



A White Paper on

Credit Information Management

What is Credit Information or Credit Report?

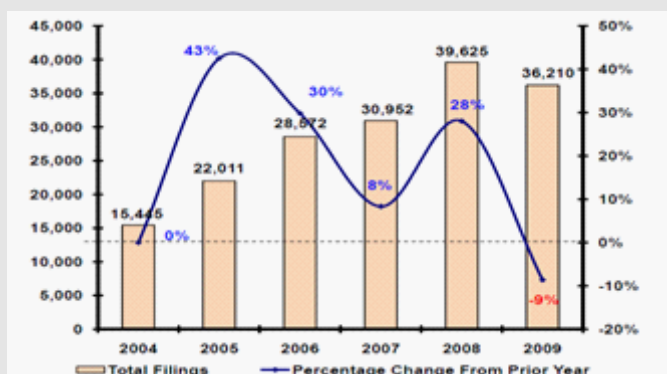
Credit information, also known as credit report, is a detailed record of consumers' credit history maintained by credit reporting agencies (Credit Bureaus). Creditors and lenders use credit reports to determine the risks of a borrower. Credit report includes personal identification information such as name, address, employer details, variety of credit details like loans, credit cards etc. along with inquiries placed by creditors, public records such as bankruptcies, tax lien and even lawsuit judgements.

Why is a Credit Report Important?

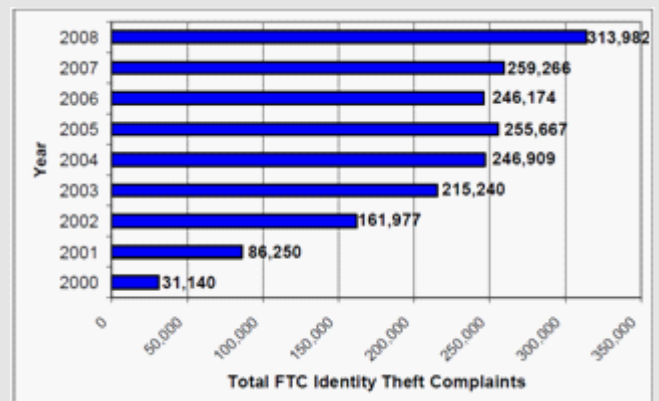
Consumers' credit report is a record of credit repayment history compiled from different creditors. As most lenders will check consumers' credit file to assess their credit worthiness prior to making a decision, a good credit record makes it easier to obtain credit and to qualify for concessions. Credit report also helps credit providers to make faster and more objective lending decisions. By providing credit data to its members (lending institutions), the credit bureaus help them determine the credit worthiness of the person applying for credit.

Identity Theft and its impact on our lives

As the importance of the credit report increases, the growth of Identity Theft has also increased. Identity Theft is a form of fraud or cheating of a person's identity by another in order to access resources or obtain credit and other benefits in that person's name. The victim of identity theft can suffer adverse consequences if he or she is held accountable for the perpetrator's actions. In recent years, there has been a steady increase in cases of Identity Theft.



1 Suspected Activity Reports Trend



2 FTC Identity Thefts Complaint Trend

No one is immune from Identity Theft. Regardless of geographical location, age, sex and race, all are vulnerable. The downfall of this crime is that one will never know that the crime is being committed until it is too late. The victims get to know about the crime, when the person who committed it has long gone.

