![Nuvo logo] nuvo

Make trade credit your competitive advantage.

NACM
National Association of Credit Management
CONNECT

Acme, Inc.
EIN 12-123456 | Acme International Corp.

Business Details

- Purchasing
- Trade References
- Bank Reference
- Additional Info
- Personal Guaranty
- Review & Submit

Business Information

Organization Type
Corporation

State of Incorporation
CA

Primary Business Address
1082 Washington St, Stockton, CA 85205

Accounts Payable

John Paysan
jpaysan@acmecorp.com | 408-555-5846

Officers, Owners, & Signatories

Joan Pacifica, CEO
jpacifica@acmecorp.com | 408-555-4354

Kevin Reynolds, CFO
kreynolds@acmecorp.com | 408-555-3546

Jimmy Finch, Finance VP

Shareable Invite Link

https://nuvo.credit/app/kdsjf/lesldftyy

jpaysan@acmecorp.com   Log Out

Save & Continue

Agenda
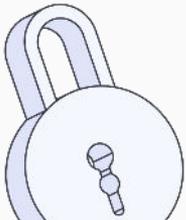
Aaron Tham
Sales & Partnerships

Introduction

Business Customer onboarding today

Identity verification & fraud prevention
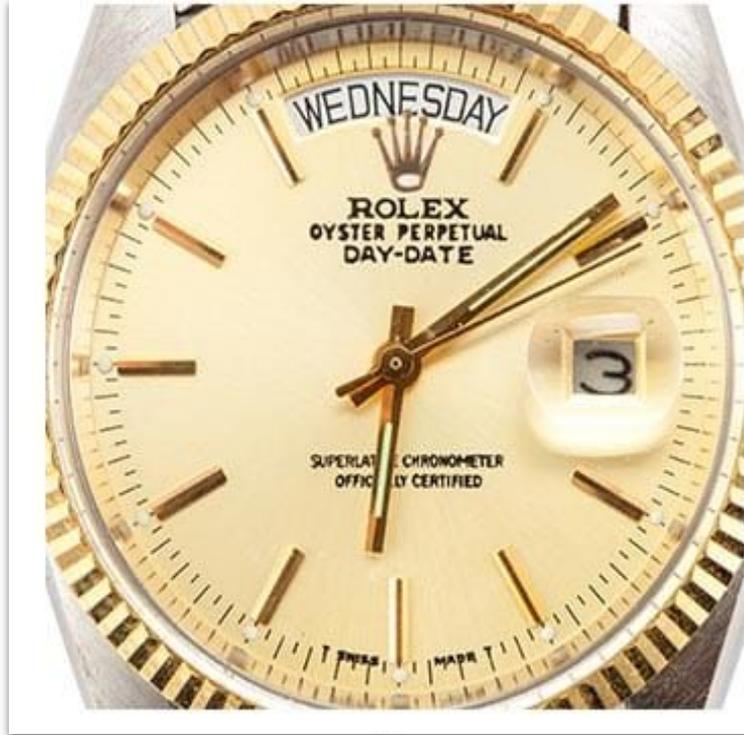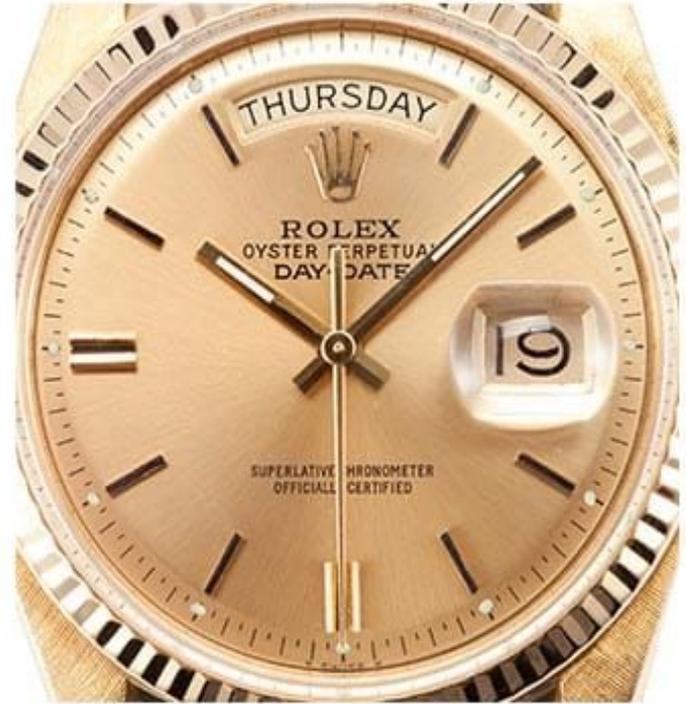
Modern onboarding & risk assessment

