

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 identity 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.

Borrower Check		
Borrower Input Information		Borrower Check Result - 0 Red Flags
Name:	John Doe	✓ Identity Check - Pass
Address:	4565 Hollister Ave	✓ Income Check - Pass
City,State Zip:	San Jose Ca 95820	✓ Employer Check - Pass
Phone:	760.603.9789	
DOB:	08/18/1985	
SSN:	5**-**-**10	
Employer:	Finco Construction	
Income:	\$48,500	
Identity Check - Total Red Flags Identified = 0		
Pass/Fail	Identity Check	Recommended Action
✓ Pass	Pass - Borrower identity match confirmed through public records search.	Recommended Action - No action needed
✓ Pass	Pass - Borrower address match through public record search.	Recommended Action - No action needed
✓ Pass	Pass - No prior synthetic identity or identity theft red flags identified.	Recommended Action - No action needed
✓ Pass	Pass - No Social Security Number Red Flags Identified	Recommended Action - No action needed
✓ Pass	Pass - No prior defaults reported by other lenders recently.	Recommended Action - No action needed
Employer Check - Total Red Flags Identified = 0		
Pass/Fail	Employer Check	Recommended Action
✓ Pass	Pass - No reported fraud or high risk on the employer name or phone number	Recommended Action - No action needed
Income Check - Total Red Flags Identified = 0		
Pass/Fail	Income Check	Recommended Action
✓ Pass	Pass - No reported significant income differences compared to prior loans	Recommended Action - No action needed
✓ Pass	Pass - Income is within a reasonable range based on information provided	Recommended Action - No action needed

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:

1. **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.

Borrower Check		POINT PREDICTIVE
Borrower Input Information		Borrower Check Result - 6 Red Flags
Name:	Sally Doe	✗ Identity Check - Fail
Address:	1234 Stober Ave	✗ Income Check - Fail
City,State Zip:	Riverside Ca 92503	✗ Employer Check - Fail
Phone:	919.402.8974	
DOB:	05/13/1948	
SSN:	6**-**-**32	
Employer:	RSM Collections	
Income:	\$195,000	
Identity Check - Total Red Flags Identified = 3		
Pass/Fail	Identity Check	Recommended Action
✗ Fail	Fail - Borrower name and social security number does not match to public records	Recommended Action - Verify borrowers identity carefully including drivers license, other identity cards and verify all information matches
✗ Fail	Fail - Borrower address does not match to most recent address in public records	Recommended Action - Verify borrowers address through recent utility bills or bank statements. Other more recent addresses are reporting for the borrowers.
✓ Pass	Pass - No prior synthetic identity or identity theft red flags identified.	Recommended Action - No action needed
✗ Fail	Fail - Social Security Number issued before date of birth of borrower	Recommended Action - Ask borrower for Social Security Card, and verify the documentation carefully. Social Security number was issued before the borrowers reported date of birth.
✓ Pass	Pass - No prior defaults reported by other lenders recently.	Recommended Action - No action needed
Employer Check - Total Red Flags Identified = 1		
Pass/Fail	Employer Check	Recommended Action
✗ Fail	Fail - The reported employer for the borrower has been reported as high risk by other lenders or dealers	Recommended Action - Verify borrowers employer carefully and verify paystubs and bank statements are valid. Other lenders have reported risk from this reported employer in the past.
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.
✗ Fail	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 paystubs. Cross reference deposits with paystubs.

