

System for managing payment violations and frauds in autostrade//per l'italia

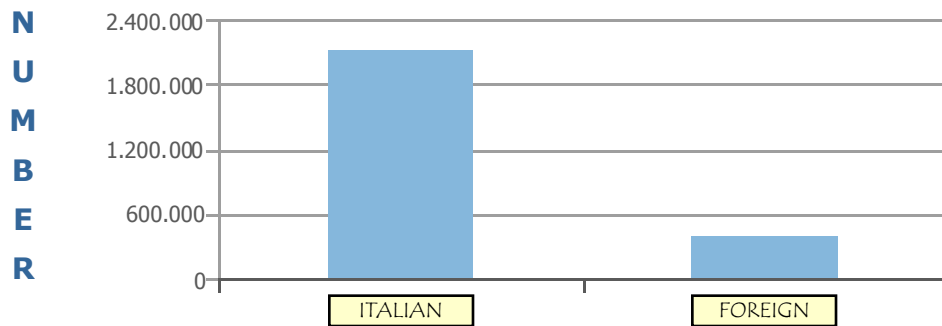


20th May 2008

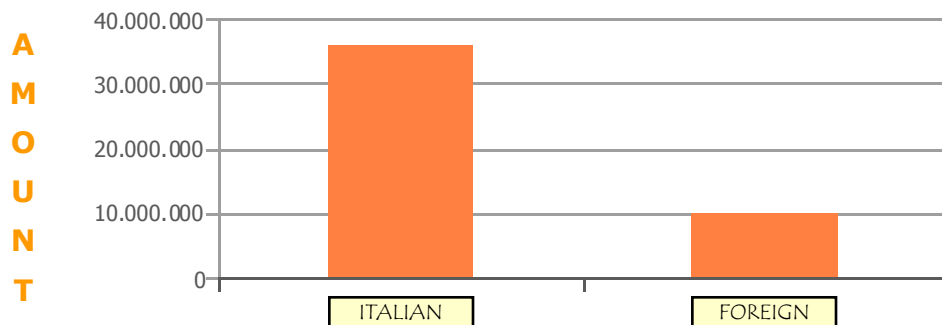
System for managing payment defaults and frauds in autostrade//per l'italia

- The management: date and operating modalities of payment defaults recovery
 - RMPP recorded by nationality vehicle – Number and recidivist customers
 - RMPP recorded by vehicle/class
 - Process for recovering toll payment due for single journeys
 - Incidence of recidivist customers
- The technologies
 - Configuration of an automated lane
 - The Recidivist Customer Transit system - TUR
- Some case studies of frauds
 - Hidden and/or modified number plates
 - Multiple ticket withdrawal
 - Exchange of tickets/TLP devices
 - Modified tickets
 - Blocking optical reader barriers
- Focus
 - Temporary German number plates
 - Payment defaults recorded against foreign customers in 2007

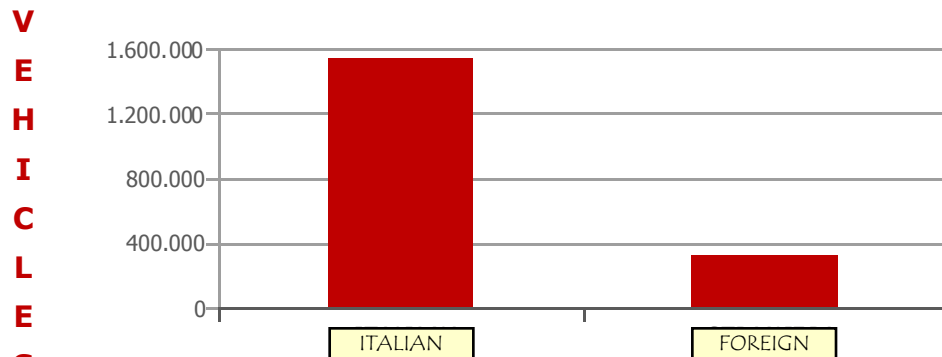
Toll Payment Default Notice (RMPP) recorded by nationality vehicle - 2007



$$\begin{array}{r} \text{Italian: } 2.150.000 + \\ \text{Foreign: } \quad 400.000 = \\ \hline 2.550.000 \end{array}$$



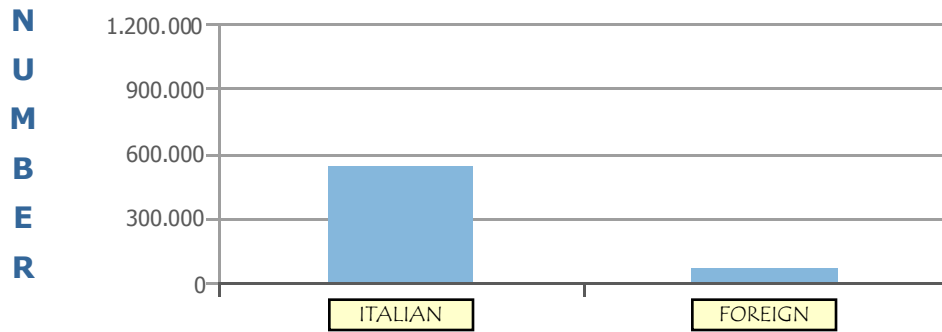
$$\begin{array}{r} \text{Italian: } 36.000.000 + \\ \text{Foreign: } 10.000.000 = \\ \hline 46.000.000 \end{array}$$