Identity Theft vs. Credit Monitoring Services

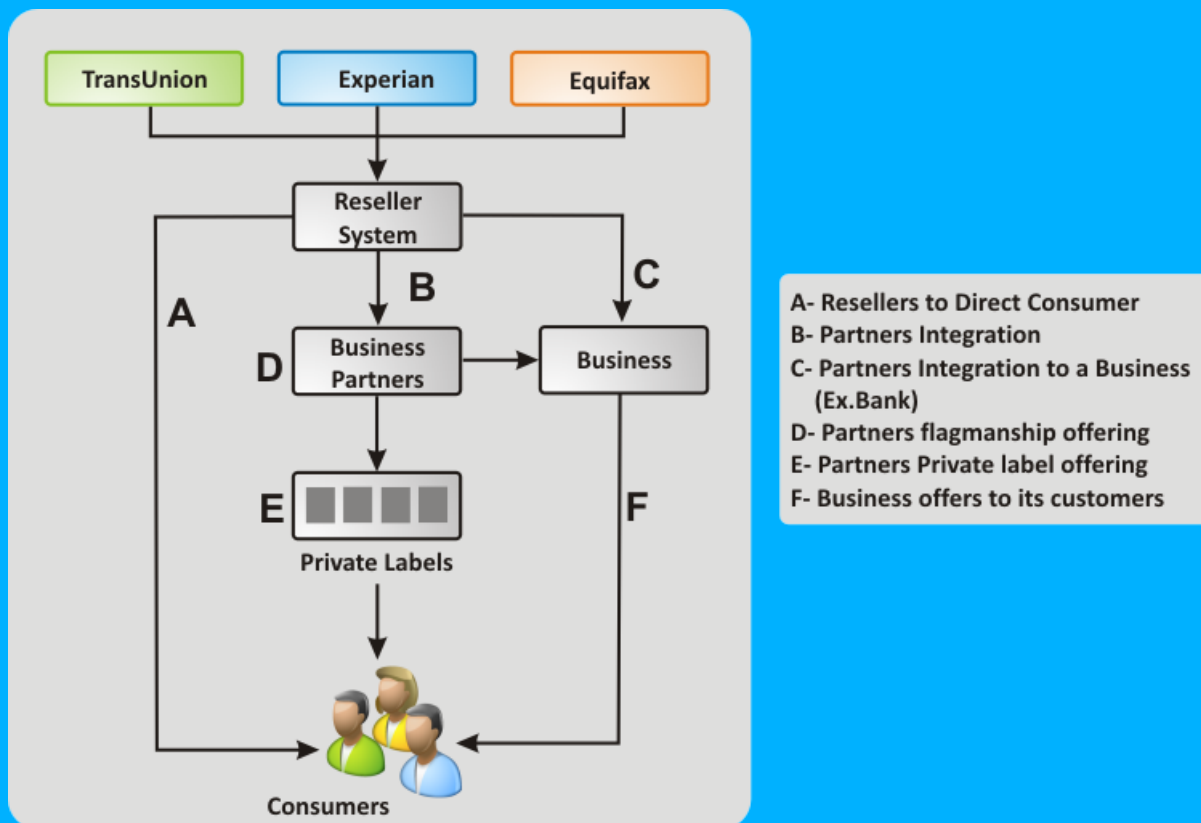
As Identity Theft increases, the need for protection also increases. Credit monitoring is one of the best ways to protect oneself against Identity Theft. There are numerous sites that offer protection services to their customers in the direct to consumer industry. Typical services that are offered include Credit Reports, Credit Scores and Credit Monitoring Services.

Direct to Consumer Market overview and Saksoft's presence

Due to the awareness of Identity Theft, the need to access credit reports and being informed on the activities of the credit report have increased at the consumer level and thereby, companies who offer these solutions have also flourished. Saksoft is an active market player and has been providing solutions to its partners in the direct to consumer market with a variety of solutions.

Saksoft has developed solutions for:

1. Businesses that Resell credit information.
2. Businesses who are value added resellers to their partners
3. Business partners for Financial Institutions
4. Financial Institutions
5. Private Labels providing solutions to consumers under multiple brand names



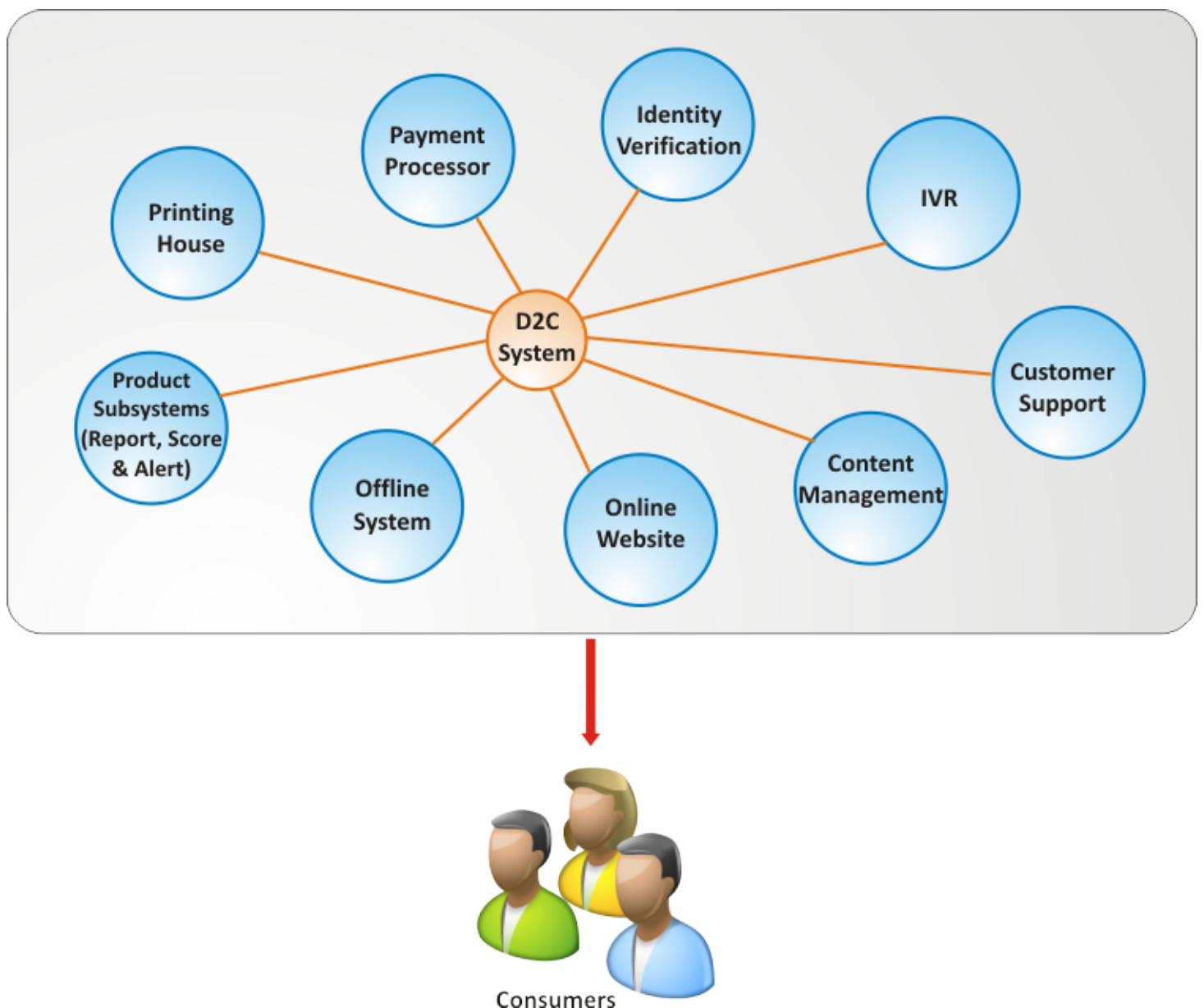
Direct to Consumer Market and Saksoft's Involvement (A-F)

