

Customer Authentication

Lessons Learned from the FFIEC

global  strategies

Who is Flagstar?

- **\$15.5 Billion in total assets**
- **Largest Publicly held Savings Bank Headquartered in the Midwest**
- **153 Banking Centers in Michigan, Indiana, and Georgia**
- **Originates Loans in 50 states**
- **Servicer of \$27 billion of loans**
- **Traded on NYSE**

FFIEC Requirements

- **More than Username and Password for ‘High Risk Transactions’**
- **High Risk Transactions are:**
 - Access to Non-Public Information
 - Funds Transfers to Third Parties
- **More Secure Access by January, 2007**

Flagstar's Analysis

- **Systems Reviewed/ Risk Assessment**
- **Decision**
- **Implementation**
 - Online
 - Wireless

Initial Feedback

- **Soft Launch started October 2006**
- **Required/Mandatory Launch**
- **Business/Commercial Banking Customers**

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Other Research

global  strategies



Mitigating Controls

- **Outbound Email Policy**
- **Email Encryption**
- **Consumer Education**
- **Balance Security and Usability**

Question?

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