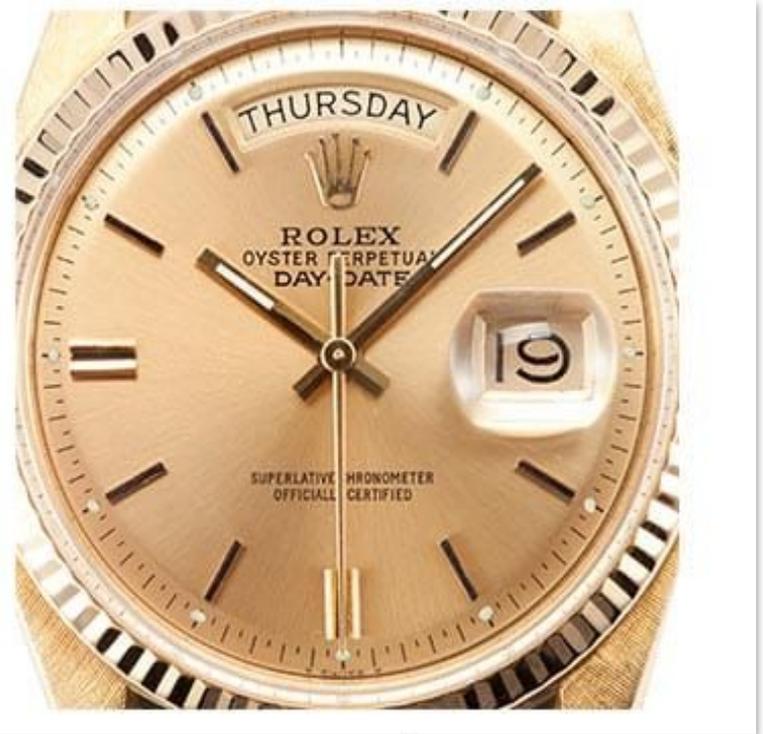# Introduction

Real or Fraud?

Real or Fraud?

FAKE   **REAL**

Real or Fraud?

FAKE

REAL

Real or Fraud?

Real or Fraud?

Real or Fraud?

FAKE

REAL

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Why do people **commit fraud?**

Opportunity

A weakness in the system which the individual has the power to exploit.

Pressure

The motivation that leads to the unethical behavior of fraud..

Rationalization

The justification of fraud, made due to a lack of personal integrity.

Customer onboarding has always been **a moment of risk for B2B sellers**

🛡️ Fraudulent Impersonation of vendors or buyers

⚠️ Over-allocation of credit terms granted to risky customers

🔒 Overly-restrictive credit terms granted for difficult-to-assess customers

👤 Risk losing new customers if terms awarded too slowly

Efficient customer onboarding requires a balance of conflicting priorities

Credit risk management

Reference checks

Bureau reports

Fraud prevention

Identity verification

Fraud detection

Customer service

Customer onboarding & record creation

Clear communication

B2B commerce is **coming online** and so are **opportunities for growth**

Greater potential for discoverability and scale

Lower friction contact with customers

Around 35% of all B2B purchases by large and mid-sized businesses **are now made directly online** – and when orders that are agreed virtually are added on top, that figure jumps to around 70%.
McKinsey

The Credit Catch-22:
How to issue credit when insights are missing?