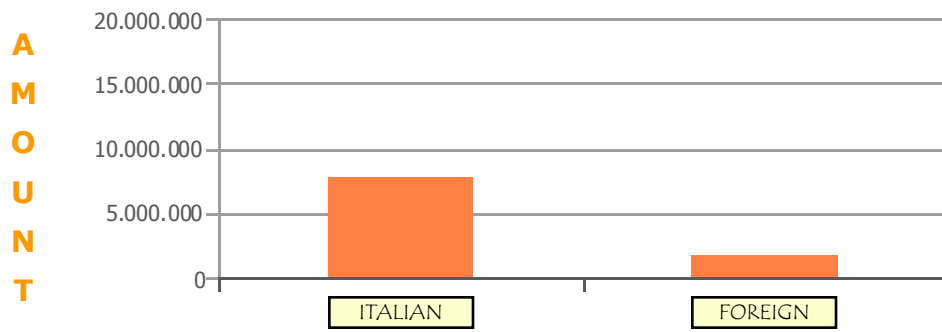
$$\begin{array}{r} \text{Italian: } 1.550.000 + \\ \text{Foreign: } \quad 350.000 = \\ \hline 1.900.000 \end{array}$$

Toll Payment Default Notice (RMPP) recorded by nationality vehicle - 2007

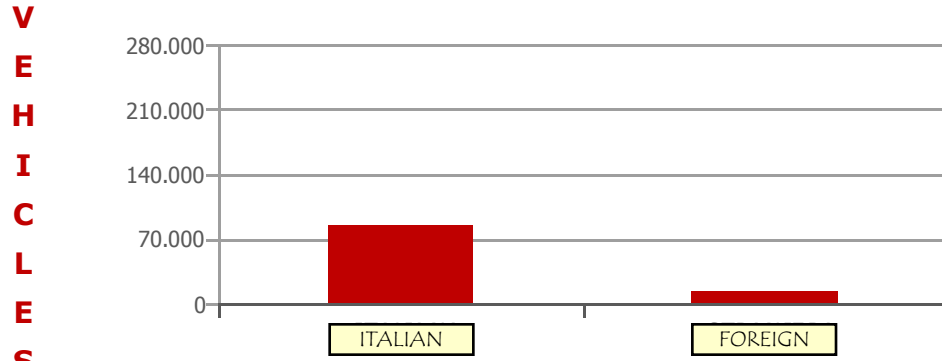
Recidivist Customers – vehicles with a number of RMPP >=3



$$\begin{array}{r}
 \text{Italian:} \quad 550.000 \quad + \\
 \text{Foreign:} \quad \quad 70.000 \quad = \\
 \hline
 620.000
 \end{array}$$

