

A background photograph of four professionals—two men and two women—standing in a car dealership. They are all dressed in business attire (suits and blazers) and have their arms crossed, smiling at the camera. The setting is a modern dealership with cars visible in the background.

DRIVER'S LICENSE AUTHENTICATION **PROTECT YOUR DEALERSHIP** **FROM FRAUD**

Safely handle consumer information, according to the 2022 Safeguards Rule.

866.273.3848

www.700Credit.com

TABLE OF CONTENTS

- 2 Word from the Managing Director
- 3 The Digital Deal Jacket
- 4 Driver's License Authentication
- 5 Introduction to QuickScan
- 5 Benefits of Driver's License Authentication
- 6 How QuickScan Works
- 6 QuickScan Features
- 7 ID Drive (Physical Scanner)
- 7 Soft Pull Solutions

WHAT OUR CUSTOMERS THINK

We utilize QuickScan on almost every customer whether deal worked entirely online or in the dealership.

Our process is to have the customer submit a QuickScan of the DL once they want to move forward with the purchase, as part of our process we make sure this step is completed before we submit a deal to a lender for financing.

It has helped us stop fraud. It is a tool we use to save time in our BDC from working deals with customers trying to fraud us. The sooner we stop a bad deal the better for everyone.



Vaughn Automotive

A Word from Our Managing Director, Ken Hill

Dealership identity fraud has become over an **\$8B problem in recent years and the numbers are expected to grow exponentially**. 700Credit recently commissioned a study of over 2,500 dealerships to understand the processes in place for obtaining copies of the consumer's driver's license - from capture to deal jacket storage. The results revealed significant gaps remain for dealers to follow privacy regulations cited in the 2022 Safeguard Rule. Here are some highlights from the survey:

1. **19%** said they collect a digital copy of the license.
2. **Only 8.6%** collect a digital copy and validate the license.
3. **A staggeringly low 0.6%** said they collect a digital copy, validate the license, and compare it against DMV records to truly verify the license belongs to an individual.

Many dealers still fail to properly scan driver's licenses, leading to 5-15 or more fraudulent attempts on vehicles monthly, as reported by a third of respondents. This negligence not only increases fraud risks but also endangers consumers' sensitive information.

At 700Credit, we are committed to combating fraud through education and proven solutions. Our Driver's License Authentication validates licenses and identities with a FRAUD FIRST approach, incorporating checks like red flags, OFAC, synthetic fraud, and DMV database verification. The data is securely stored in the digital deal jacket, ensuring compliance with the Safeguards Rule.

We hope you find this information helpful as you work to put in place solutions at your dealership to prevent fraud while remaining in compliance with the law.



Ken Hill

Ken Hill

Managing Director, 700Credit

The Digital Deal Jacket

Current State:

The vast majority of dealerships still handle driver's licenses manually, making photocopies or asking consumers to send a picture of the license via email or text, then printing and storing them in traditional paper deal jackets. These outdated methods create a security nightmare, exposing customer non-public information in direct violation of the 2022 Safeguards Rule.

In a recent survey we conducted with over 200 automotive dealerships:

- 52% of dealerships are STILL making a photocopy of the driver's license.
- 19% said they collect a digital copy of the license, however included in this percentage are dealers who are still having consumers TEXT them an image of their license.
- Only 8.6% collect a digital copy and validate the license.
- A staggeringly low 0.6% said they collect a digital copy, validate the license, and compare it against DMV records to truly verify the license belongs to an individual.

Dealers need to have a policy and process in place that defines how, where and when they are capturing driver's license information and equally important, safeguarding the consumer information in accordance with the 2022 Safeguards Rule.

Our Electronic Deal Jacket platform:

- Eliminates time-consumer manual scanning of driver's licenses into the digital deal jacket removing the possibility of exposing personal private information or missing pages in the scanning process.
- Streamlines the process for reviewing deal documentation by making it easier to locate the specific documents they are looking for.
- Provides secure access to documents reducing risk of misused, or stolen files.
- Helps the dealership adhere to the retention requirements that the state and federal government imposes.



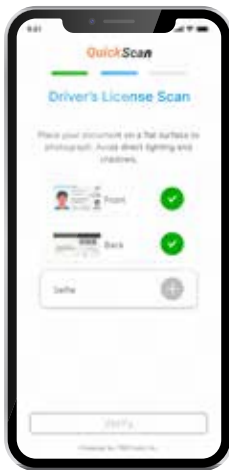
Driver's License Authentication

Protect your store with the industry's most advanced data capture and driver's license authentication solutions for automotive retailers today. We have two platforms for dealer's to authenticate customers – both remotely and in-store. Our solutions empower dealers to identify – and stop – fraud at the TOP of the sales funnel.

