

Electronic Payments Growth & Why Account Authentication Matters

Growth In Electronic Payments

In the US in 2012, there were an estimated



122.8 billion non-cash payments

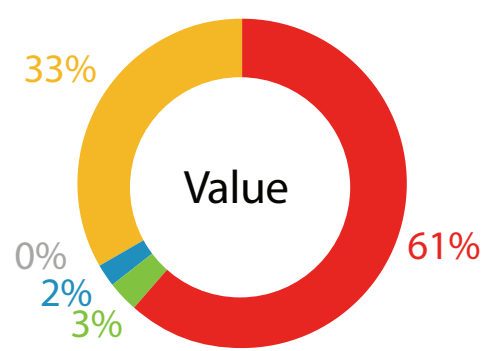
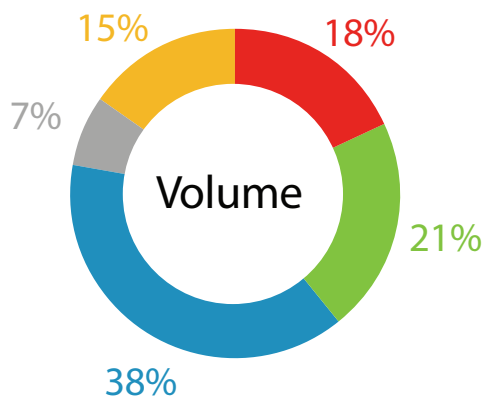
Estimated value:

\$79 trillion

Distribution Of Non-Cash Payments¹

In 2012

- ACH
- Checks (Paid)
- Credit Cards
- Debit Cards
- Prepaid Cards



In 2013, ACH volume grew to almost

22 billion transactions

equating to **\$38.7 trillion**²

ACH at a Glance

ACH TRANSACTIONS²

UP 11%

UP 6.7%

UP 5.2%

UP 4.6%

Web

B2B

Recurring

Customer-initiated

The Returns Problem

Non-Sufficient Funds, Administrative and Unauthorized ACH Transaction Returns

Non-Sufficient Funds³

100,000,000 transactions

\$200 billion

Administrative ACH returns⁴

30,345,000 transactions

\$17.4 billion

Unauthorized ACH returns⁴

3,570,000 transactions

\$1.2 billion

Account Take-over

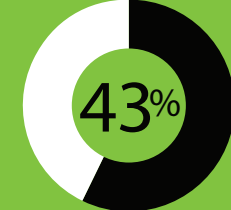
2014

780 recorded data breaches in 2013, exposing **85,611,528** records, contributing to the flood of consumer data on the black-market⁵

20% of FSO's expect account take-over fraud to increase in the next 12 months, resulting in a greater need to authenticate⁴



In 2013, account take-over fraud reached an all-time high due to data breaches, impacting over 2 million consumers—the highest it has ever been since tracking began in 2006.⁶



increase from 2012 resulting in:

\$5 billion in losses

Early Warning's Solution

Early Warning Improves Payments through Authentication

Real-time Payment Chek[®] Service with Account Owner Authentication (AOA)

Leverages the collaborative intelligence of the National Shared DatabaseSM Resource and is the first and only technology to authenticate DDA account ownership, account signatory, and account status – providing inquiry responses in real-time.

Merchants, billers and Government agencies can now:

- Reduce returns and account takeover fraud for ACH, Wire and Checking transactions
- Reduce costs
- Enable a positive customer experience

National Shared Database Resource*

Account Owner Authentication: On more than 374M deposit account owners associated with more than 256M deposit accounts

Account Status: On over 514M participant accounts
Account Score: On 84M non-participant accounts

*The database consists of business and consumer accounts. Database stats as of August 2014.

Learn how Early Warning's Real-time Payment Chek Service with Account Owner Authentication can improve your payables and receivables.

Go to www.earlywarning.com/land_rtpcoa.php

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Collaborative intelligence. Trusted exchange.