Diversified Product Implementations

To cater to a wide array of requirements by its partners, Saksoft offers them full-fledged business solutions providing end customers with the following options:

1. Get Credit Reports from all the bureaus
2. Get Credit Scores from bureaus and from FICO
3. Get Auto and Home Insurance scores
4. Subscribe for credit monitoring and alerts
5. Apply locks on their consumer report in case of suspicion of being a fraud victim
6. Simulate their credit scores to plan and effectively manage their credit
7. Perform Debt Analysis and view their home value
8. Manage Alerts
9. Request products through smartphones like iPhone.

Saksoft enabled its partners to implement the complete solution space and ensured that they gained seamless experience to provide their consumers online and offline access to credit information.



Products supported for its partners:

Over the years Saksoft has implemented multiple solutions for leading providers of the credit management solutions industry. These implementations include but are not limited to:

Service / Solution	Description
Credit Reporting Service	Service that pulls consumer reports from credit bureaus and collates it in a presentable format
Credit Scoring Service	Service that pulls and/or calculates scores (Like FICO Score, Credit Xpert Score, Vantage Score, Transrisk score, Home/auto insurance etc.). This also includes a score simulation (what if) on Transrisk score
Credit Monitoring Service	Service that monitors critical changes to consumer reports of credit bureau and generate alert notification to consumers.
Identity Verification Service	Service to verify the identity of the customer based on the data in credit
Security Freeze service	Service that provides the option to consumers for placing a security freeze through online websites
Support Services	<ul style="list-style-type: none">• Integration with Printing service - To assist in offline product delivery and notification communications• Integration with IVR service - To help identify verification through phone authentication• Integration with payment service - To help processing electronic payments by various payment vendors
Complete E-commerce solution	One or more of the above services bundled as a full-fledged online web solution

Challenges and how Saksoft's domain Knowledge can help:

Since FCRA was introduced by Congress in 1970, it has evolved over a period of time and has introduced numerous regulations that have changed how the credit management industry works and has added to the risks of operating businesses.

It would be safe to say that in today's world, credit managers and solution providers continue to face challenges in consumer-facing and business to business sectors. The solutions designed to provide credit management solutions need to continuously evolve to comply with CRA (Credit Reporting Agency) requirements as well as the solution provider's requirements that are outlined and modified through FCRA.

In response to the rising tide of ID Theft cases, multiple States have enacted freeze laws allowing consumers to prevent CRAs from releasing their credit information. While this protects the consumer, it also adds complexity to business cycles where credit information comes into play. The variations in each State's laws can add to the complexity of doing business there.

Saksoft, as your partner, can help you quickly understand the intricacies associated with those changes and suggest recommendations that will affect the system to comply with regulatory requirements. Some of the organizations providing credit information engage compliance officers to decipher the legal implications and requirements. Saksoft's domain knowledge can help you get these details quickly.

Saksoft follows a 90 day system delivery model to ensure the time taken to for project delivery is relatively quick and thereby ensuring that its partners can get through from concept to completion with low costs.

