



Lifeline/Link-Up Verified Enrollment Briefing for Federal Communications Commission - July 19, 2011

L-1 Secure Credentialing Division

- **Unparalleled: Produced over 2 Billion secure credentials to date**
 - More than 105 Million secure IDs per year
 - Almost 70 Million US DL's produced annually
 - More than 15 million U.S. passport cards or other government issued IDs
 - More than 17 million international credentials
- **Focused on Secure ID management**
 - Over 85% of U.S. states use our solutions for secure driver's license issuances, reflecting almost 90% of U.S. volume of driver's licenses each year
 - We produce 19 of the 22 U.S. centrally-issued credentials
 - Database management for credentials issuance
- **Secure ID programs in over 20 countries including:**
 - National IDs/Voter IDs and databases
 - Driver's licenses and databases
 - Other government-issued IDs and databases
- **Architects of best- practices workflows deployed in the U.S. and internationally**
 - Tuned to customer-specific business requirements and goals



Secure Credentialing Division Overview

- **Systems Integration and Solutions for the entire secure credential lifecycle**
 - Authentication
 - Database management
 - Enrollment
 - Biometrics
 - Issuance
 - Inspection
 - Work flow process management
- **10,000+ credentialing and authentication systems deployed worldwide**



Business Problem

Alleged Waste, Fraud and Abuse of Discount by individual subscribers and/or encouragement/accommodating abuse due to ETC provider practices (U.S. Government rules prohibit qualifying low income consumers from receiving more than ONE Lifeline or Link-Up discount at the same time)

- Subscriber practices involving a program participant or household receiving more than one monthly Lifeline service
- Need to identify, account for and remediate situations where subscribers/households hold excessive subscriptions to Lifeline services
- Need to ensure future subscriptions to Lifeline service avoid duplication and can be verified to be unique to both subscriber and provider

L-1 Value Add for Lifeline and Link-Up

An innovative solution to cut waste, fraud and abuse in the Lifeline /Link-Up Program for new subscribers

- Lifeline/Link-Up providers would conduct FCC prescribed verification check for new subscribers
- Verify the subscribers identity (and eventually eligibility, through database comparison) as part of the application process upon application for Lifeline/Link-Up
- Issuance of federal (subscriber-paid) photo ID card with basis for photographic comparison using scientific biometric/facial recognition algorithmic standards

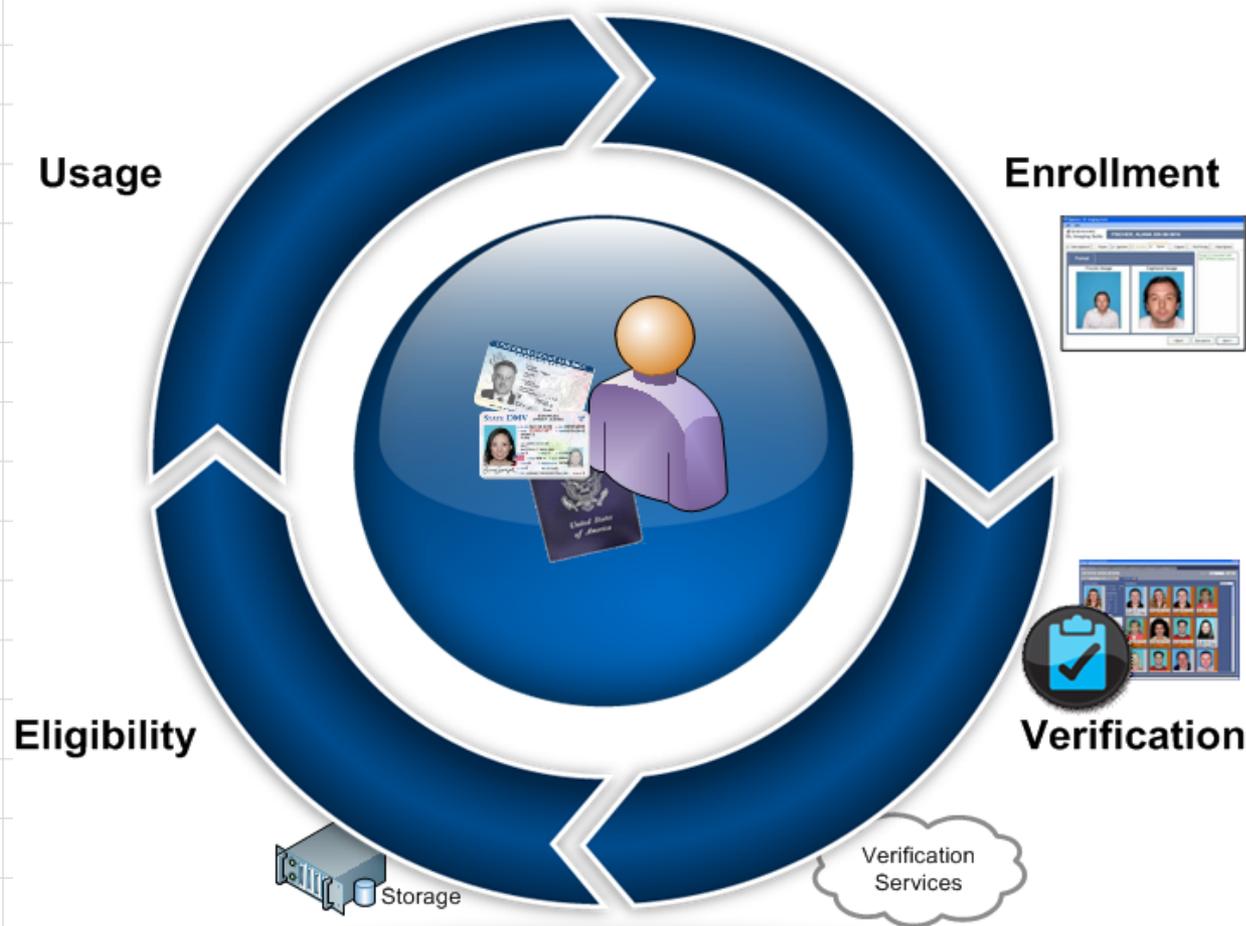
Leverage existing, successful fraud prevention process used by other agencies

