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Holiday hours and production freeze

Christmas Eve
Sunday, Dec. 24
- EFT client support: 8 a.m. – 3 p.m. CT
- Core client support: Closed (We have a technician on call 24/7 for emergencies.)

Christmas Day
Monday, Dec. 25
- EFT client support: Closed
- Core client support: Closed

New Year’s Eve
Sunday, Dec. 31
- EFT client support: 8 a.m. – 3 p.m. CT
- Core client support: Closed

New Year’s Day
Monday, Jan. 1
- EFT client support: 8 a.m. – 9 p.m. CT
- Core client support: Closed

Holiday production freeze
To ensure system integrity during the holiday season, SHAZAM will freeze enhancements to our network and applications from Dec. 18, 2017, to Jan. 2, 2018

It’s the most wonderful time of the year to say thank you and send good cheer.

Happy holidays from your friends at SHAZAM
2018 Forum
spectrum of success

REGISTRATION OPENS DECEMBER 7!
VISIT SHAZAM.NET/FORUM TO VIEW EVENT DETAILS AND REGISTER.

April 10 – 12
Des Moines Marriott Downtown.

GET THE SKINNY ON OUR 2017 EVENT!

TOTAL registrations
2015 2016 2017
339 342 376
10% INCREASE!

23 states represented

109 financial institutions sent two or more people
A new way to handle disputes

Let SHAZAM Dispute Resolution Services take the lead

Are you dealing with a burdensome and time-consuming dispute management process? Is it taking your staff’s time that could be spent on more productive customer service activities? If so, SHAZAM has a solution for you: Dispute Resolution Services!

SHAZAM Dispute Resolution Services replace or augment your upfront efforts to determine a dispute. We recently introduced the service and our expert team has already handled hundreds of cardholder cases.

We’ve heard positive feedback from clients that are using the service. If you haven’t enrolled, we encourage you to take a close look at how much time and money you invest in disputes. Dispute Resolution Services might be the answer for your institution.

To enroll or discuss pricing, contact your SHAZAM client executive.

FAQs

Here are five frequently asked questions about the service.

1. Are there prerequisites to enroll?

Yes. This service is only available to SHAZAM® Chek issuers enrolled in FICO® Falcon® Fraud Manager.

2. We don’t have many disputes per year. Is this service worth the investment?

First off, yes! SHAZAM has deep expertise in Regulation E. Your institution can reduce staff time spent on staying abreast of the numerous regulations and communicating with cardholders to gather dispute details. SHAZAM will handle all of this on your behalf. You’ll see savings as your staff focuses time on more profitable services and cross-selling activities.

3. Can I charge my cardholders for the service?

Examiners will most likely criticize the charging of a dispute fee. Regulation E prohibits charging a cardholder a fee if an error occurred. You could potentially charge a fee if it’s determined that no error occurred. However, the rule prohibits a “chilling effect” on the good-faith assertion of errors. For example: If you charge $25 for a dispute, it’s unlikely that anyone will take the time to make a claim on a $20 item or even a $50 item.

Zero-liability rules were designed to make the cardholder “whole” again, which wouldn’t happen if a fee were charged.

4. Who is at fault if an error occurs and Regulation E requirements aren’t met?

SHAZAM’s operating rules state that financial institutions bear the full responsibility for all regulations. Keep in mind, though, that SHAZAM is a Regulation E expert. Our team is knowledgeable and reliable. We’ll work with you and your cardholders throughout the dispute process to ensure you’re in compliance along the way.

5. Do you have a user guide?

Begin 2018 with a solid marketing plan
Use SHAZAM Power Marketing to give yourself a head start

Now is the perfect time to start thinking about your 2018 marketing plan. A comprehensive plan allows everyone in the organization to see the year at a glance and maintain the same focus throughout the year. Create a schedule that clearly defines your annual goals and how to accomplish these objectives. You can also identify target audiences to guarantee that specific accountholders receive a compelling message.

Whether you create a monthly, bi-monthly or quarterly marketing plan, our Power Marketing Program has multiple campaigns to promote products and services, strengthen your brand and position your institution as the expert. Educate your accountholders on fraud, financial literacy, digital payments and the convenience of debit cards. Promote SHAZAM, BOLTS™, FICO Falcon Fraud Manager, SHAZAM Debit Rewards and Dispute Resolution Services. Choose from professionally designed, must-have marketing materials such as inserts, web banner ads, blogs, Facebook cover photos and more.

Need help creating an annual campaign? Contact us and we’ll work closely with you to determine when and how to market the products and services that improve your bottom line.

