

IDENTI-CHECK®

RATED 

Verifying the customers' identity is a cornerstone requirement of the Anti-Money Laundering legislation - Identi-Check® is one solution for introducing Electronic Verification.

The recent IMA member advisory regarding Anti-Money Laundering and Counter-Terrorism Financing Rules (AML/CTF) outlined businesses involved in collections, debt buying, repossessions and field calls are potentially caught up in this legislation, meaning such companies need to put in place an action plan to meet their obligations as soon as possible.

“Identi-Check® can be implemented quickly and simply, to help you meet your AML/CTF obligations”

A major component of this legislation is verifying the customer's identity using reliable independent source documents. The regulator allows the use of Electronic Verification (EV) for this verification.

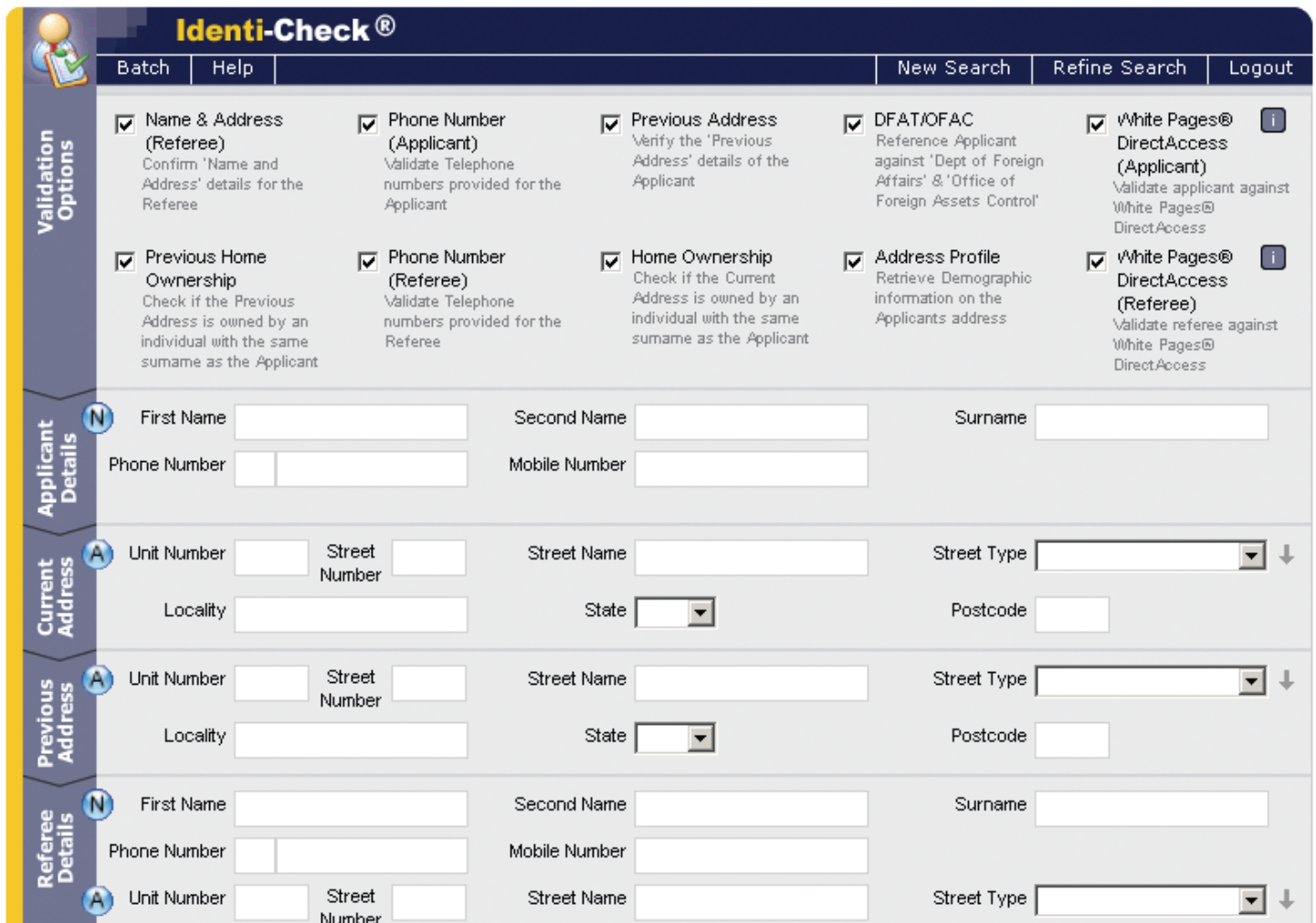
This can reduce inefficiencies in current identification processes and also improve customer experience. EV is a workable solution as:

- It is a highly cost effective way of complying with the identity verification component of Know Your Customer (KYC);
- It is one of the most reliable methods of identifying irregular particulars of suspect customers;
- It removes human error and provides

a discrete separation between the customer facing staff and the due diligence application; and

- Technology minimises the inconvenience that may be caused if customers were forced to produce paper identification documents.