- 35 state motor vehicle agencies utilize facial recognition technology to combat fraud in the issuance of secured credentialing; this technology can be leveraged by FCC
- Technology will also detect attempted use of multiple identities to gain benefits

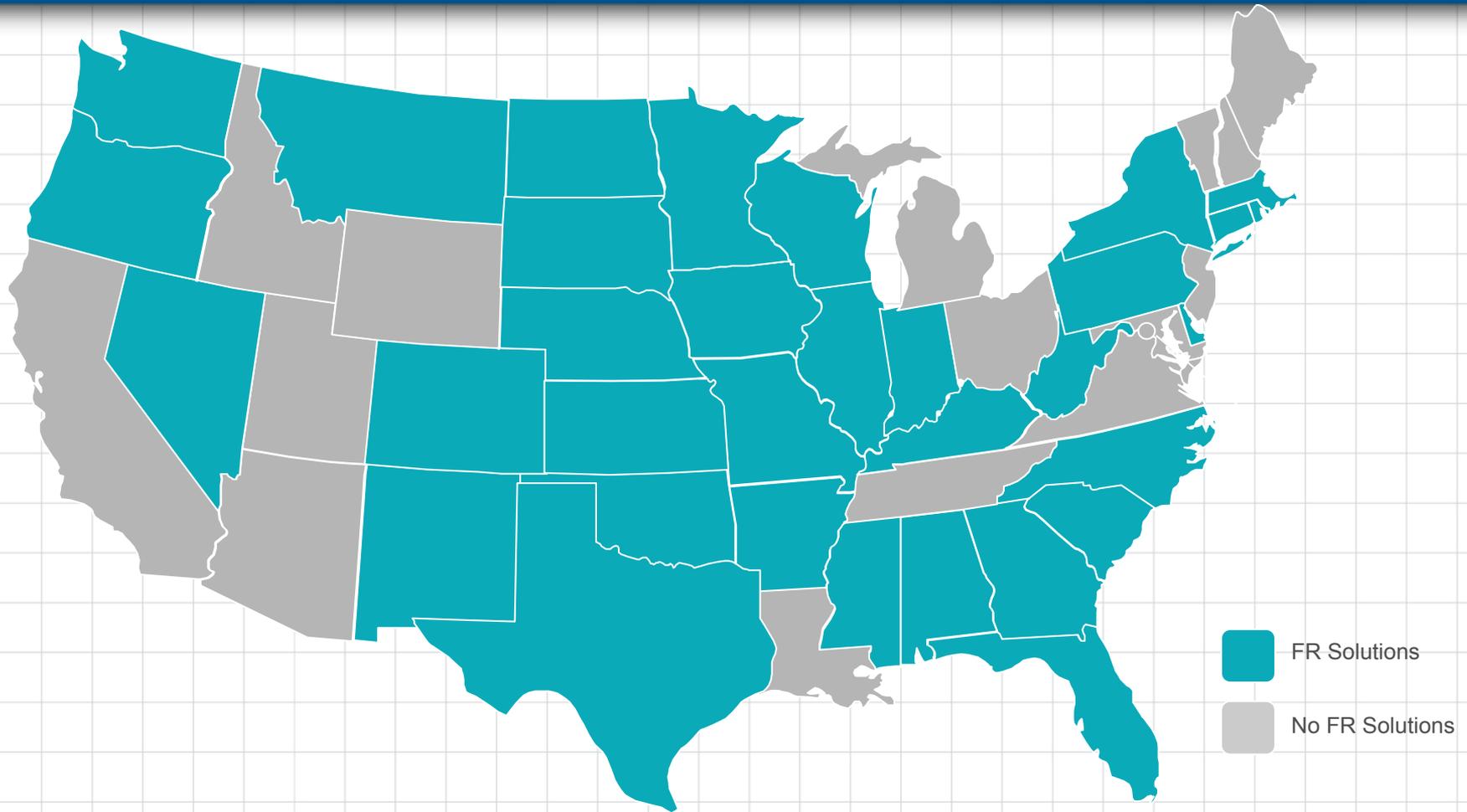
L-1's nationwide presence accommodates reach of Lifeline/Link-Up Program with experience coordinating between providers/agencies to assist FCC with national implementation

- L-1's experience in secure credentialing ranges from work flow analysis to database management to verification, identification and secure issuance of credentials for benefits
- L-1 is experienced with inter-agency coordination such as would be required between the FCC and Lifeline/Link-Up providers
- L-1 is dedicated to maximizing use of USF dollars to ensure benefits for those in need

The L-1 Approach to Identity Management



L-1 DL/ID Facial Recognition Installations in the U.S.



As of 7/19/10



SECURE CREDENTIALING DIVISION

How Facial Recognition Technology Works

- Photo template entered into FCC database to facilitate future database searches; protects both recipient and program from fraud
- Templates are converted to sets of binary data that uniquely represent a facial image; binary data is basis for swift comparison for verification
- Data to be collected from providers on existing subscribers to develop phased-in, complete database