On the website
Forgot your password?
No problem. On the SHAZAM Power Marketing Program homepage, click Forgot your password? (directly below the Returning Customers: Quick Login section). You’ll be asked to enter your email for password assistance.

New to SHAZAM Power Marketing?
Go to the SHAZAM Power Marketing Program home page to create a new account! Enter your financial institution’s information, click Submit Registration and you’ll have instant access to a variety of marketing campaigns.
As the new year approaches, it’s a good time to review what fraud detection and prevention measures your institution has in place to reduce losses in 2018.

SHAZAM offers a wide array of products, services and reports to help you manage risk.

**Falcon Fraud Manager with real-time scoring**

Using tools such as FICO Falcon Fraud Manager with SHAZAM Case Management services, we can quickly identify potentially fraudulent activity, contact your cardholders and secure the accounts.

SHAZAM can even write special custom rules to address specific fraud trends that may be unique to your institution or geographic area.

By adding Falcon with real-time scoring to the case management product, you can see even greater fraud savings. Falcon with real-time scoring will analyze the risk of transactions that represent the greatest fraud threat and potentially decline them on the spot.

**SHAZAM Card Block**

SHAZAM Card Block, available within SHAZAM Access, gives you the opportunity to react quickly and effectively to fraud trends. You can apply blocks to decline certain transactions based on the country, state, merchant category code (MCC) or dollar amount. Using this product, in combination with Falcon, allows you to minimize fraud losses and provide the ultimate security to your cardholders!

**SHAZAM BOLT$**

SHAZAM BOLT$, our easy-to-use mobile phone application, allows your cardholders to set their own transaction alerts and be notified of that activity. Additionally, your cardholders will receive a SHAZAM BOLT$ notification whenever a Falcon case is created, which includes the SHAZAM toll-free 24/7 telephone number for them to call for more information.

You can also add a service called Transaction Control that allows your cardholders to temporarily block their cards to avoid fraud if their card has been lost or stolen.

As an added bonus, SHAZAM BOLT$ allows your cardholders to instantly send money to other cardholders — even PULSE®, STAR®, Visa® and Mastercard® cardholders! It’s convenient, easy and instantaneous.

**Daily limits**

Setting cardholder daily limits to an amount that’s manageable for your cardholders, but low enough to keep fraud losses to a minimum, is clearly important. Remember, the amount the daily card limit is set at is what can be at risk for fraud loss.

**SCD020 report**

The SHAZAM Security / Fraud Activity (SCD020) report is produced daily and identifies several criteria that may indicate suspicious activity is occurring. If you haven’t yet signed up for Falcon services, please monitor this report to help reduce fraud losses.

**For more information**

For more information on these products and services or the latest fraud trends, visit the Fraud Watch section in SHAZAM Access.

For pricing and implementation information, please contact your SHAZAM client executive.
Shopping safely this holiday season

At SHAZAM, we know all too well that increased shopping means increased criminal activity. We want your cardholders to shop safely this holiday season, so consider sharing the following tips with them!

When shopping online

• **Use a secure, unique password for your email account.** Online retailers often require an email address to register at their website. If a website is compromised, criminals can leverage your email account to hack your other e-commerce accounts.

• **Shop at reputable sites and be sure the sites you visit are legitimate.** Cybercriminals can create website URLs that look very similar to real websites to fool shoppers.

• **Keep your computer and browser up to date with the latest patches and software.**

When at the shopping center

• **Avoid driving alone or at night.** If you must shop at night, park in a well-lit area, park as close as you can to your destination and take notice of where you parked.

• **Don’t leave packages or valuables on the seat of your car.**

• **When approaching or leaving your vehicle, be aware of your surroundings.**

• **Only use ATMs in well-lit, public places.** Be aware of anything that doesn’t look right — ATM skimmer devices may have been installed by thieves to steal card numbers and PINs. If there are people loitering in the area, find another terminal.

Final thoughts

Jay Lohmann, SHAZAM’s senior governance, risk and compliance analyst, said it’s best to use common sense and awareness around the holiday season. They can go a long way toward helping you and your family stay safe.

“If you’re unsure of your surroundings or situation, either in person or online, get away and report the suspicious behavior or scam,” he said. “SHAZAM wants you to be safe at all times and to enjoy your holiday without the hassle of fraud.”

For more information

To learn more about your rights as a consumer or to make complaints about online consumer issues, visit the Federal Communications Commission’s website.
FinCEN warns banks of fraud risk following natural disasters

The Financial Crimes Enforcement Network (FinCEN) recently issued an advisory to warn banks about fraud risk as recovery continues in areas recently affected by hurricanes and wildfires.

