

❖ What is RSA?

Risk-based Authentication is, first, an alternative to the Matrix! Peoples State Bank has selected this new security measure to make online banking as secure as possible. RSA ensures that someone is always looking out for our customers' security when banking online.

- Customers will select three Challenge questions that only they should know the answers to and provide at least one phone number where they can be reached when banking online.
- If any unusual or uncharacteristic behavior is detected, customers may be asked their Challenge questions in order to confirm their identity. They may receive an automated call to verify identity.
- If no unusual or uncharacteristic behavior is detected, customers will not be asked for any additional information.

❖ When will RSA be implemented?

RSA will begin on April 21, 2008. As of that date, customers will no longer see the Matrix when logging in to e-Banker.

❖ How will we inform our customers about RSA?

Customers will have notice of the change to RSA in three ways:

- Statement Stuffers/Handouts
- Lobby Signage
- Banner Advertising on the e-Banker log in page

❖ What is the implementation schedule?

4/21 – 5/21: This is the *Silent Period*. Customers will no longer see the Matrix, but will notice no other changes. During this time, customers will continue to use their User ID and Password. Customer 'habits' will be monitored and recorded including the IP Address of computers that they log on as well as times of day, day of week.

5/21 – 6/11: This is the *Collection Period*. Customers will be asked to provide at least one contact phone number and select five Challenge questions. Customers will need to remember the Challenge questions that they have selected during the *Collection Period*. During the *Collection Period*, collection will occur for only 25% of our e-Banker users at a time (this is a random customer selection):

- 5/21 – 5/27: Collection Step 1 for first group of e-Banker users (25%)

- 5/28 – 6/3: Collection Step 2 for second group of e-Banker users (25%)
- 6/4 – 6/10: Collection Step 3 for third group of e-Banker users (25%)
- 6/11 – 6/16: Collection Step 4 for final group of e-Banker users (25%)

6/16: *Authentication Starts*. Customers will log on to e-Banker with their normal User ID and Password. If there is nothing unusual about the log in – the computer that they are using, the time of day or day of week – they will be allowed to log in without triggering the Challenge questions. If, however, their activity differs from that of the *Silent Period*, the customer will be asked two of the Challenge questions. They will have two chances to enter correct responses before they are blocked.

❖ **What happens if the customer fails the Challenge questions?**

The customer will be locked out and unable to log in to eBanker. A call-back will be triggered from the RSA back office. The customer will answer the call and be asked to press # if they are expecting a call from their Financial Institution; the customer will be asked to enter the code on their computer screen; if the code entered is confirmed, the customer screen will be redirected to access e-Banker.

It is important for the customer to enter their contact phone numbers during the *Collection Period*. As failing the Challenge questions is an indication of potential fraud, the customer will not be logged in until the user's identity has been confirmed.

❖ **What happens if the customer fails to enter the correct code after three attempts?**

Our Operations Department will be alerted by the third-party provider that a 'case' has been entered for the customer. We will work the case that is created to determine if the attempt is genuine or fraudulent.

❖ **Where is the RSA back office?**

This is a third-party provider that will be representing Peoples State Bank to confirm the identity of our e-Banker users.