Sample Report

Lender Custom Benchmark Analysis:
Business Identity & Fraud Risk

Entity Evaluated: ACME Equipment Finance (Independent Lessor, ~3,500 annual applications)

Baseline Benchmark Report: *2026 Business Identity and Fraud Research Report* (ELFA & Trust2Connect)

Table 1:
Key Operational Metrics vs. Industry Benchmarks

Metric / Area	Survey Benchmark	ACME Equipment Finance Status	Variance / Performance Evaluation
Manual Review Share	**69%** require manual intervention on >50% of applications (Only **10%** automate >90%).	**58%** of applications undergo manual review.	**Outperforming Industry Average.** Sits slightly above industry average automation levels, but still heavy manual friction.
Approved-but-Unbooked Rate	**67%** lose >25% of approved deals before booking (**21%** lose >50%).	**32%** of approved deals fail to book.	**Underperforming Target.** Falls in line with the majority of peers (26–50% lost deals), creating significant lost revenue from fully underwritten files.
Cost Per Application Review	**57%** spend $\leq \$100$ per file (**36%** spend $< \$50$; **21%** spend $> \$250$).	**$135** per application review (including direct vendor fees + analyst time).	**Higher Than Peer Average.** Operational cost is elevated primarily due to manual overhead and fragmented data gathering.
Vendor Stack Density	**52%** use 3+ data/technology vendors for KYB (**45%** use 1–2).	**4 Vendors** (SOS Lookup Provider, Watchlist Vendor, Credit Bureau, Manual Web Search).	**Higher Complexity.** Fits into the 52% using 3+ vendors, driving manual reconciliation effort.
Inconsistency Detection Rate	**40%** find mismatches on $< 5\%$ of applications (**14%** do not track).	**7.5%** mismatch detection rate.	**Tracking Baseline Established.** Captures discrepancies, missed subtle fraud signals.

Verification Must-Haves & Gap Analysis

The benchmark compares required onboarding checks against industry peer adoption:

- **Critical Gap Identified (Beneficial Ownership):** Only **35%** of ACME files verify ultimate controlling parties/owners vs. **50%** industry adoption. Given that **90%** of industry peers experience 3rd-party identity fraud, this represents ACME's largest vulnerability.
- **Low-Cost Digital Signal Gap:** ACME checks web presence/social media on only **30%** of files compared to the **57%** industry standard, missing simple, fast mismatch indicators (e.g., domain age, phone/email alignment).

Fraud Exposure Profile

Fraud Type Experienced	Industry Benchmark	ACME Past-Year Exposure	Impact / Risk Level
Third-Party Fraud (Identity Theft/Synthetic)	**90%**	Yes	**High.** ACME experienced 3 instances in the last 12 months.
First-Party Fraud (Bad Faith Applicants)	**74%**	Yes	**Moderate.**
Fake or Doctored Documents	**74%**	Yes	**High.** Invoices and tax returns altered via web/PDF tools.
Early Payment Defaults ("Never Pays")	**71%**	Yes	**Moderate.** Direct hit to write-offs.
Application Mismatches	**69%**	Yes	**High.** Discrepancies between application and legal data.
All 5 Fraud Types Encountered	**45%**	**Yes**	ACME joins the **45%** of lenders that have hit all 5 fraud categories.

Strategic Action Plan for ACME Equipment Finance

Based on the survey's recommended operational steps for lessors:

1. **Reduce Friction to Lower the 32% Unbooked Rate:**

- Establish automated decision rules to allow low-risk, clean applications to move through KYB without human touch.
- Target reducing manual review from **58%** to **<25%** to accelerate time-to-decision and prevent approved borrowers from going to competitors.

2. **Consolidate Vendor Stack:**
   - Replace 4 fragmented tools with an integrated KYB solution that links directly into ACME's Loan Origination System (LOS). Integrating with LOS is the **#1 tech priority** for 64% of peers.
3. **Mandate Beneficial Ownership & Web Match Rules:**
   - Upgrade Beneficial Ownership resolution to **100%** on high-risk or higher-ticket tiers.
   - Automate domain age and contact/address matching to flag identity spoofing before underwriting.

An example benchmark report comparing a hypothetical firm (**ACME Equipment Finance**, a mid-sized independent lessor) against the industry survey benchmarks in the *2026 Business Identity and Fraud Research Report* published by ELFA and Trust2Connect.

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Custom Benchmark

DECISION ANALYSIS:

- Score each application at application date.
- Identify scores by decision and bad flag.
- Show decisions and bads that could have been identified by score at time of origination.
- Estimate financial benefit of different decisions.

TURNAROUND TIME ANALYSIS:

1. Score each application at application date.
2. Identify high scoring applications by time to process.
3. Show applications by time to process that could have been automated.
4. Estimate financial benefit of automation.

A file will be provided to Company consisting of following:

- Scores as of data of origination.
- Full File Data append on each business and Scores as of current date.

INPUT DATA FILE FORMAT - Input data file format: To obtain a batch file of Business Profile Reports from T2C's database please send a file with the following fields listed below:

1. Company Name
2. Company Street Address 1
3. City
4. State
5. Zip Code
6. Employer Identification Number (optional)
7. Accept/Reject Flag
8. Bad Indicator
9. Date of Application
10. Time Stamp of Application and Decision

File Format can be sent in CSV, XLS. **Upload:** Contact sales@Trust2Connect.ai for secure file transfer instructions. Output file will be returned containing T2C Standard Data fields.

SUCCESS CRITERIA:

Quantitative Measure: T2C will score a set of business counterparties that have resulted in a "bad", bad defined as default, termination, misidentified customer, returns. This service will also analyze a time series of applications to determine if the use of automated business checks can result in faster turnaround times. This service will recommend changes in decisions to identify good applicants versus bad applicants and assess different decision strategies and automation processes..

Sample Report

Process Overview

Baseline Benchmark

1. ELFA Member Completes Survey Questionnaire
2. T2C Compile Results
3. ELFA Member Receives Baseline Benchmark Report
4. T2C Provides Overview of Results

Custom Benchmark

5. ELFA Member Sends Application File
6. T2C Conducts Decision and Turnaround Time Analysis
7. ELFA Member Receives Custom Benchmark Report
8. T2C Provides Overview of Results