Zumigo Bank Account Validation Prevents Digital Payment Account Fraud

Zumigo Assure Identity for Bank Account Validation verifies a consumer and business bank account status and ownership before linking to their digital payment accounts or wallets. This validation ensures the digital payment account holder is the same person or entity as the bank account holder to prevent fraudulent purchases.

Digital payment wallets are popular payment methods for e-commerce goods and services, as well as peer-to-peer money transfer. However, fraudsters can create fake accounts that are linked to valid accounts to steal funds for their own use. Zumigo Assure Identity for Bank Account Validation helps banks and businesses verify that the digital payment account holder and the bank account holder is the same person or entity:

❖ Verify individual or business bank account status - whether it's open, closed or unknown - using the American Banker Association (ABA) routing number and bank account number.

❖ Verify individual or business account ownership and status using name, ABA routing number and account number. An overall match score, recommendation reason codes and individual field matching status will be provided.

  o For individual accounts, the following additional input are optional: address, home and/or work phone number, social security number (SSN), and date of birth

  o For business accounts, the following additional input are optional: address, home and/or work phone number, and taxpayer identification number (TIN)

❖ Assess the risk of a return for the debit amount in the next 30 days – whether to deny, approve, or research further. This is an optional add-on to the above two verifications. Zumigo's business customers are required to sign an acknowledgement of the Fair Credit Reporting Act (FCRA).

Zumigo Assure Identity for Bank Account Validation prevents business and consumer financial loss, and negative sentiment for business brand, while satisfying compliance:

❖ Prevents linkage of valid bank account to fraudster's digital payment account where funds can be stolen for fraudulent purchases.

❖ Eliminates financial loss due to returned or rejected payments as a result of closed accounts or invalid account information.

❖ Complies with the Nacha (formerly the National Automated Clearing House Association) requirement that the account number to be used for a WEB debit entry is validated before it can be used for the first time.

1. Fair Credit Report Act, Revised May 2023, https://www.ftc.gov/system/files/ftc_gov/pdf/fcra-may2023-508.pdf
2. Nacha Supplementing Fraud Detection Standards for WEB Debits, https://www.nacha.org/rules/supplementing-fraud-detection-standards-web-debits

Figure 1: Zumigo Assure Identity for Bank Account Validation Table of Input and Output

Option	Input	Output
Bank Account Status	• Routing number* • Bank account number*	• Account status: open, closed, unknown • For closed accounts: closed date
Bank Account Debit Risk	• Routing number* • Bank account number* • Check serial number* • Amount of debit*	• Account status: open, closed, unknown • For closed accounts: closed date • Debit recommendation: approve, deny, research, unknown
Bank Account Owner-ship	For individual accounts: • Routing number* • Bank account number* • First and last name* • Contact: address, work phone, home phone • Identity: SSN, date of birth For business accounts: • Routing number* • Bank account number* • Business name* • Contact: address, home and/or work phone • Identity: TIN	• Account status: open, closed, unknown • For closed accounts: closed date • Ownership: approve, deny, research • Name: match, no match, inconclusive • Contact: match, no match, inconclusive • Identity: match, no match, inconclusive • Ownership type: signer, owner, unknown

* Required input

About Zumigo

Zumigo is on the frontline of digital identity verification that helps the world's largest enterprises protect transactions, devices and accounts. With a multi-layer approach, Zumigo validates users against a unique identity intelligence network that spans global carrier providers, authoritative third-party data sources, and payment information. Learn more at **www.zumigo.com.**