The U.S. Department of Justice established the National Center for Disaster Fraud (NCDF) to investigate, prosecute and deter fraud in the wake of Hurricane Katrina, when billions of dollars in federal disaster relief poured into the Gulf Coast region.

Its mission has expanded to include suspected fraud from any natural or manmade disaster, including Hurricanes Harvey, Irma and Maria. More than 30 federal, state and local agencies participate in the NCDF, which allows the NCDF to act as a centralized clearinghouse of information related to disaster relief fraud of all types.

FinCEN urges banks to pay particular attention to benefits fraud, charities fraud and cyber-related fraud in disaster-stricken areas.

- **Benefits fraud**: Benefits fraud typically occurs when individuals apply for emergency assistance benefits to which they’re not entitled. Financial institutions are at risk when fraudsters seek to deposit or obtain cash derived from the emergency assistance payments. FinCEN has noted an increase in the use of wire transfers to perpetrate these frauds. In those situations, requests for withdrawals are made and funds are wired to bank accounts, where the fraudster immediately withdraws the funds.

- **Charities fraud**: Charities provide a vehicle for donations to assist hurricane victims. However, during times of disaster, criminals seek to exploit these vehicles for their own gain. Both legitimate and fraudulent contribution solicitations and schemes can originate from social media, emails, websites, door-to-door collections, flyers, mailings, telephone calls and other similar methods.

- **Cyber-related fraud**: Cyber actors take advantage of public interest during natural disasters in order to conduct financial fraud and disseminate malware. The Center for Internet Security expects this trend to continue as new and recycled scams emerge involving financial fraud and malware related to Hurricanes Harvey, Irma and Maria. As of September 2017, the Multi-State Information Sharing and Analysis Center (MS-ISAC) observed the registration of more than 743 domain names containing the word “Irma,” and most include a combination of the words “help,” “relief,” “victims,” “recover,” “claims” or “lawsuits.” They believe more domain registrations related to Hurricanes Harvey, Irma and Maria are likely to follow.

Financial institutions are encouraged to use the resources made available by the NCDF to help identify and mitigate their potential for all types of disaster fraud risks.

FinCEN also requested that any financial institution submitting a Suspicious Activity Report (SAR) on fraud that is disaster-related include the keyword “Disaster-related fraud” in both the narrative and in field 31(z) (Fraud-Other) of the report.

**New website for FRB Services**

Federal Reserve Bank (FRB) Services has announced it will launch a redesigned website, new logo and new FED360° publication. The new website will feature a new user interface, with a mobile-friendly design, reorganized content and easier access. FedFocus and FedFlash will be combined into a new FED360° publication, which will be issued twice monthly.

**New mortgage performance trends tool launched by CFPB**

The Consumer Financial Protection Bureau (CFPB) has launched a new mortgage performance trends tool that tracks delinquency rates nationwide. Information newly available through this tool shows that mortgage delinquency rates nationally are at their lowest point since the financial crisis. In addition to national data, the online tool features interactive charts and graphs with data on mortgage delinquency rates for 50 states and the District of Columbia at the county and metro-area level.

Read the full announcement.
Uniform Residential Loan Application to include language preference question

The Federal Housing Finance Agency (FHFA) recently announced that it will include a language preference question on its updated Uniform Residential Loan Application. The question will allow borrowers to specify if they wish to communicate in a language other than English and to identify their preferred language. The new form will go into effect beginning in July 2019 and will be mandatory for loans made by Fannie Mae and Freddie Mac beginning in February 2020.

In response to numerous concerns raised about the legal risks that such a question would pose for lenders, FHFA included additional disclosure language intended to inform borrowers that their loan transaction is likely to be conducted in English, and that communications may not be available in their language of choice. The text also states the language designation is for information collection purposes only, and is not intended to create an expectation that the lender will proceed with the transaction in the borrower’s specified language. In addition, the text includes information on the language services available to borrowers and directs them to various language access resources.

CFPB outlines principles for third-party data access

The Consumer Financial Protection Bureau (CFPB) recently issued nine guiding principles for protecting consumers that choose to share their financial data with third parties and data aggregators.

The principles were released after the CFPB conducted a formal investigation into “screen scraping,” a process in which consumers provide their online banking credentials to a third-party app or tool. The principles don’t reflect new or alter any existing guidance. While the CFPB affirmed that consumers should generally have the ability to share their financial data, it noted that consumers shouldn’t be required to give up their banking credentials to do so.