Newly formed businesses

Businesses without reported receivables

Complex ownership structures & industry consolidation

Underserved industries

Onboarding applications are **unverified**, **error-prone**, and **often incomplete.**

Static forms are limited and stuck in the past:

- Fraud and impersonation is easy
- 100% completion is unenforceable
- Data entered must be manually verified
- Missing or mistaken information must be manually recollected
- References must be chased down one by one
- Many new customers have thin credit reports
- Banks don't respond to references

Business Credit Application

Name/Address

Last:	First:	Middle Initial:	Title
Name of Business:			Tax I.D. Number
Address:			
City:	State:	ZIP:	Phone:

Company Information

Type of Business:		In Business Since:	
Legal Form Under Which Business Operates:			
	Corporation ☐	Partnership ☐	Proprietorship ☐
If Division/Subsidiary, Name of Parent Company:		In Business Since:	
Name of Company Principal Responsible for Business Transactions:		Title:	
Address:	City:	State:	ZIP:	Phone:
Name of Company Principal Responsible for Business Transactions:		Title:	
Address:	City:	State:	ZIP:	Phone:

Bank References

Institution Name:	Institution Name:	Institution Name:	
Checking Account #:	Savings Account #:	Home Equity Loan:	Loan Balance:
Address:	Address:	Address:	
Phone:	Phone:	Phone:	

Trade References

Company Name:	Company Name:	Company Name:
Contact Name:	Contact Name:	Contact Name:
Address:	Address:	Address:

Approvals are tedious & time-consuming

RECEIVE APPLICATION | CHASE DOWN STATIC INSIGHTS | APPROVE & ONBOARD

Receive App via email/fax · Download or scan app · Search & pull credit reports · Request bank ref · Request trade refs · Set credit terms · Send customer approval letter · Inform sales rep · Manually enter customer to ERP

Credit teams are spending **60+ hours** on approvals, slowing down the sales process

Approvals are tedious & time-consuming

RECEIVE APPLICATION

CHASE DOWN STATIC INSIGHTS

APPROVE & ONBOARD

⚠️ Manual processing

⚠️ Static Data

⚠️ Costly or unavailable

⚠️ Overly conservative terms

⚠️ Extra work to share status
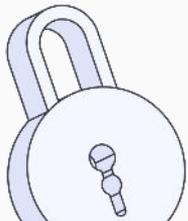
Credit teams are spending **60+ hours** on approvals, slowing down the sales process

Fraud Prevention

Multiple fraud vectors plague B2B commerce

Experian (2023) found **70%** of businesses have experienced **increased fraud losses in recent years**

Cyber Security

Email compromise

Phishing

Malware / Ransomware

Invoice & Payment

Vendor and Customer impersonation

Invoice fraud

Payment diversion

The availability of AI-generated content makes these types of fraud easier to conduct.

How often is your organization subject to fraud attempts?

Fear of fraud

Prevents businesses
from selling online

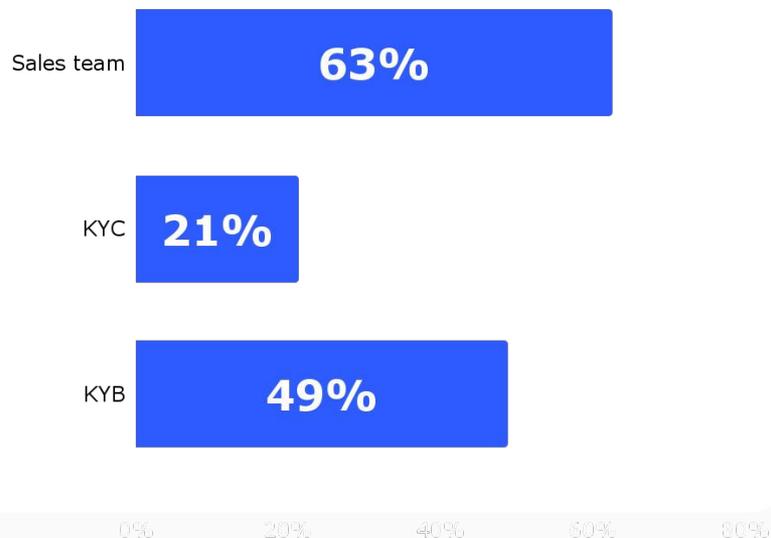**What is preventing you from undertaking commerce online?**

Fear of fraud	**64%**
Lack of technology	**37%**
Customer preferences	**34%**

Survey of 350 credit managers

Manual Detection

Relies on sales team to catch fraud

What fraud prevention mechanisms do you use today?

