

# DATA QUALITY SCANNER

## DATA QUALITY SCANNER OUTPERFORMS REGULATORY AGENCY'S METRO 2® TOOL IN COMPREHENSIVENESS AND ACCURACY

As regulatory agencies scrutinize Metro 2® data quality with proprietary automated tools, data furnishers of all sizes must ensure accuracy to avoid FCRA-related regulatory fines and civil litigation. **While regulatory tools do identify some true data quality problems, they often generate false positives.** In a comparison of a Regulatory Agency's tool and DQS, DQS reduced false positives in 9 out of 10 scenarios reviewed. DQS is a comprehensive solution, employing 392 rules honed over 10 years, which enhances data quality and boosts confidence in meeting FCRA accuracy requirements.

### DQS PROTECTS AGAINST SUBSTANTIAL FCRA FINES & UNNECESSARY REMEDIATION

**In 10 regulatory scenarios, DQS reduced false positives in 9 of 10 scenarios.**



**DQS: 9 OF 10**

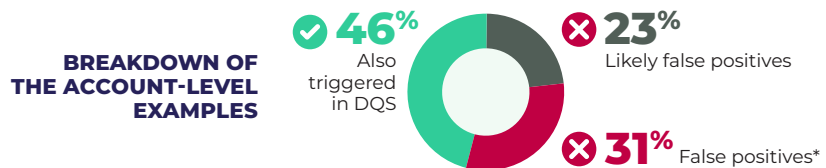
An auto lender/servicer had recently undergone a review by a regulatory agency that evaluated 12 months of their Metro 2® data. **DQS uncovered false positives in the regulatory agency's tool.** This functionality helps to protect lenders from potentially substantial fines and unnecessary remediation.

**DQS found that 54% of a regulatory agency's identified data quality issues were false positives (31%) or likely false positives (23%).**

## DQS VS AGENCY TOOL

### ACCOUNT-LEVEL EXAMPLES

In comparison to the comprehensiveness of the 392 rules used by DQS, the data below shows how the **accuracy of the agency's review of Metro 2® data fell short compared to DQS.** Based on our analysis, some of the queries in the regulator's tool were limited and failed to consider additional information in the Metro 2® file.



### FALSE POSITIVE EXAMPLES

#### REGULATOR FINDING

- ✘ Account reported as Closed but the Date Closed changed from one month to the next.
- ✘ Account reported as Current but Actual Payment Amount was \$0.
- ? Account reported as delinquent without a Date of First Delinquency.

#### DQS ANALYSIS

- ✔ Date of Last Payment and Actual Payment Amount changed, indicating a payment reversal.
- ✔ Account was Current but had not paid and was not yet 30 days delinquent.
- ✔ Regulator stated an issue in months where the account was not reported.

### UNCERTAIN REGULATORY FUTURE REQUIRES FCRA FOCUS

**As the future of consumer lending regulators remains uncertain, it's essential to prioritize FCRA compliance.** State Attorneys will actively enforce FCRA. The FCRA allows individuals to pursue legal action for non-compliance and consistently ranks as the highest category in consumer regulatory litigation. Our data shows that DQS outperforms regulatory tools in accuracy and comprehensiveness. **Using DQS, you can safeguard consumers' credit and minimize the risk of fines by effectively identifying false positives during exams.**

\*Percent of accounts that were not present in the Metro 2® file in the month the regulatory agency said there was an error. This indicates that the agency MAY be assuming the absent account would have had a data quality error.