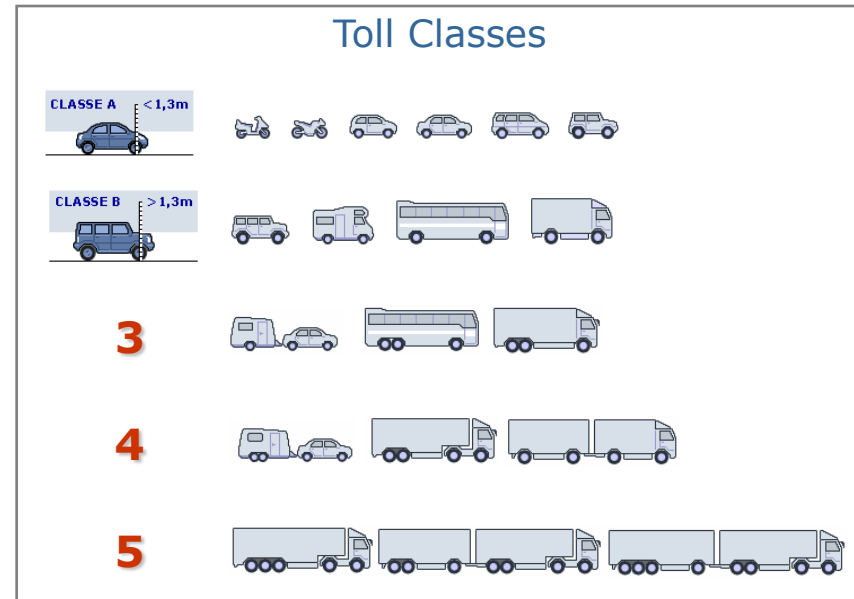
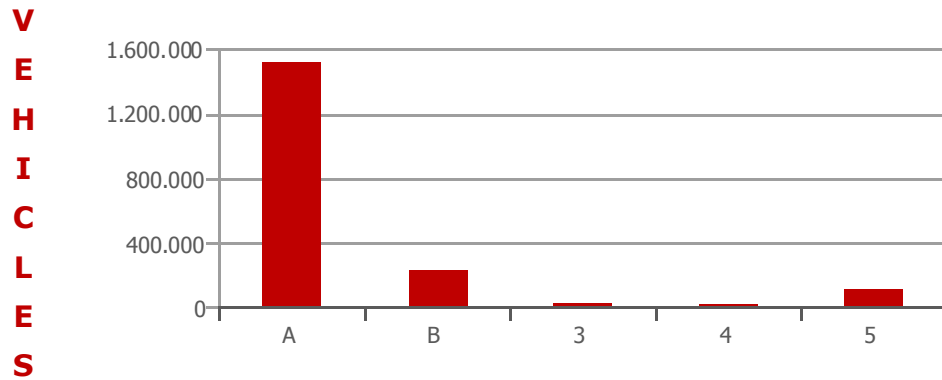
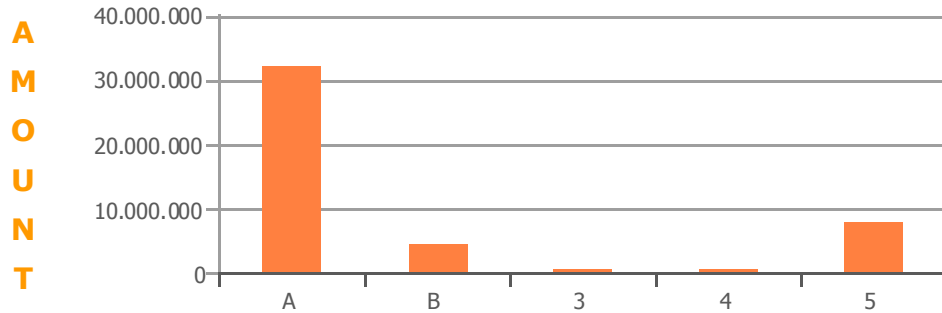
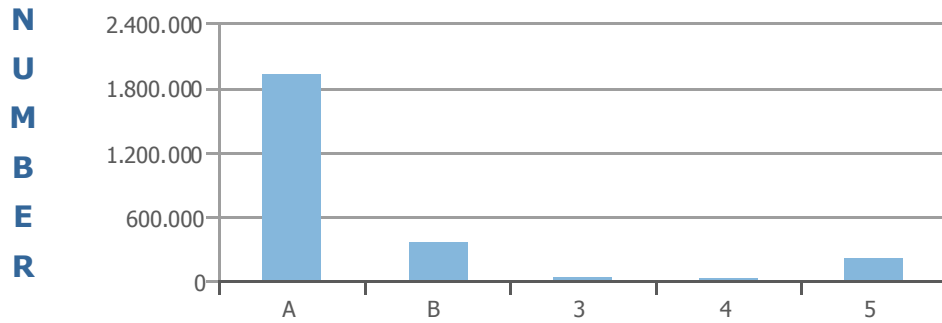


$$\begin{array}{r}
 \text{Italian:} \quad 7.800.000 \quad + \\
 \text{Foreign:} \quad \quad 1.800.000 \quad = \\
 \hline
 9.600.000
 \end{array}$$



