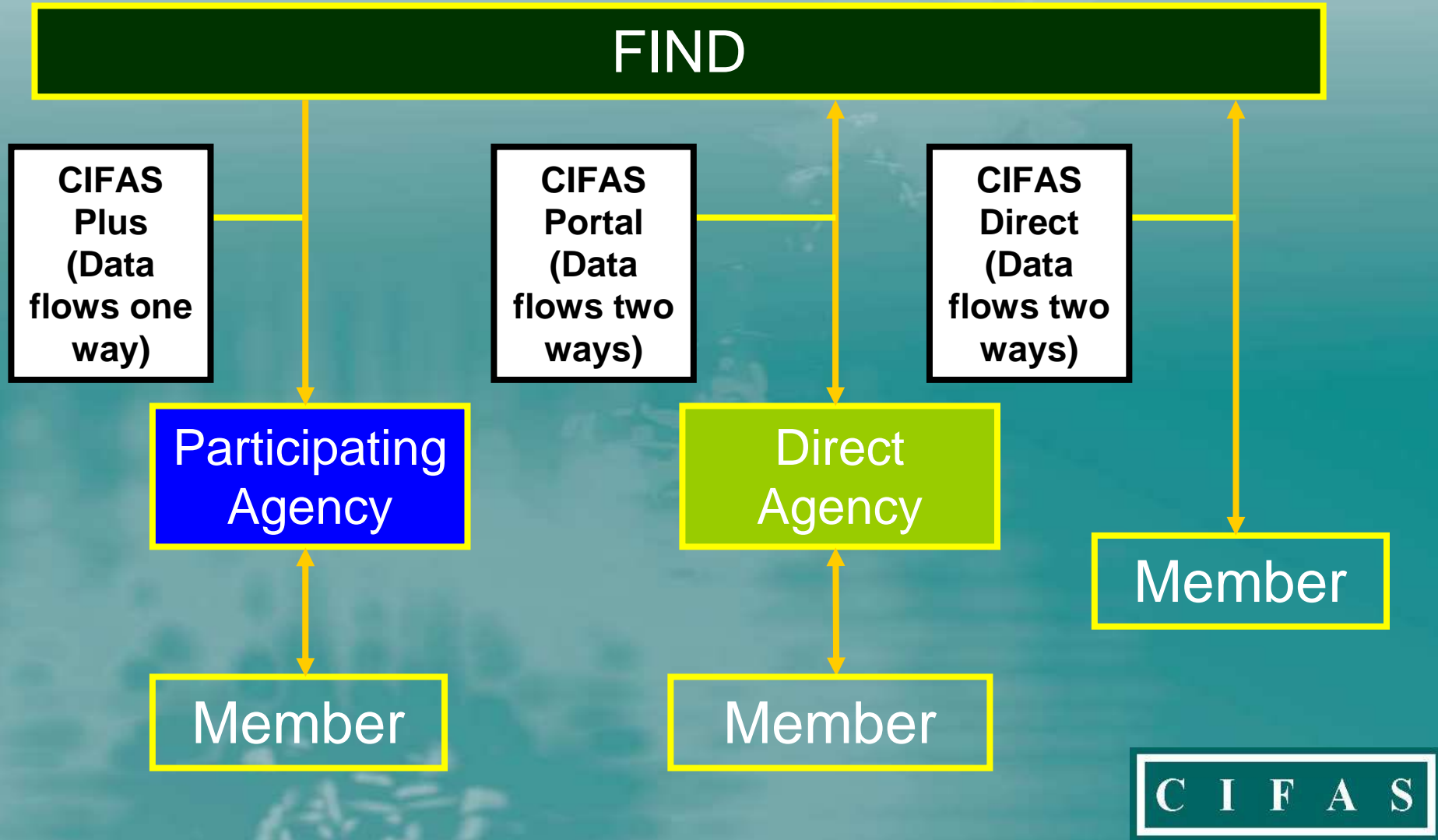
Members use CIFAS data to prevent fraud effectively

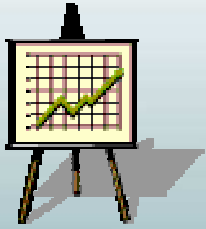
	2006	2007	2008
No loss	76%	78%	78%
Loss	20%	19%	18%
Loss Reduced	4%	3%	4%
Financial Benefit	£790m	£988m	£848m

**Financial Benefits in 2009 on track to reach
£1billion**



How CIFAS Members access CIFAS data



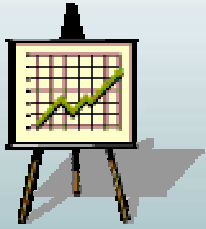


The data in a CIFAS case (1)

