

## *Pay Now or Pay Later: Obtaining ROI from Security Solutions*

Security purchases in general can be difficult for some credit unions to justify because it is often hard to develop hard ROI statistics. But in many senses, installing different layers of security at the credit union is like buying insurance policies – in some cases it is required and in others it isn't, but it almost always makes good sense either way.

Now that the NCUA is requiring all credit unions with an Internet banking presence to offer additional authentication above and beyond a username/password, credit unions should look on this mandate as a worthwhile investment in their members' security. Phishing and ID theft are huge problems that continue to grow with new exploits coming along all of the time. It is important to remember that phishing is at the front line of online ID theft. It is so easy to do: all a criminal needs is an email list and a reasonable facsimile of a website and they are in business.

Phishing – and social engineering in general – are at the forefront of emerging frontiers of risk. In many ways, social engineering falls outside the realm of technology – no firewall can prevent it. By pilfering legitimate IDs and passwords, scam artists can easily and quickly drain a member's account. Using relays and fake websites that pop up for just a few hours or days at the most, the criminals only need a handful of members to respond to make it well worth their efforts.

At L9.com, we take a unique approach with our award-winning Safe2Login system in that it contains not only multi-factor user authentication, but mutual authentication as well. Mutual authentication, which authenticates the user to the server and the server to the user, is the most crucial part of a successful defense against phishing and pharming. So called 'keyloggers' are also defeated since the Safe2Login user authentication process employs text selection rather than text entry.

As a CUSO, we know the credit union movement from the inside out. We developed the Safe2Login system to empower members to protect themselves and enable the credit union to put an affordable solution in place that goes far beyond mere compliance with the NCUA mandates. Our goal was to find a happy medium between ease of use for the member and a strong security system for the credit union. After over a year of intensive development work, the Safe2Login system is a layered security solution that any size credit union can rely upon to protect themselves and their members.



**Tim Joslyn** is Chief Technology Officer at L9.com. L9 is a partnership between two leading organizations in the Credit Union movement: Level 9 Inc, and New England Federal Credit Union. Level 9 has spent over 10 years providing expert services for clients using the web as a primary channel of interaction with their customers. Specializing in Credit Union website development, Level 9 creates websites with features ranging from member education and focused marketing promotions to complete content managed eBranch solutions. Safe2Login is the first product released from L9.com and it won CUNA Technology Council's Best of Show award at the 2005 CUNA Future Forum.