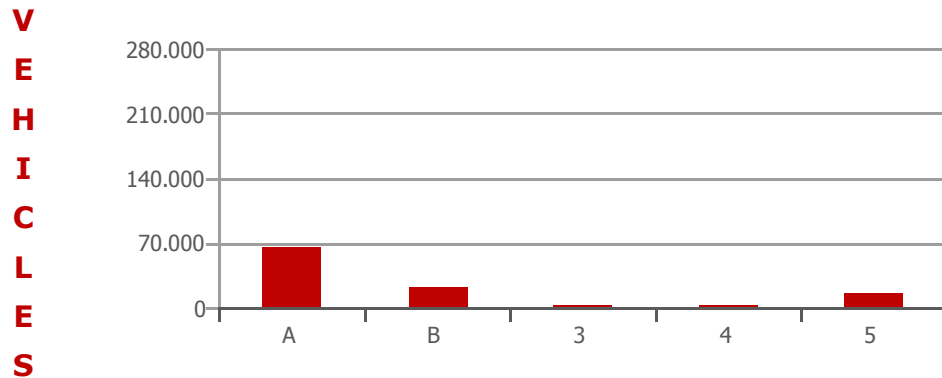
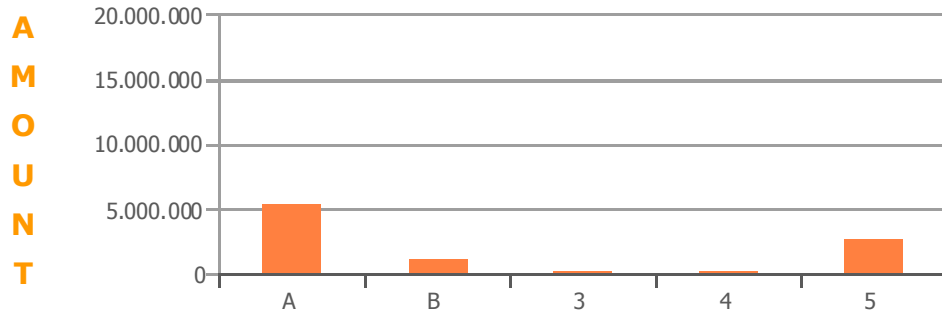
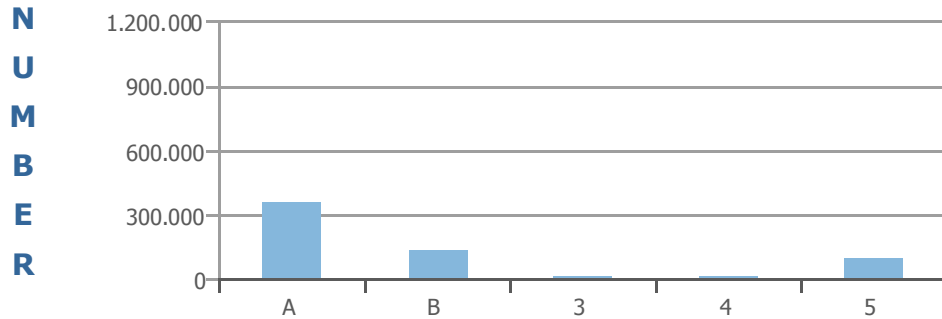
$$\begin{array}{r}
 \text{Italian:} \quad 90.000 \quad + \\
 \text{Foreign:} \quad \quad 15.000 \quad = \\
 \hline
 105.000
 \end{array}$$

Toll Payment Default Notice (RMPP) recorded by vehicle/class - 2007



Toll Payment Default Notice (RMPP) recorded by vehicle/class - 2007

Recidivist Customers – vehicles with a number of RMPP ≥ 3



Toll Classes

CLASSE A < 1,3m



CLASSE B > 1,3m



3



4



5



Process for recovering toll payment due for single journeys

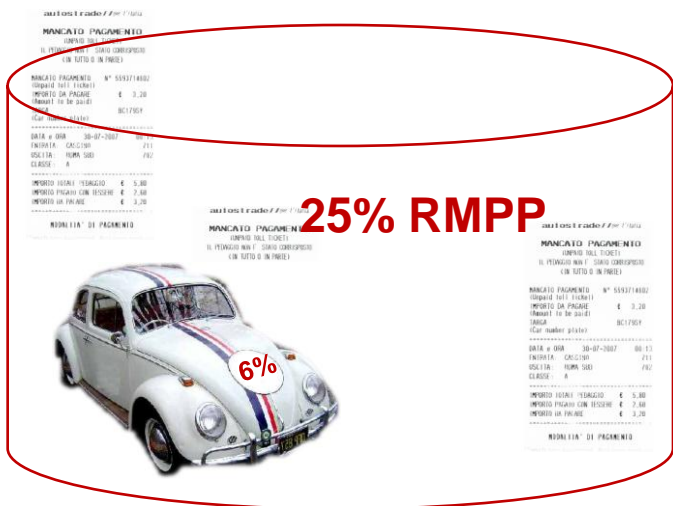


Toll Payment Default Notice (RMPP) : Incidence of recidivist customers


“Recidivist Customer” means that who asks for Toll Payment Default Notice (RMPP) has the real intention of violating.

... but how much do recidivist customers weigh upon the whole of RMPP issued in 2007?

- The total **number** of RMPP recorded against recidivist customers is about **25%**
- The total **amount** of RMPP recorded against recidivist customers is about **21%**
- The **number** of vehicles for which at least 3 RMPP in a year were recorded is about **6%**

