

PROTECTED MEMBERS. MINIMIZED LOSSES.

CREDIT UNION PROFILE

After serving the employees of Long Island's largest organizations for 62 years, Bethpage Federal Credit Union (Bethpage) began serving all Long Islanders directly in 2003, with branches across Long Island. Its vision remains the same as when it first opened its doors for Grumman employees in 1941: provide extraordinary service and value anytime, anywhere. Bethpage has grown to be the largest credit union on Long Island, with \$5.4 billion in assets, because of the loyalty and commitment of its members.

FACING CHALLENGES

When Target experienced a massive data breach in its U.S. stores, Bethpage knew it needed to act quickly and protect its member cardholders from being exposed. With its laser focus on customer service, the credit union also needed a way to allow members to continue to use their cards in the short-term, since the breach occurred during the busy holiday shopping period.

PROVIDING SOLUTIONS

Bethpage uses CO-OP Revelation, powered by Saylent's Card360™ product, to gain a better understanding of its cardholders for more effective programs and promotions. In this instance, Revelation helped the institution minimize the impact of fraud.

18

Saylent learned of the Target data breach on Wed., December 18, and immediately created a filter in Revelation to identify all cards within portfolios the company supports that were used in Target brick-and-mortar stores during the breach period. The company contacted clients and alerted them to the breach and the filter created. This all happened in less than one day.

19

The next morning, Bethpage accessed Revelation and retrieved a list of 11,000 impacted debit cardholders. The credit union immediately posted a message on its website, letting members know of the possible breach. Members identified by the Revelation filter were alerted through their Online Banking home page that their card was potentially compromised. Bethpage also instituted new fraud detection rules at CO-OP and began monitoring spending patterns for the impacted cards. All of these activities were complete or underway as press were just starting to cover the news of the breach and as Bethpage began receiving notification from MasterCard about cards that were compromised.

20

The following day, Bethpage sent letters to all impacted cardholders identified through Revelation and reissued members' cards. The institution also gave members the opportunity to visit one of their branches to get a replacement card right away. Because it was in the middle of the holiday shopping season, Bethpage kept existing cards open until January 15.

"We wanted to allow members to continue spending during the holidays, but asked them to closely monitor their accounts and let them know we were doing the same," said Robert Hoppenstedt, senior vice president of operations and marketing at Bethpage. "We also told them that if they were concerned or uneasy about the situation they could come in and do an instant issue."

24

On December 24, Bethpage produced and mailed reissued cards to all affected members.

POWERFUL INSIGHTS. PROFITABLE OUTCOMES.

Bethpage Federal Credit Union quickly mitigated the risk of a large data breach by relying on CO-OP Revelation, powered by Saylent's Card360 strategic solutions.

DELIVERING RESULTS

Ensuring members are happy and that their funds are safe are top priorities for Bethpage. Through Saylent and Revelation, the credit union was able to quickly identify cardholders impacted which enabled the institution to immediately begin mitigation activities.

"As a result of Saylent's focus on industry hot buttons and the strength of its Revelation product, we were made aware of the Target breach and were able to act quickly, before the media coverage and network notification. The solution paid for itself in just this one instance, given we were potentially one day ahead of where we would be if we were waiting on CAMs," said Hoppenstedt.

"I know a lot of financial institutions were scrambling on Thursday, and some had to wait even a few more days for lists of compromised cards from Visa and MasterCard," said Hoppenstedt. "On Wednesday we had a plan and were executing it."

Because it was able to act so quickly, Bethpage experienced only \$2,000 in fraud losses from the breach through the first two weeks of January, and kept member confidence high.

In a letter to Bethpage, one member noted, "I am writing today to make a comment about Bethpage FCU. I have been with the credit union for MANY years, and I just want to say Bethpage FCU is one of the best out there! I moved from New York to Florida 20 years ago and kept my account and wouldn't think about switching! The reason I write today is because I am in the financial industry (I work for a credit card processor), and I deal with banks and credit unions every day. When I became aware of the Target breach I immediately went to check my debit transactions and noticed the large banner on your home page alerting members. I know the effort that goes into drafting a message of that nature and adding it to your web page so I just want to say 'Thank You' for being proactive!"

CO-OP Financial Services (CO-OP) is a Credit Union Service Organization serving more than 3,500 credit unions around the country. CO-OP allows credit unions to serve their cardholders with payments products that would otherwise be only available to larger financial institutions. These services include ATM processing, shared branching, call center, and debit and credit card processing, as well as many more complementary products.

Saylent provides financial institutions with data analytics software and services that improve profitability and product innovation by delivering smarter, deeper, actionable insights on the financial behaviors of consumers and businesses. With Saylent's solutions, financial institutions are empowered to drive new revenue streams and increase loyalty by delivering programs and solutions that their customers and members desire.

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