	“Old” CIFAS	CIFAS Plus	CIFAS Portal CIFAS Direct		On FIND
			Basic	Full	
Member’s Search Reference Number			X	X	
Data Matching Rule(s) triggered			X	X	
Supply Date	X	X	X	X	X
Product Code	X	X	X	X	X
Police/Organised Fraud (Section 29 Flag) ¹	X		X	X	X
Owning Member Number	X	X	X	X	X
CIFAS Category	X	X			X
Subject – Title	X	X			X
Subject – First Name	X	X		X	X
Subject – Middle Name	X	X		X	X
Subject – Surname	X	X		X	X
Subject – Date of Birth	X	X		X	X
Company Name	X	X		X	X
Company Number	X	X		X	X
Subject Address – Flat/Unit	X	X		X	X
Subject Address – House Name	X	X		X	X

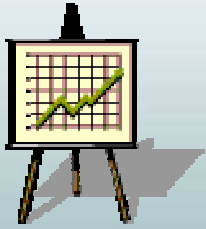
¹ This flag identifies that the case qualifies for an exemption from disclosure and should not be included in any response to a Subject Access Request.





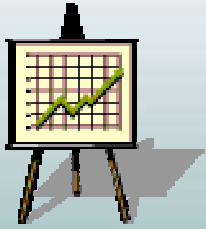
The data in a CIFAS case (2)

	"Old" CIFAS	CIFAS Plus	CIFAS Portal CIFAS Direct		On FIND
			Basic	Full	
Subject Address – House Number	X	X		X	X
Subject Address – Street	X	X		X	X
Subject Address – District	X	X		X	X
Subject Address – Town	X	X		X	X
Subject Address – County	X	X		X	X
Subject Address – Postcode	X	X		X	X
Address Unique Reference Number	X	X			X
Case ID Number		X	X	X	X
Managing Member Number		X	X	X	X
Case Type		X	X	X	X
Application Date		X	X	X	X
Facility – Granted/Not Granted		X		X	X
Reasons for Filing		X		X	X
Subject – Role		X		X	X
Subject – Role Qualifier		X		X	X
Subject – Home Telephone		X		X	X



The data in a CIFAS case (3)

	"Old" CIFAS	CIFAS Plus	CIFAS Portal CIFAS Direct		On FIND
			Basic	Full	
Subject – Mobile Telephone		X		X	X
Subject – Email Address		X		X	X
Subject Address – Type (Current, Previous etc.)		X		X	X
Subject Address – Time at Address		X		X	X
Member Reference Number (only visible to filing Member)					X
Claim Date			X	X	X
Loss/No Loss					X
Introducer					X
Reasons for Filing – Additional Facts					X
Delivery Channel				X	X
Details of a Report to the Police					X
Subject – Gender				X	X
Subject – Work Telephone				X	X
Subject – Employment Type				X	X
Subject – Employer Name, Address					X
Subject – Employer Telephone				X	X



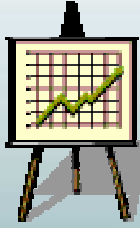
The data in a CIFAS case (4)

	"Old" CIFAS	CIFAS Plus	CIFAS Portal CIFAS Direct		On FIND
			Basic	Full	
Subject – Time with Employer				X	X
Subject – Occupation					X
Checks made that confirmed the filing					X
Checks made – Additional Facts					X
Victim's password				X 2	X
Details of Organisation Contacted					X
False/Stolen Documents				X	X
False/Stolen Documents – Additional Facts					X
Finance Details – Account Type				X	X
Finance Details – Account/ Card Number				X	X
Finance Details – Sort Code				X	X
Finance Details – Role within Case				X	X
Finance Details – Time with Bank				X	X
Linked Cases				X 3	X
Do not filter indicator (this Case must not be automatically filtered)			X	X	

2 Portal and Direct return an indication that a password exists on FIND. The actual password is not returned.

3 Portal and Direct return a counter of the number of linked Cases held on FIND. The actual Cases will be visible within FIND.