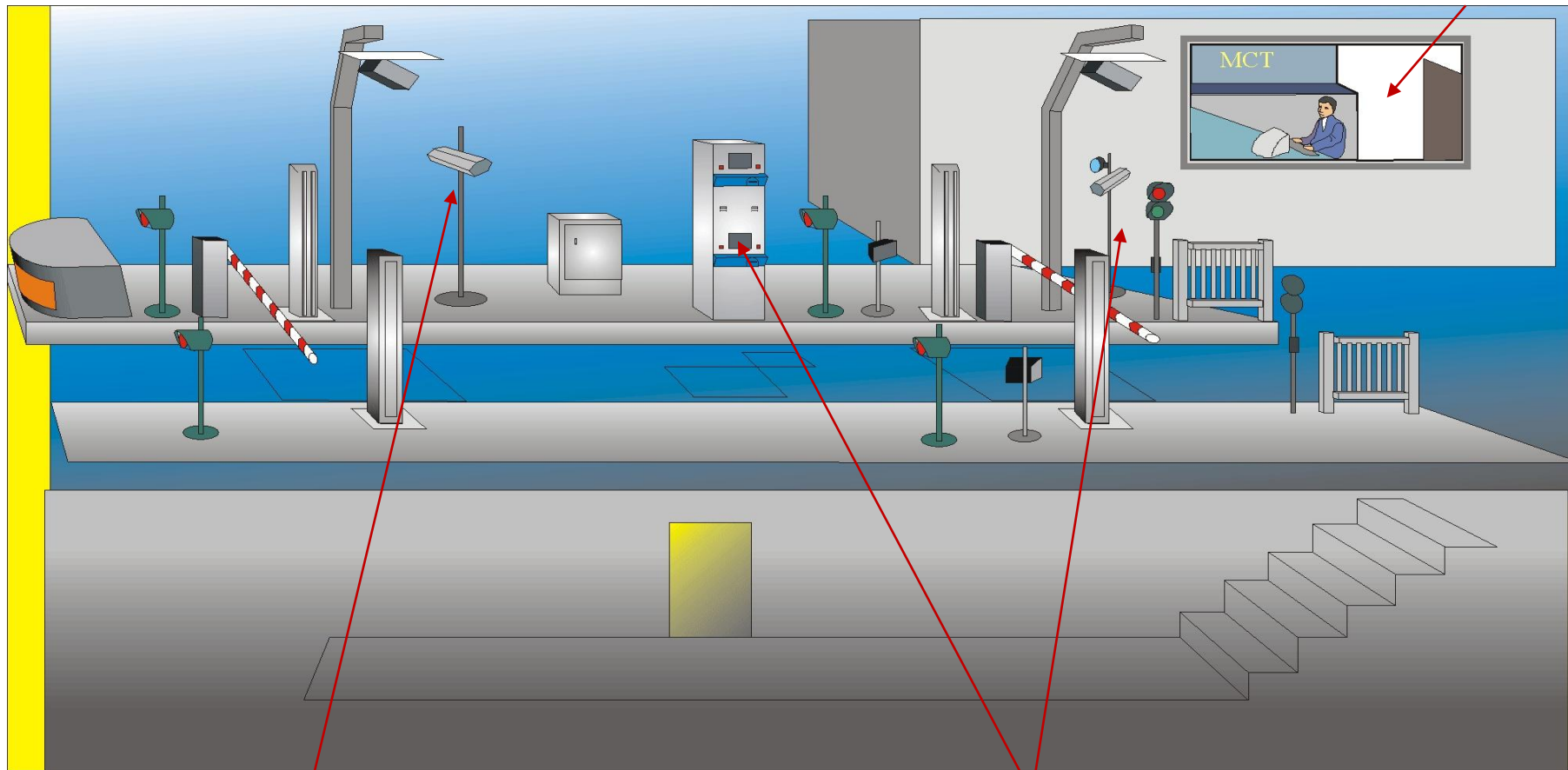


System for managing payment defaults and frauds in autostrade//per l'italia

- The management: date and operating modalities of payment defaults recovery
 - RMPP recorded by nationality/vehicle – Number and recidivist customers
 - RMPP recorded by vehicle/class
 - Process for recovering toll payment due for single journeys 
 - Incidence of recidivist customers
- **The technologies**
 - Configuration of an automated lane
 - The Recidivist Customer Transit system - TUR
- Some case studies of frauds
 - Hidden and/or modified number plates
 - Multiple ticket withdrawal
 - Exchange of tickets/TLP devices
 - Modified tickets
 - Blocking optical reader barriers
- Focus
 - Temporary German number plates
 - Payment defaults recorded against foreign customers in 2007

Configuration of an automated lane

MCT: System for the remote control of automatism



In the event of irregularities in payment operations the vehicle's rear number plate is recorded

The MCT operator can provide assistance via audio/video communication with the customer in the toll lane. In prescribed cases, the front number plate of the vehicle is recorded.