Mobile Scanner

QuickScan

QuickScan from 700Credit is a powerful mobile document authentication platform that provides dealerships real-time confirmation of the legitimacy of a customer's driver's license and identity. This solution can be used for both in-store and remote shoppers, providing you immediate results in your CRM, deal jacket or 700Dealer platforms.



Physical Scanner

IDDRIVE

ID Drive from 700Credit provides dealers with the most comprehensive physical driver's license scanning solution for automotive dealers today. This platform combines our prescreen & prequalification platforms, and our suite of Identity Verification tools including Red Flag & Synthetic Fraud detection to deliver fast, accurate results.



In both the in-store and mobile solutions:

- 1 The driver's license is validated in real-time using a fraud-first approach in providing the dealership peace of mind when working the deal.
- 2 Consumer personal, private information (PII) is handled safely and securely and stored in the digital deal jacket in accordance with the 2022 Safeguards Rule.
- 3 Prequalification of the consumer once they are validated can be performed to present a valid deal with terms to close the deal faster.

Introduction to QuickScan

QuickScan from 700Credit is a powerful mobile document scanner that provides dealerships real-time confirmation of the legitimacy of a customer's driver's license and identity. QuickScan will verify a customer's driver's license and identity in minutes. Each time an online customer completes a QuickScan, you will be confident that you are working with the person your customer says they are without putting Non-Public Information (NPI) on your team's devices.



The QuickScan results consist of 7 items:

1. Images Submitted
2. ID Information Verification
3. DMV Verification
4. Identity Verification
5. Synthetic ID Fraud Check
6. OFAC Check
7. Device Identification

According to the FTC, retail businesses lose billions of dollars annually when fraudsters purchase or return goods by using counterfeit driver's licenses.

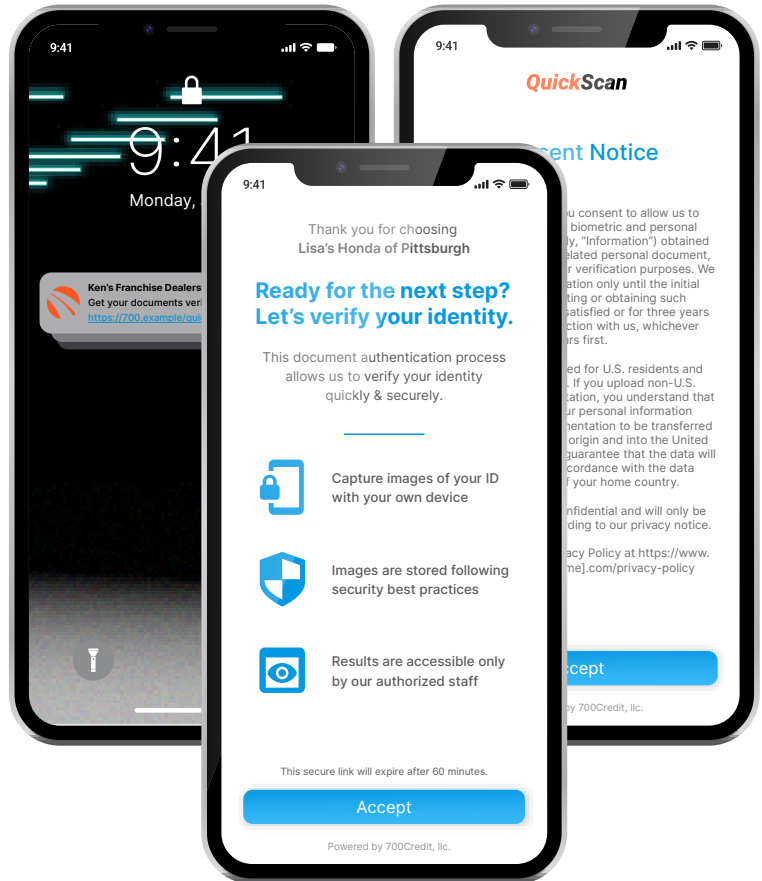
Benefits of Driver's License Authentication:

- **Takes the NPI** out of the hands (and off mobile devices) of your sales team and securely stores it in the digital deal jacket.
- **Validate identities** of both in-store and online shoppers **at the top of the sales funnel**.
- **Know your customer** before inviting them to your store.
- A **simple image** of the front and back of a driver's license and a selfie **provides all data** needed to validate the document

How QuickScan Works

Avoiding and stopping fraud can be challenging, which is why 700Credit developed a solution that simplifies the process: one link from the dealer and three images from the consumer complete the scan, providing ample information instantly.

