



**CITADEL**  
SERVICING CORPORATION

# Fraud Detection Policy and Process Overview

## DataVerify Fraud Protection

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Citadel Servicing Corporation (“CSC”) has adopted the use of Fraud Detection Tools such as “FraudGuard” and “DataVerify”. These tools are used to help identify and authenticate the borrower, and all participant to the loan transaction. Verify the information supplied by the borrower in their application. Assess the value of the property to be purchased or refinanced.

The Fraud Detection Tool is utilized at the initial underwriting review and the final funding review prior to the closing of the loan. This sequencing of running the tool twice in the origination loan lifecycle was structured so that all pertinent information in the initial application packet is reviewed at submission and all other inclusionary information related to participants involved in the transaction are reviewed prior to the closing of the loan.

All of these tools provide an alert summary that outlines any potential findings and their associated risk factor. All “high” risk factors are addressed through the underwriting process via conditioning of the loan and not through the tool providers website.

Note, certain risk factors that are not relevant to the loan will not be addressed. For example, social security number alerts on foreign national borrowers (who have no social security number) will not be addressed (This is due to configuration limitations).

**All fraud detection tool related conditions must be satisfied prior to the closing of the loan.**

### **Processes and Responsibilities by Departments:**

#### **Loan Set-Up:**

The Loan Set-up team is responsible for running DataVerify on every loan submitted to Citadel Servicing Corporation (“CSC”). DataVerify should be run as soon as the loan file is submitted and a file is created in BytePro. A printout of the report must be stored in DocVelocity at this time for review by the Underwriter.

**Underwriting:**

The Underwriter is responsible for reviewing the DataVerify findings in DocVelocity. Any valid conditions/alerts raised in the DataVerify report must be addressed conditionally through the BytePro system.

Upon receipt of relevant information, the Underwriter is responsible for the review, validation, and clearance of all Fraud Tool associated conditions.

**Transaction Management:**

The Transaction manager is responsible for requesting and retrieving any additional information required by the underwriter as conditioned in BytePro.

**Closing/Funding Department:**

All conditions related to the Fraud Detection Tool or any other fraud concerns must have been cleared by Underwriting or the Compliance department prior to proceeding with the closing/funding of the loan.

**Escalation:**

Findings which cannot be cleared or are deemed to have required additional review should be sent to the compliance department via email at [CSCQC@CitadelServicing.com](mailto:CSCQC@CitadelServicing.com).

Any questions related to this process should be directed to the Compliance Department via email [CSCQC@CitadelServicing.com](mailto:CSCQC@CitadelServicing.com).