The Recidivist Customer Transit system - TUR

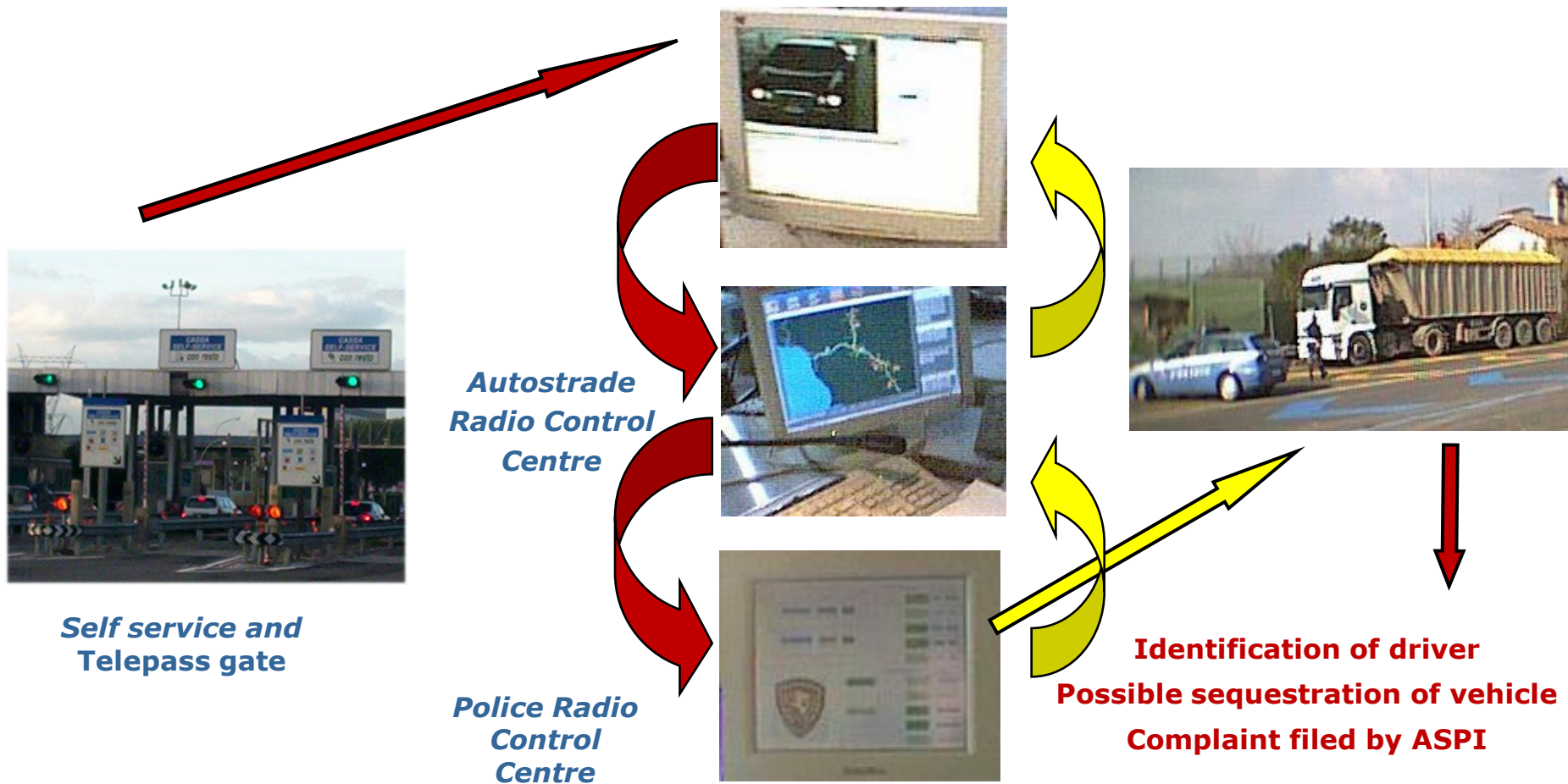
The TUR software allows to:

- intercept vehicles whose drivers are repeated non-payers
- contrast all types of unlawful behaviour. The number plates are included in a specific list itemised by type of fraudulent behaviour
- provide effective assistance to the Highway Police bodies – Judicial Police division in their investigations

Its operation:

- when an anomalous transit is verified on a Self-Service and/or *Telepass* gate, the operator digits the number plate of the vehicle
- if the number plate is listed in the TUR databank, a graphic signal alerts the MCT operator
- The MCT operator informs the Radio Control Centre of "autostrade // per l'italia", which in its turn informs the Radio Control Centre of the Highway Police department (COA)
- The Radio Control Centre of COA instructs the nearest police patrol car to intervene

The Recidivist Customer Transit system - TUR



System for managing payment defaults and frauds in autostrade//per l'italia

- The management: date and operating modalities of payment defaults recovery

- RMPP recorded by nationality/vehicle – Number and recidivist customers
- RMPP recorded by vehicle/class
- Process for recovering toll payment due for single journeys ✓
- Incidence of recidivist customers

- The technologies

- Configuration of an automated lane
- The Recidivist Customer Transit system - TUR ✓

- Some case studies of frauds

- Hidden and/or modified number plates
- Multiple ticket withdrawal
- Exchange of tickets/TLP devices
- Modified tickets
- Blocking optical reader barriers

- Focus

- Temporary German number plates
- Payment defaults recorded against foreign customers in 2007

Some Case studies of frauds – hidden and/or modified number plates

The problem:

- In order to avoid toll payment, some customers **hide** or **modify** their vehicle's number plate



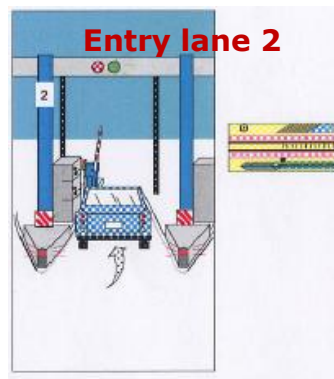
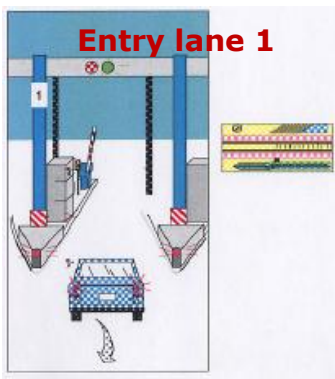
The solution:

- Special purpose units analyse the photographs and compare them with those in the databank; in some cases, controls are carried out with the police to catch culprits in the act
- Autostrade per l'italia reports such behaviour to the judicial authorities

Some case studies of frauds – multiple ticket withdrawal

The problem:

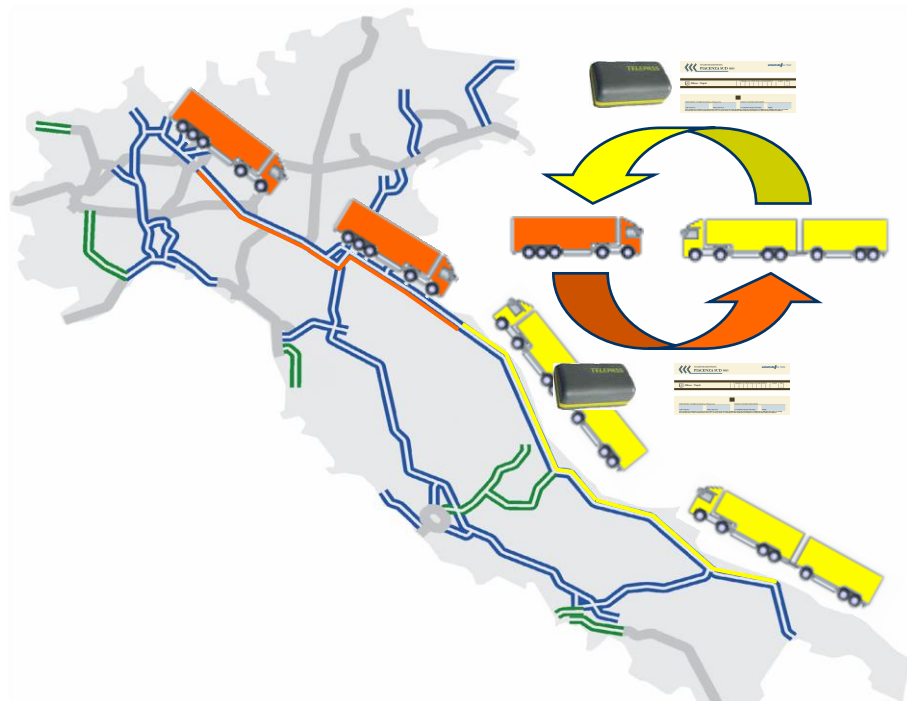
- The customer withdraws the ticket at entry (lane n. 1)
- The driver backs up (FORBIDDEN by Road Code)
- The driver moves to another entry lane (lane n. 2, for example) where he withdraws a second ticket, going then into the motorway



The Solution:

- Record of the number plates of some or all vehicles classes in the stations where this behaviour takes place through an Automated System (SART), authorized by judicial authorities

Some case studies of frauds – exchange of tickets/TLP devices



Toll paid by the 2 vehicles: 45 euros
 Toll due: 185 euros
 Toll eluded: 140 euros



- The vehicle enters at Bari
- during the journey exchanges the ticket or the Telepass device with the driver of the orange vehicle entered at Milan,
- it leaves the motorway at Bologna using the exchanged ticket/Telepass device



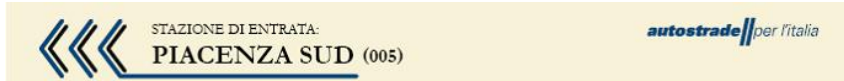
- The vehicle enters at Milan
- during the journey exchanges the ticket or the Telepass device with the driver of the yellow vehicle entered at Bari
- it leaves the motorway at Foggia using the exchanged ticket/Telepass device

In order to identify cases of exchanged tickets or Telepass devices the analysis of journey time and the photograph of the vehicles when payment is made and cases of recidivism are analysed

Some case studies of frauds – modified tickets

The problem:

- One of the techniques used by defrauders, mainly truck drivers, to elude journey time controls is to tamper with part of the magnetic band where the data on time/date of issue are recorded



The part of the magnetic band modified to prevent the control of the uniformity of the data is indicated in red.