- 1 Send an SMS link directly to your consumer's mobile.
- 2 Customer uploads/submits required images; front and back of their document, and a selfie.
- 3 Instantly, the documents and selfie are run through powerful liveness detection, identity verification, and synthetic fraud tools – giving your team results they can trust.
- 4 The information obtained from the consumer's driver's license is immediately run against various identity verification tools to find any potential evidence of fraud.
- 5 Results are instantly stored and accessible to dealers within 700Dealer, 700Credit's online dealer portal [www.700dealer.com] and automatically pushed into the digital deal jacket.



QuickScan Features



Driver's License Authentication
with Selfie Comparison



Deal Jacket
Integrations



DMV
Validation



Identity Verification
with Synthetic ID Check

ID Drive (Physical Scanner)

ID Drive from 700Credit & eLEND Solutions provides dealers with a physical driver's license scanning solution for Automotive, RV, Powersports and Marine dealers today. ID Drive has flagged over 30,000 driver license scans in the past year, which represents over \$1Billion in potential vehicle purchase fraud.

ID Drive combines our prescreen & prequalification platforms, and our suite of Identity Verification tools including Red Flag & Synthetic Fraud detection, and DMV Validation – providing you a FRAUD FIRST strategy to give you access to valuable credit data and protecting you from sophisticated types of fraud at the top of the sales funnel.



How it Works

- 1 The customer's driver's license is scanned in your store.
- 2 The customer provides consent to have their ID validated.
- 3 Each license scanned is run through Red Flag, ID Match, OFAC & Synthetic ID Fraud checks. Dealers are immediately notified of any inconsistencies and are given the opportunity to clear the issues before proceeding.
- 4 Results are instantly stored and accessible to dealers within 700Dealer, 700Credit's online dealer portal [www.700dealer.com] and automatically pushed into the digital deal jacket.

QuickQualify Results	
Result: Applicant Found	Score: 618 Powered by EX: FICO AUTO V8
Consumer Information:	
Name: Jane Doe Address: 123 Main St. Farmington Hills, MI 48334	Email: jdoe@email.com Phone: (999)-555-1234
Auto Summary:	
Available Revolving Credit: \$1,459.00	Auto Inquiries last 30 days: 0
Auto Trade Line 1	
Interest Rate: Original 17.52765%	Estimate \$3,224.00
Percent Paid: 81.12%	Estimate \$3,224.00
Loan Type: Auto	
Auto Trade Line 2	
Interest Rate: Original 4.66%	Estimate \$16,045.00
Percent Paid: 100%	Estimate \$0.00
Loan Type: Auto	
Certificate Status:	
Printed By: [Signature]	Confirmed By: [Signature]

QuickQualify Results	
Result: Applicant Found	Score: 618 Powered by EX: FICO AUTO V8
Consumer Information:	
Name: Jane Doe Address: 123 Main St. Farmington Hills, MI 48334	Email: jdoe@email.com Phone: (999)-555-1234
Auto Summary:	
Available Revolving Credit: \$1,459.00	Auto Inquiries last 30 days: 0
Auto Trade Line 1	
Interest Rate: Original Amount: \$17,079.00 Percent Paid: 81.12% Estimated Payoff: \$3,224.00 Loan Type: Auto	Original Terms: 73 Months No of Late Payments: 0 Remaining Terms: Joint: 6 Months Trade Status: Open Trade Open Date: 11/19/2015 Monthly Payment: \$382.00
Auto Trade Line 2	
Interest Rate: Original Amount: \$16,045.00 Percent Paid: 100% Estimated Payoff: \$0.00 Loan Type: Auto	Original Terms: 61 Months No of Late Payments: 0 Remaining Terms: Joint: 0 Months Trade Status: Closed Trade Open Date: 07/21/2011 Monthly Payment: \$296.00
Certificate Status:	
Printed By: N/A	Confirmed By: N/A

Soft Pull Solutions

eLEND has integrated our soft pull solutions into their ID Drive product. Add a prequalification or prescreen to the process for an even better understanding of who you're working with.

Our **dealer-initiated prescreen solution, QuickScreen**, can be automatically run after the driver's license scan, giving you a clear picture of the customer's buying power.

We have also incorporated our **consumer-driven prequalification solution, QuickQualify**, into the scanning process. Knowing the FICO score and equity position of your customer empowers you to have confident payment conversations at the top of the sales funnel.



TRUSTED BY 22,000+ DEALERSHIPS

Stand-Alone and Integrated Software
Solutions for Your Dealership's Sales,
Finance, and Compliance Teams

Since our inception in 2000, we have partnered with over 260+ of the leading DMS, CRM, Service Lane, Desking, Website and Digital Retailing platforms each experiencing the synergy of working with an industry leader on a daily basis. We've learned over the years that these relationships are an important key to our success – and our dealership clients.

www.700credit.com

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