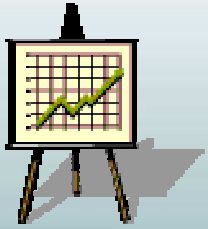




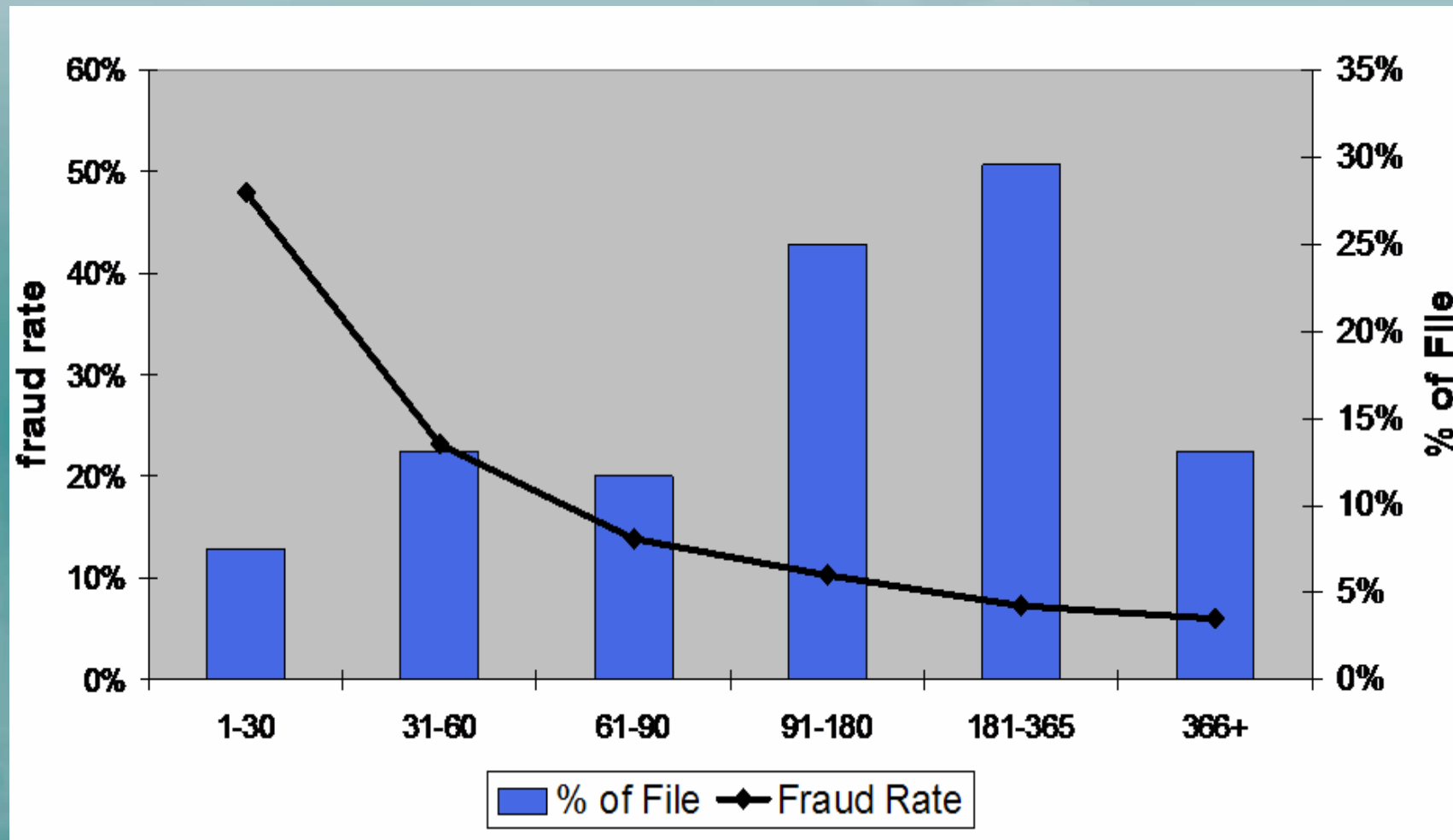
Opportunities to use CIFAS data in fraud models - 1

At point of application

- To determine whether a CIFAS match should be automatically released for processing.
- To prioritise matches by fraud risk so those with the highest risk of being fraudulent are investigated first
- To assess new applications according to type of fraud risk – to direct applications to teams with relevant expertise to investigate this type of fraud
- Next slides provide some early analysis undertaken by Jaywing to assess the likely predictive power of CIFAS data at point of application

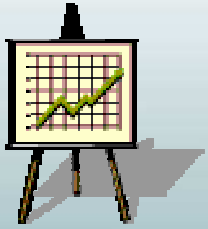


No of days since CIFAS case (Gini = 32.1%)