The Solution:

- Since November '06, a software to identify such alterations operates on all manual and self-service gates
- When both bands cannot be read, the ticket is deemed invalid and not accepted

Some case studies of frauds – Blocking optical reader barriers

The problem:

- The fraud consists in blocking the optical reader barrier mainly in the following strategies:
 1. transit of a “regular” vehicle and block of the optical reader barrier by the passenger of an accomplice vehicle
 2. transit of a “regular” vehicle and block of the optical reader barrier by the driver of the vehicle



The Solution:

- Installation of videocameras in toll booths where this behaviour takes place: actions agreed with motorway police

System for managing payment defaults and frauds in autostrade//per l'italia

- The management: date and operating modalities of payment defaults recovery
 - RMPP recorded by nationality/vehicle – Number and recidivist customers
 - RMPP recorded by vehicle/class
 - Process for recovering toll payment due for single journeys ✓
 - Incidence of recidivist customers

- The technologies
 - Configuration of an automated lane
 - The Recidivist Customer Transit system - TUR ✓

- Some case studies of frauds
 - Hidden and/or modified number plates
 - Multiple ticket withdrawal
 - Exchange of tickets/TLP devices ✓
 - Modified tickets
 - Blocking optical reader barriers

- Focus
 - Temporary German number plates
 - Payment defaults recorded against foreign customers in 2007

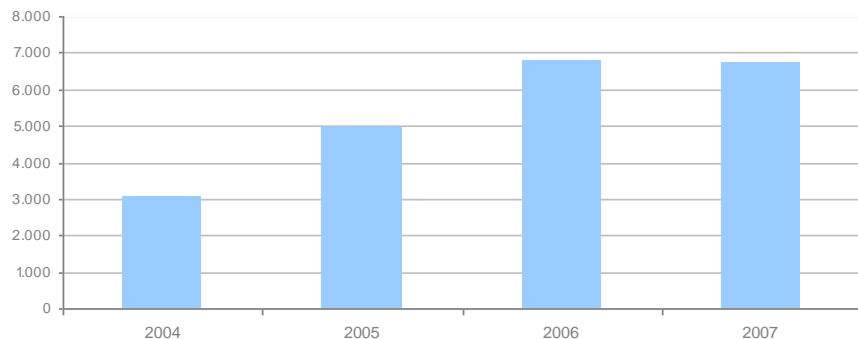
Focus - Temporary German number plates



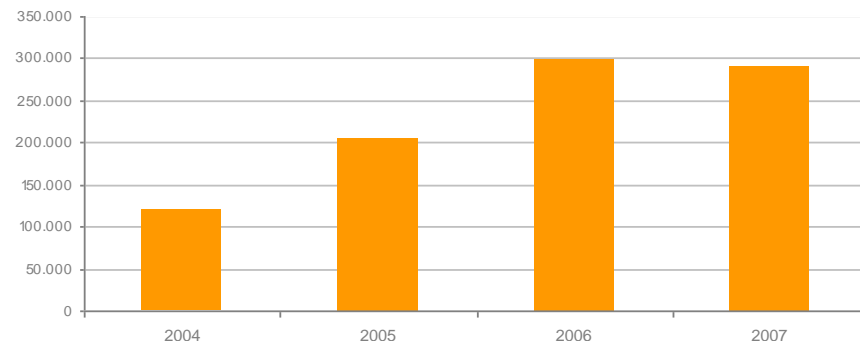
The problem:

- This kind of number plate can be issued without special formalities to whoever makes an application, whether a German national or a citizen of other countries of the European Union, in order to conduct inspections or tests on the vehicle and/or transfer it
- Vehicle identification data associated with the number plate are not recorded by the local offices of the Vehicle Registration Department in Germany. They only make a paper record of the data on the applicant and it is difficult to trace the person to whom the car is made out even when the request is made by the police
- The phenomenon of toll payment default is mainly associated with trading operations concerning the importation of vehicles by Italian car dealers who use couriers to bring the vehicles purchased in Germany into Italy. The couriers systematically avoid paying motorway tolls as they know that they cannot be immediately identified

From 2004 to 2007, and only for the motorways administered by ASPI, the evasion of toll payments was about 1,000,000 euros.

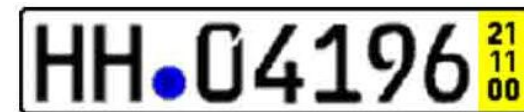


N U M B E R



A M O U N T

Focus - Temporary German number plates



How is toll payment default carried out?

- The drivers of the vehicles transit through station following the previous vehicle, using generally the Telepass lanes



Undertook actions:

- Cooperation with Police to catch the vehicle and identify the driver

Focus – Payment defaults recorded against foreign customers in 2007

- The **number** of payment defaults is about 400.000, equivalent to **16%** of the total
- The **amount** is about 10.000.000 euros, equivalent to **22%** of the total
- The **number** of vehicles is about 320.000, equivalent to **18%** of the total
- **Recidivist foreign customers amounted to about 14.000**

The problem:

Enormous difficulty in pursuing credit recovery actions against foreign customers. The difficulty arises from the impossibility of acquiring the particulars of the owner from various countries.

In those countries where this is possible the costs involved are very high (10-15 euros for each number plate through Automobile Public Register), in other countries this is not allowed.

It is very important to arrange a working table to handle this problem in order to pursue all possible initiatives at a community-wide level in order to safeguard all the motorways Concessionaire.

Thanks for your Attention



20th May 2008