The principles establish that third parties that are granted access to customer data should use it only to the extent necessary to provide the products and services selected by the customer, and that the data should be accessed, stored and used safely and securely. In addition, the CFPB emphasized that consumers should have the ability to quickly review who has access to their data and have disputes over unauthorized access resolved in a timely manner.

The principles include:
1. Access
2. Data Scope and Usability
3. Control and Informed Consent
4. Authorizing Payments
5. Security
6. Access Transparency
7. Accuracy
8. Ability to Dispute and Resolve Unauthorized Access
9. Efficient and Effective Accountability Mechanisms

View the CFPB website for full descriptions of the nine principles and what they mean.
Do you have a social media strategy?

If you manage your institution’s social media accounts or website, you know it’s important to evaluate what you’re putting online.

Have you asked yourself these questions?

- Do we have a social media strategy?
- Who are our followers?
- Who are our posts aimed at and what’s the message behind them?
- Are our posts creating the type of engagement we want?

They’re important to consider, and the answers are different for every organization.

SHAZAM has a well thought-out, thorough strategy for all of our social media channels. Our overall goal is to highlight our products and services, promote client, association and merchant partners and share best practices to help our mission of strengthening community financial institutions.

We’re taking our great in-house customer service and applying it online. We recommend you do the same!

Pictures are powerful

Visual content is social media’s secret weapon. Photos catch a person’s eye, evoke emotional reactions from viewers and create more online engagement.

Studies have shown visual content is 40-times more likely to be shared on social media than other types of content.

Think about it. When you’re scrolling through your social media feed, would you rather look at a picture of a young girl with her new puppy or click on a text-only news link?

If you picked the girl with a puppy, you’re not alone! The Georgia Institute of Technology found Instagram photos showing faces get 38 percent more “likes” than photos not showing faces.

People “like” to see themselves or see people they know in pictures.

What does this mean for my company?

SHAZAM’s newest social media channel, Instagram, is employing our overall strategy through the sole usage of pictures. Instagram is a platform to increase brand awareness, company culture, engagement and industry education exclusively through photos.

Consider what makes your financial institution special. Do you have a staff full of experienced financial experts? Highlight one on your company’s social media feeds — include a picture, years of service and a brief quote about what he or she enjoys most about working at your organization. Check out our example below! Your followers will love seeing their favorite teller or employee pop up in their social media feed, and hopefully they’ll take the time to “like” the photo.

It’s time to join the conversation online, and what better way to show off your amazing company culture than with a great picture?

Feature example

Get to know Jackie Rolow!

- Position: SHAZAM’s Executive Vice President & Chief Talent Officer
- Years of service: 25 years
- What do you enjoy most about working at SHAZAM?

Without a doubt, I love working with the people! I’m happiest when I help others achieve their goals at SHAZAM or in their personal life. I truly believe that when individuals feel fulfilled, they’ll naturally help others around them. In this case, SHAZAM staff that feel fulfilled in their work and personal life means they’ll provide the best service for our financial institutions.

Jackie Rolow
Executive Vice President & Chief Talent Officer
Movie Time Rewards

Congratulations to the October monthly winners for SHAZAM’s “Movie Time Rewards” Debit Rewards campaign, which runs October – December 2017. Each of the monthly winners will receive a $50 Fandango gift card.

Do you want one of your cardholders to be a lucky winner? To learn how, please call SHAZAM’s marketing team at 800-537-5427, ext. 4394, or email SHAZAM Debit Rewards.

October winners

- **Delayna S.** of Moline, Illinois
  (R.I.A. Federal Credit Union; Milan, Illinois)
- **Sonjia S.** of Prescott, Arkansas
  (Bank of Prescott; Prescott, Arkansas)
- **Samantha B.** of Fruitland, Iowa
  (CBI Bank & Trust; Muscatine, Iowa)
- **Judy R.** of Melbourne, Iowa
  (Farmers and Merchants State Bank of Pierz; Pierz, Minnesota)
- **Shelby B.** of Remsen, Iowa
  (Primebank; Le Mars, Iowa)
- **Tony M.** of Riceville, Iowa
  (CUSB Bank; Cresco, Iowa)
- **Amber M.** of Emporia, Kansas
  (Olpe State Bank; Olpe, Kansas)
- **Serenity D.** of Lead Hill, Arkansas
  (Anstaff Bank; Green Forest, Arkansas)

About the newsletter

Spotlight on Service, winner of 15 awards of publication excellence, provides you with information on the financial services industry. It’s not a definitive analysis of the subjects discussed and is not an alternative to the requirements of any regulatory agency.

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