The AML/CTF Act has created the Electronic Verification Safe Harbour Principles, which dictate that where AML/CTF risk is low to medium, organisations can use EV as a means of identifying a customer. In addition, unlike the 100 point check, EV allows the organisation to provide an online or over-the-phone service without significant impact upon the business or customer.



The screenshot shows the Identi-Check web application interface. At the top, there is a navigation bar with 'Batch', 'Help', 'New Search', 'Refine Search', and 'Logout' options. Below this is a 'Validation Options' section with a grid of checkboxes for various verification steps, such as 'Name & Address (Referee)', 'Phone Number (Applicant)', 'Previous Address', 'DFAT/OFAC', 'White Pages® DirectAccess (Applicant)', 'Previous Home Ownership', 'Phone Number (Referee)', 'Home Ownership', 'Address Profile', and 'White Pages® DirectAccess (Referee)'. The main form area is divided into sections for 'Applicant Details', 'Current Address', 'Previous Address', and 'Referee Details'. Each section contains input fields for names, phone numbers, addresses, and street types, along with dropdown menus for states and postcodes.

Are Electronic Verification solutions available today?

Yes, but as with all things, not all are as they seem. It's a case of buyer beware. Some are based on old technology with limited capabilities and potentially using data that is at best, suspect and at worst, perhaps restricted by the Privacy Act. EV customers should look for a provider that uses a number of independent data sources to verify customer identification.

Users should look for a provider who ensures their EV platform is scalable enough to support the inclusion of new data sets as they are approved by regulators, such as the electoral roll. This will future-proof the organisation from having to make costly updates.

EV customers should ensure their provider is up-to-date on the AML/CTF Act and has sufficient broader knowledge of the Australian market.

Making EV cost effective to meet the needs of industry and AML/CTF compliance requires a provider to invest

heavily in R&D and work with industry to break down the barriers and access additional trusted sources of data.

One provider, FCS OnLine has invested in its technology solution Identi-Check®, and developed methodologies supporting the technology and the business process surrounding electronic identity verification.

To facilitate this, FCS OnLine has adhered to four fundamentals to provide comfort to customers and reduce complexities associated with compliance:

1. To electronically corroborate identity information particulars supplied across multiple independent data sources, including the current electoral roll.
2. To provide a high degree of veracity in the corroboration and matching process.
3. To provide complete transparency into the reportable methodologies used behind the scenes so organisations that have implemented

their own EV solution have:

- a. a high level of comfort surrounding their approach to EV; and
 - b. a verifiable process and accompanying documented methodology which can be presented to the regulators.
4. To continue to lobby government to gain access to additional trusted datasets in order to assist in cost-effectively meeting the true objectives of the AML/CTF Act.

Identi-Check® can either be used as a manual solution through the web or integrated into your own systems, making verification seamless. It can be implemented quickly and simply, to help you meet your AML/CTF obligations.

Subscribers to the Identi-Check® service must be current reporting entities to Austrac, the AML/CTF regulators. ■

[FCS OnLine provides Online Search and Electronic Verification services. For further information contact 02 8912 1030]

The screenshot displays the Identi-Check® web application interface. At the top, there is a navigation bar with 'Batch', 'Help', 'New Search', 'Refine Search', and 'Logout' options. The main content area is divided into two sections: 'Result Summary' and 'Result Details'.

Result Summary:

- Overall Grade/Score:** 98 (Applicant), 78 (Referee)
- Applicant:** 98, FULLY COMPLIANT
- Referee:** 78
- Other Details:**
 - DFAT Match: No
 - OFAC Match: No
 - Home Ownership:
 - Current: N/A
 - Previous: N/A
 - Address Profile: N/A

Result Details:

The details section shows a horizontal bar chart for each category, with a score scale from 5 to 100. The categories and their scores are:

- Applicant:**
 - Address Quality: ~95
 - Name & Address: ~95
 - Prev Name & Address: ~95
 - Supplied Phone-Land: ~95
 - Supplied Phone-Mobile: ~65
 - Other Phone-Land: No Score
 - Other Phone-Mobile: ~95
- Referee (WP):**
 - Supplied Phone-Land: No Score
 - Supplied Phone-Mobile: No Score
 - Other Phone-Land: No Score
 - Other Phone-Mobile: No Score
- Referee (WP):**
 - Name & Address: ~95
 - Supplied Phone-Land: ~95
 - Supplied Phone-Mobile: No Score
 - Other Phone-Land: No Score
 - Other Phone-Mobile: No Score
- Referee (WP):**
 - Supplied Phone-Land: No Score
 - Supplied Phone-Mobile: No Score
 - Other Phone-Land: No Score