Roles performed by Saksoft

Depending on customers' needs Saksoft has been able to cater to their requirements by :

1. Acting as a Product Development Partner
2. Handling Project Management
3. Handling Account Management
4. Handling 24*7 Production Operations Management across all Tiers
5. Providing Solution design and development
6. Handling Performance fine tuning to cater to ever changing business needs
7. Managing Quality Assurance and automation
8. Handling Database development and support

Typical Credit Information Management Solutions that Saksoft can provide for you

A typical business can provide its consumers multiple options as far as the credit management solutions go.

1. Credit Monitoring Solution - Here consumers have two ways to monitor all three credit bureaus (Transunion, Equifax and Experian).

- ★ Consumers can choose to subscribe to a monthly monitoring service that monitors their credit
- ★ The other option is to pull Credit Reports from each agency, for free, and complete an annual check-up of credit.

The main difference is that the monitoring service alerts its consumer to any changes in the credit reports immediately by sending out an email or message through mobile solutions. Whereas, in Credit Reports, if some changes have occurred and consumer is manually monitoring it, the consumer will come to know of it only once a year when he checks the reports.

2. Credit Scoring solutions. Here too consumers have multiple options.

- ★ One of the widely used credit scoring model used by credit agencies is FICO, a standard developed by Fair Issac Corporation.
- ★ Another standard in the industry is Vantage Score, a joint scoring model created by all three bureaus.
- ★ And finally comes the scoring models created by each of the bureaus - Experian has Plus Score, Equifax has Score Power and Transunion has Transrisk (implemented for Transunion by Saksoft)

3. Consumers have multiple options to prevent themselves from Identity Fraud. One of the widely used options is security freeze and fraud locks. Here, any consumer who is a fraud victim or suspects that he may be, has the tools provided to him whereby he can apply a fraud lock on his consumer report. Consumers also have the option to subscribe to Identity Risk Monitoring services where the providers scan for consumers' information in public domain and provide the consumer a risk score.

4. Finally, consumers also have the option to subscribe to wallet services and Identity Protection services, whereby, despite all protections if they happen to lose their identity, the service provider would work for them to restore the identity and will take care of bank accounts, credit cards, insurance cards etc

Conclusion

Saksoft's experience and knowledge in the intricate functioning of Credit Management domain provides its partners unique options where they can work with Saksoft across multiple areas.

- ★ For businesses with technological infrastructure looking at providing its customers to get credit information, Saksoft can help you to integrate with its partners' reseller system.
- ★ For businesses looking at setting up credit management and identity theft protection sites or other private labels, Saksoft can be your partner and provide you with the requisite know-how and skills to enable you to get going quickly using our expert functional domain knowledge.
- ★ For businesses looking at end to end credit solutions, Saksoft can be your partner and deliver solutions to you in a timely manner with the best of products that are designed to cater to customers' business needs from day one.

Saksoft has adequate knowledge and proven experience to ensure your highly sensitive consumer offerings can serve customers in the best possible way and also help manage your production operation running solutions in the credit management domain.

In essence, if you are a business having a concept to provide credit management solutions to your customers, Saksoft is the rightly sized partner for you with the ability to quickly turn around with its 90 day delivery cycle and provide you the products that meet your expectation and help you grow your business.

Our Locations

India

Saksoft Ltd.,

Chennai

SP Infocity
Block A, 2nd Floor, 40, MGR Salai,
Perungudi, Kandanchavadi,
Chennai - 600 096
Phone : + 91 44 2454 3500
Fax : + 91 44 2454 3510

Noida

B 35 - 36, Sector 80, Phase II
(Near Moserbaer)
Noida - 201305,
Phone : + 91 120 2462 175
Fax : + 91 120 2462 179

Mumbai

B206, Shubham Centre #2,
Chakala Road, Andheri East,
Mumbai - 400099
Phone : + 91 22 4215 2517
Fax : + 91 22 4215 2516

USA

Saksoft Inc.,

Jersey City

Suite 2562,
2500 Plaza 5,
Harborside Financial Center,
Jersey City, NJ 07311-4035.
Phone : (201) 633 4744
Fax : (212) 504 8026

Chicago

10 S Riverside Plaza
Suite 1800
Chicago, IL 60606
United States

Singapore

Saksoft Pte Ltd.,

#15-06, Shenton House,
3 Shenton Way,
Singapore - 068805
Phone : + 65 6224 2550
Fax : + 65 6224 2783

United Kingdom

Acuma Solutions

London

9 Devonshire Square

London

EC2M 4YF

Phone : +44 870 789 4321

Fax: +44 870 789 4002

Manchester

Waterside Court

1 Crewe Road

Manchester

M23 9BE

Phone: +44 870 789 4321

Fax : +44 -870 789 4002