## BorrowerCheck™ for Dealers

Automotive lending fraud is an industry-wide problem that affects both lenders and dealers. Most dealerships still use antiquated "red flag" reports and knowledge-based authentication (KBA) tools, which

lack both speed and accuracy when it comes to identifying borrower risk. KBA tools have well-known issues related to legitimate customers failing to answer them correctly, creating a negative

customer experience. While it remains important for dealerships to confirm borrowers' identities

before submitting loan
applications to lenders, they need
more effective tools to easily and
accurately confirm borrower identity,
income, and employer information as well
as complete required OFAC checks.

Keep Your Loan Applications From Being "Pushed Back" By Lenders

BorrowerCheck from Point Predictive enables dealerships to quickly and cost effectively assess the truthfulness of identity, income, and employer information provided by borrowers.

BorrowerCheck utilizes phone-based authentication (PBA) using a one-time-passcode sent to a borrower's mobile number, performs required checks with OFAC, and provides an easy-to-use report that:

 Lets you check a borrower's identity, income and employer for any red flags prior to submitting a loan to a lender.



- Performs a comprehensive red flag check against public records as well as the Point Predictive auto loan fraud consortium.
- Provides recommended actions for any elements that fail. For example, if the borrower's name and social security number don't match the public record, the recommendation is to verify their identify using other means, such as a valid driver's license.
- The result: a better, more comprehensive report than you would get with other red flag checks, such as those provided by current solutions.

## The BorrowerCheck Report

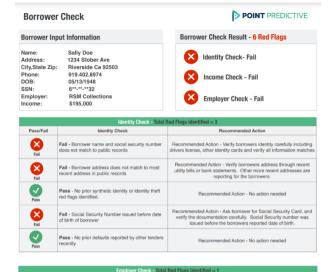
BorrowerCheck leverages historical application and loan data in combination with the nation's largest data repositories, third-party data, and Point Predictive Consortium data to accurately identify risks associated with applicant-stated identity, income, or employment data. The report is easy to run, requiring only fields 1 through 5 below. Optional fields 6 through 9 allow dealers to validate employment and income.

- 1. Full name
- 2. Street address, including city, state, and zip code
- 3. Phone number
- 4. Date of birth
- 5. Social Security number
- 6. Employer Name
- 7. Employer Phone
- 8. Annual Income
- 9. Occupation

BorrowerCheck runs an identity check, OFAC check, employer check (including whether the stated employer is a known fake company), and an income check. The report clearly shows what checks passed and any that failed. If one or more elements of a check fails, the report provides recommended action for the dealership to take to try to resolve any discrepancies.

## The Benefits Of BorrowerCheck To Dealers

Dealers benefit from BorrowerCheck in four main areas:



Income Check - Total Red Flags Identified = 2		
Pass/Fail	Income Check	Recommended Action
Fail	Fail - Borrower may have reported an income recently to other lenders which is significantly lower.	Recommended Action - Verify the borrowers income carefully through both the bank statements and the paystubs. Cross reference deposits with paystubs.
8	Fail - Borrower income is significantly higher than range for similar borrowers.	Recommended Action - Verify the borrowers income carefully through both the bank statements and the paysitubs. Cross reference

- COST REDUCTION. BorrowCheck reports are typically more affordable than traditional red flag tools.
- **2. IDENTIFY HIGH RISK APPLICATIONS.** Know which applications specifically need a bit more due diligence before going to the lender.
- **3. KEEP YOUR GOOD REPUTATION WITH LENDERS.** Avoid sending lenders applications that haven't been properly vetted and ensure compliance with OFAC checks are met.
- 4. IMPROVE THE BORROWER EXPERIENCE. Replace cumbersome KBA screening that even legitimate customers often fail with a fast and easy PBA screening while the borrower is in the dealership.

Learn more about the advantages of BorrowerCheck at pointpredictive.com.



