

Co-operative Financial Services



Benefits of deploying ActivIdentity 4TRESS:

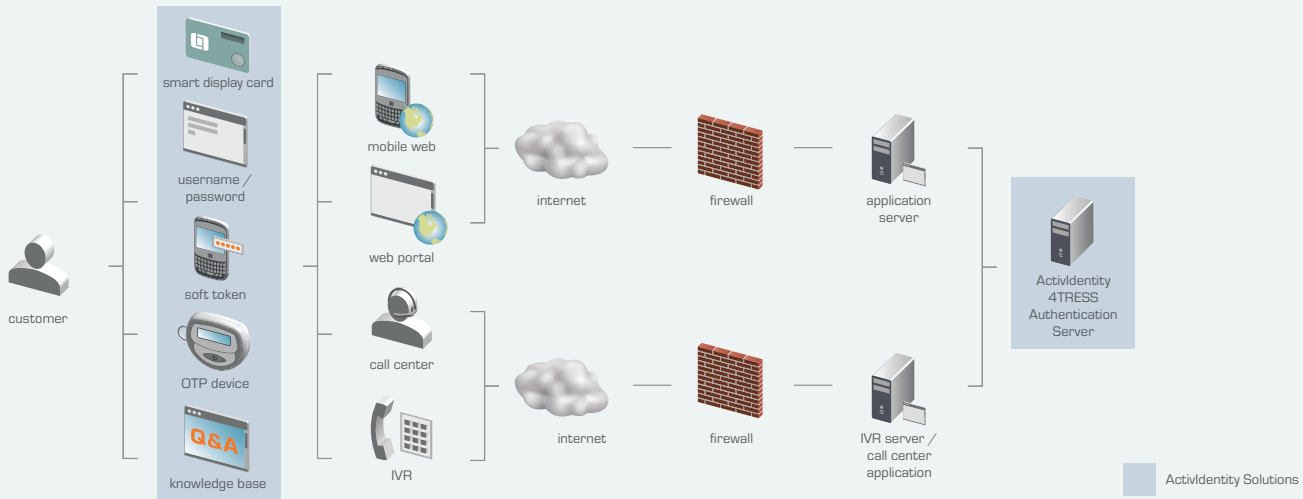
- Customer-friendly, strong authentication
- Lowest Total Cost of Ownership
- Single platform used across multiple bank channels (retail and business banking)
- Single platform used across multiple service channels (Internet, phone and mobile banking)
- Secure access that is easier, more manageable and more affordable
- Streamlined compliance via a centralized audit trail
- Future-proof security platform

Co-operative Financial Services (CFS) is a United Kingdom (UK) financial services business for corporate and private individuals. A part of the Co-operative Group, CFS has over 8 million customers and offers a range of financial products including Internet banking. CFS is committed to being an ethical, environmental and community leader and has developed unique ethical policies based on input from members and customers.

Online banking is arguably the most convenient channel for customers to interact with their bank. Online banking has become an increasing way for a bank and its customers to suffer fraud.

CFS realized that strong authentication was essential to secure its Internet banking site. An insecure Internet banking site would be damaging to one of CFS' greatest assets — the trust in its brand. Any strong authentication solution needed to be easy to deploy, interface with the myriad of CFS' banking systems and fit into its Service Oriented Architecture. Finally, the solution needed to utilize the bank's credit and debit cards with Europay, MasterCard and Visa (EMV) chips as the primary authentication method for retail customers.

After extensive research and evaluation, CFS selected ActivIdentity 4TRESS™ for its online banking needs. 4TRESS delivered the security CFS needed and the convenience its customers demanded.



Online banking increases fraud exposure

When a financial institution offers online banking, the risk of fraud increases. Fraud data in the UK illustrates this point as online banking became mainstream. Reported online banking losses in the UK rose from £23.2m in 2005 to almost £60m in 2009. The reported number of “phishing” attacks, where customers are led to fake bank websites via an email that looks legitimate rose from 1,700 to 51,000 in the same period.

Under this backdrop, CFS saw an increase in fraud attempts and fraud. New attacks could originate from anywhere in the world (as opposed to the traditional in-person or intra-UK telephone fraud efforts).

CFS realized it needed a strong authentication solution that could be rapidly deployed to protect one of its most valuable assets: the CFS brand. In addition, customers were increasingly demanding higher standards of security from their card issuer. CFS also needed a solution that would not impact operations and meet all of the relevant industry regulations, such as PCI compliance. A strong authentication solution that was too complex would inconvenience customers and negatively impact the customer service levels that are core to CFS.

CFS chose ActivIdentity 4TRESS as the main weapon in the bank’s campaign against fraud

CFS acted quickly and reached out to the marketplace for a solution. After evaluating all options, CFS selected ActivIdentity 4TRESS to protect their customers and shut down fraud in its online channel.