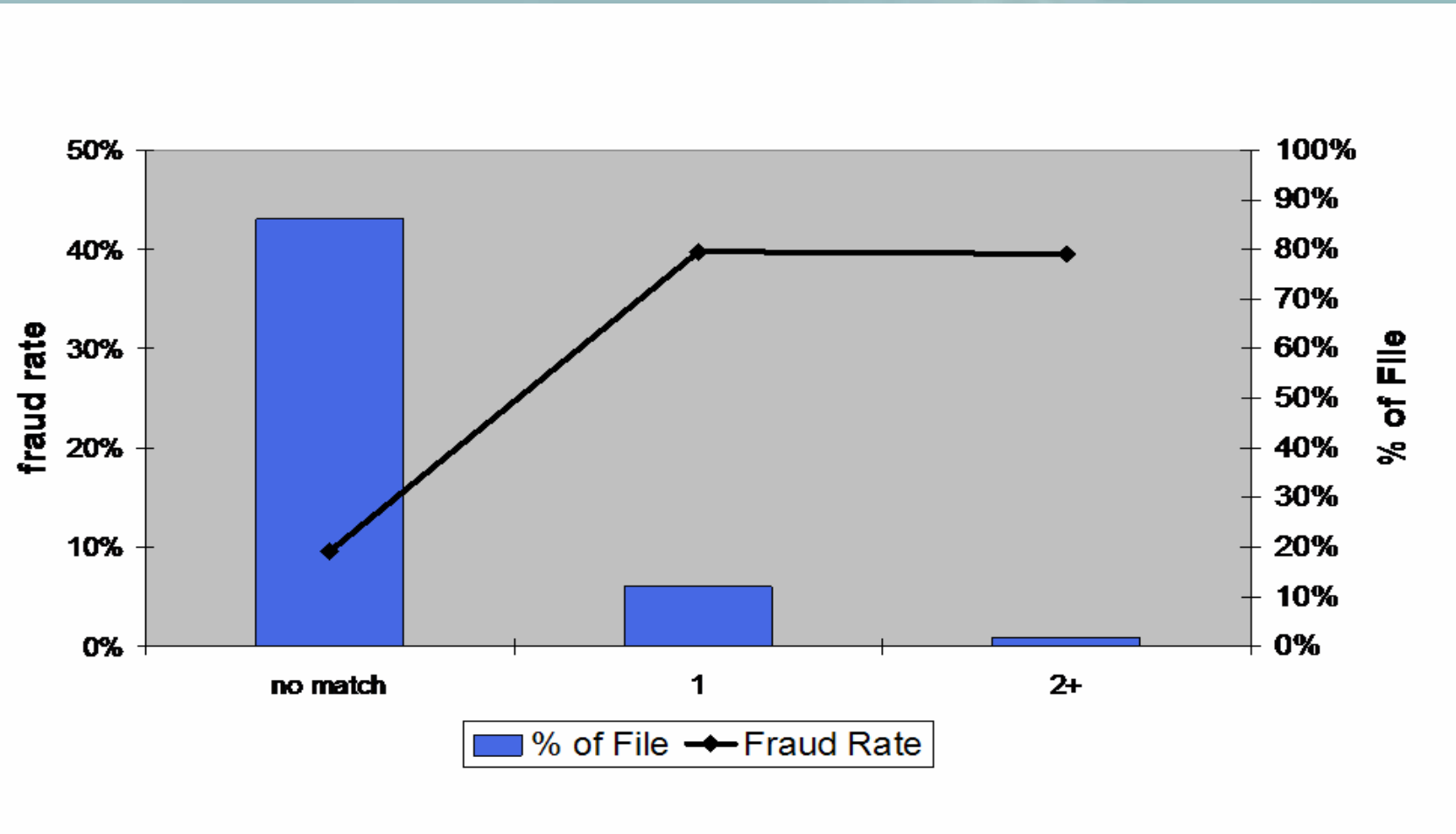
Source: Jaywing



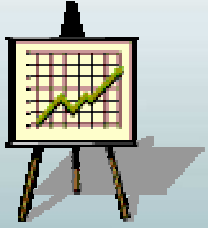


No of DoB matches

(Gini = 30.3%)



Source: Jaywing



Summary of variables found to be predictive

High risk

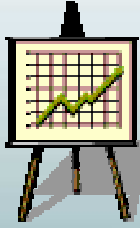
- multiple cases
- recently filed cases
- internet/telephone
- applicant name/DoB match
- match same address type
- filing member refused facility

Low risk

- single case
- cases filed some time ago
- mail/face to face
- different name/DoB match
- match to different address type
- filing member had approved the facility

Source: Jaywing

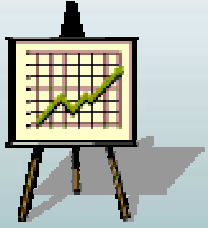
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Opportunities to use CIFAS data in fraud models - 2

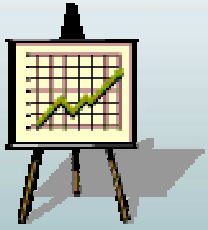
In customer management

- Prospect models
- Reviewing credit limits
- Authorisations
- Policy or facility renewals
- Policy or facility upgrades
- Monitoring dormant accounts
- Identifying collections or debt recovery accounts that are in fact frauds
- Modelling profitability, provisions, capital adequacy



Issues to consider

- **Use of CIFAS RetroMatch – one free test for every Member**
- **Need for large sample sizes**
- **A CIFAS warning cannot be built into any process to automatically reject based on risk**
- **Need to consider how/where you intend to implement the model/s**
- **Impact of new sectors joining CIFAS membership over time**



CIFAS – The UK's Fraud Prevention Service

CIFAS Transformation Programme

www.cifas.org.uk