Sales team	63%
KYC	21%
KYB	49%

0%   20%   40%   60%   80%

Survey of 350 credit managers

The average business loses **5% of annual revenue to fraud***

* Association of Certified Fraud Examiners

In addition to fraud, **credit losses are as much as 1-2% of revenue**

...and loss aversion can result in **untold missed revenue opportunities**

Fraud prevention must be integral to onboarding for **protection without inconvenience**

✨ Inconsistent or False Information

Mismatches in key details, unverifiable documents, untraceable references

📂 Unusual or suspicious credit behavior

Unusual requests, pressure for fast approval

🔗 Incomplete or vague application details

Missing application details, vague explanations, unclear financial information

🪧 Frequent or sudden changes

Recently changed addresses, names, or directors, changing contact information

Case Study

Electrical Distributor

Construction

200

USA

Deceptive web redirect

Applicant: bcciconstructioninc.com

Redirected to: bciconusa.com

Result **$400K** in unrecovered losses

Leverage email & domain **reputation**

Email-level

ben@
First part of address

———

First seen date

Last seen date

Velocity of emails

Spam emails

Domain-level

nuvo.com
Last part of address

———

Blocklists

Free or disposable

IP address & valid mail exchange (MX) record

Domain Age (e.g. symbolics.com, 1985)

Email and domain
Verifications you can do yourself

Domain Age: lookup.icann.org or whois.domaintools.com

Email blacklists: mxtoolbox.com/SuperTool

Detecting Gen-AI text: copyleaks.com/ai-content-detector

Friendly Font: don't mistake I for l, *instead see I and l,* or make it lowercase!

Blacklists
Verifications you can do yourself

blacklist:bcciconstructioninc.com | Monitor This | Solve Email Delivery Problems

⚠️ We notice you are on a blacklist. | Click here for some suggestions

Checking **bcciconstructioninc.com** which resolves to **192.64.119.200** against **93** known blacklists...
Listed **2** times with **1** timeouts

	Blacklist	Reason	
❌ LISTED	Suomispam Reputation	192.64.119.200 was listed	Detail
❌ LISTED	UCEPROTECTL3	192.64.119.200 was listed	Detail

Domain Age
Verifications you can do yourself

Name: AMETEKK.COM

Dates

Registry Expiration: 2024-11-13 14:04:06 UTC

Updated: 2024-01-29 06:26:23 UTC

Created: 2023-11-13 14:04:06 UTC

Name: AMETEK.COM

Dates

Registry Expiration: 2024-10-14 04:00:00 UTC

Updated: 2023-09-12 15:01:06 UTC

Created: 1995-10-15 04:00:00 UTC

Business verification should be fast and use authoritative sources

Options for verifying businesses:

Check official business registries

Verify business licenses

Examine legal and financial records

Website and online presence

Contact business directly

Fast verification tips
For rapid onboarding

✔ **Use a source with convenient access options e.g. IRS**

✔ **Verify upfront before spending time and money**

Verification Sources for KYC

GOVERNMENT DATABASE

You know...

Personal Tax ID e.g. SSN

First and last name

Residential address

DOCUMENT UPLOAD

You have...

Passport

Driver's License

National ID

BIOMETRICS

You are...

Face

Fingerprint

Eye

An unbroken chain of **verification**

ONE-TIME PASSCODE

Email domain

Control by applicant

Domain reputation & age

The applicant controls the business

BUSINESS REGISTRY

Business Identity

Legal Name & Tax Identifier

Beneficial Owners

The business is legitimate

GOVERNMENT REGISTRY

Person Identity

Secret Tax Identifier

Personal details & biometrics

The signer represents the business

One profile for verification and creditworthiness

Customer
Profile

🏦 Bank References

📊 Business Credit Report

🤝 Trade References

🗂️ Industry Trade Groups

👱 Principal Credit

🕵️ Principal Identity

🧾 Accounts Receivable

🪪 Licenses

🏢 Business Identity

Thank You!

aaron@nuvo.com