CFS selected ActivIdentity 4TRESS because it allowed CFS to:

- Provide strong authentication to address user demands for convenience and portability, while simultaneously reducing the cost of deployment and operations
- Streamline compliance via a centralized audit trail for customer transactions across channels and products
- Provide a strong authentication platform for future growth

Snapshot:

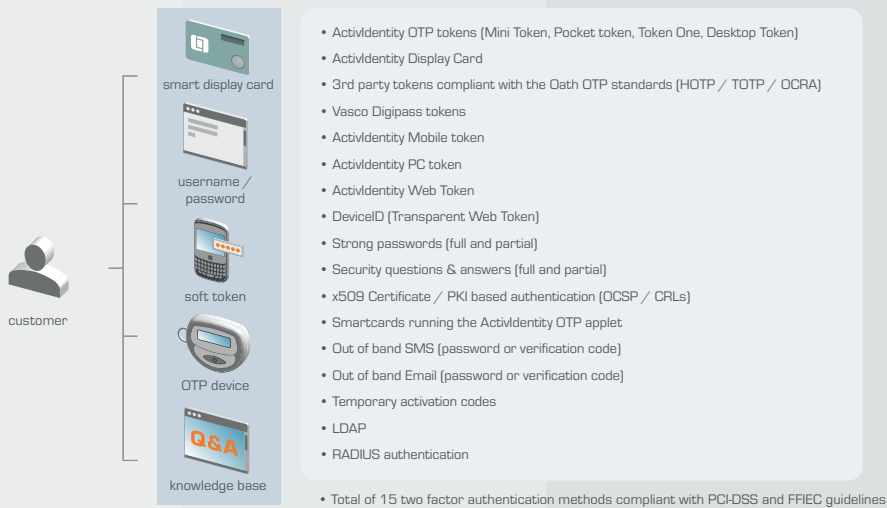
Co-operative Financial Services

United Kingdom

8 million customers

<http://www.co-operativebank.co.uk/>

4TRESS Authentication Appliance: Versatile Authentication



- Easily interface its new strong authentication solutions to CFS's legacy bank systems and the Internet Banking solution.

After deploying 4TRESS, CFS saw fraud levels drop. Once 4TRESS was deployed, retail banking customers used their existing Visa branded bank cards for online banking. Customers would use a token reader and a challenge and response code, improving the security for the CFS Internet banking site.

The threat of online fraud was mitigated and reduced to a level that was now inline with CFS' internal risk levels. CFS' approach was vastly more secure than the traditional user name and password approach and dramatically reduced phishing and other typical online attacks. Because the user's card needed to be present and a Challenge and Response Code generated, it eliminated the traditional types of attacks against retail customers. CFS' use of its Visa bank cards meant customers enjoyed greater security without needing an additional security form factor, thus delivering convenience to its customers. With almost 1 million people using the system, 4TRESS has been able to deliver increased security with scalability to allow CFS to provide an optimized user experience. With fraud at a very low level, 4TRESS met its mission to protect and enhance the CFS brand.

Expanding the use of 4TRESS within CFS

While CFS' initial 4TRESS deployment was for their retail Internet Banking systems, CFS also investigated how to improve the security for their business banking customers. One of the reasons CFS selected 4TRESS was its usability across banking channels. Because of 4TRESS' success in reducing fraud on the retail side, CFS decided to test 4TRESS' capabilities and expanded its deployment to protect CFS business banking customers.

Given the nature of corporate networks and mobility of business customers, CFS chose to deploy ActivIdentity tokens to generate One Time Passwords (OTP) for authentication for its business customers. Nearly 100,000 CFS business customers use



"CFS researched the market for an appropriate provider. ActivIdentity's industry-leading expertise, highly efficient support for EMV CAP authentication, and the ability to use the same authentication infrastructure for multiple business units were key reasons behind our decision to appoint them."

- Tony Britten, Director of Financial Crime Management, Co-operative Financial Services



ActivIdentity 4TRESS
Authentication Appliance

secure tokens to log on to their accounts and for a broad range of sensitive transactions. Business customers now have a greater peace of mind and better security because CFS has eliminated the use of static forms of security (the user name and password) for these customers.

As CFS moves in the future to new channels or service offerings, the existing 4TRESS deployment can be simply expanded to accommodate whatever functionality CFS chooses. An example of a new service offering could be the addition of mobile banking. If CFS chooses to add mobile banking for retail or business banking customers, the 4TRESS deployment can be updated to add this channel without the need to expand the existing IT infrastructure. By selecting 4TRESS, CFS chose the solution that not only provided it with the best return-on investment in the market, but also offered the easiest path for CFS to deploy the newest technologies demanded by its customers.

About ActivIdentity

ActivIdentity, an HID Global company, is a leading provider of secure identity solutions, enabling organizations to establish trust in online identities. For over 20 years, ActivIdentity has been helping enterprise, government and financial service organizations meet their information security and compliance requirements. That's why more than 2,500 of the most security conscious customers around the globe trust ActivIdentity for their secure identity needs.

HID Global and ActivIdentity are committed to continually enhancing customer value through secure identity solutions that drive down costs, are easy to use, and increase end user and administrative convenience.

For more information visit www.actividentity.com or call and speak to a ActivIdentity sales representative.

Americas +1 510.574.0100
US Federal +1 510.574.0100
Europe +33 (0) 1.42.04.84.00
Asia Pacific +61 (0) 2.6208.4888
Email info@actividentity.com
Web www.actividentity.com

About ActivIdentity

ActivIdentity Corporation is a global leader in intelligent identity assurance, providing solutions to confidently establish a person's identity when interacting digitally. For more than two decades the company's experience has been leveraged by security-minded organizations in large-scale deployments such as the U.S. Department of Defense, Nissan, and Saudi Aramco. The company's customers have issued more than 100 million credentials, securing the holder's digital identity. ActivIdentity is headquartered in Silicon Valley, California. ActivIdentity is part of HID Global, an ASSA ABLOY Group brand. For more information, visit www.actividentity.com



ASSA ABLOY
An ASSA ABLOY Group brand



Copyright © 2011 ActivIdentity. All rights reserved. ActivIdentity and 4TRESS are trademarks of ActivIdentity. All other trademarks, trade names, service marks, service names, and images mentioned and / or used herein belong to their respective owners.