

The Fair Credit Reporting Act and Genworth

Frequently Asked Questions – Updated October 1, 2014

Genworth Mortgage Insurance sends notices to borrowers in compliance with the Fair Credit Reporting Act (FCRA) and amended changes required by the Dodd-Frank Act.

When does Genworth generate a Notice?

In order to satisfy the requirements of the Fair Credit Reporting Act (FCRA), Genworth Mortgage Insurance will generate notices to borrowers with borrower-paid mortgage insurance on loans that meet one of the following conditions:

- Any loan that will not receive the best rate available within a specific program, based on information in the credit report
- Declinations based on information in the credit report

Notices will not be sent to borrowers with loans insured with Lender Paid MI.

What information from the credit report does Genworth need for FCRA letters?

Genworth requires the same information for FCRA notices as our Lenders do:

- Borrower(s) current address
- Name of credit reporting agency which supplied the credit report
- Address of credit reporting agency which supplied the credit report
- Toll-free telephone number of credit reporting agency which supplied the credit report
- Numerical credit score
- Key factors that adversely affected the credit score of the consumer
- Date the credit score was created
- Range of possible credit scores (always 350-850)

How does Genworth obtain the necessary information for loans requiring notice?

For non-delegated loans, we obtain the information from the credit report provided by the lender in the loan package submitted for underwriting. For delegated loans, we will pull credit (subject to state variances) if a borrower notice is necessary.

If Genworth orders credit will it negatively affect the borrower's credit score?

No. The borrower's credit scores will not be affected if Genworth orders a credit score. Because we are an insurer and not a creditor, our inquiries do not count as a request for credit.

If there are multiple credit scores available for a borrower(s), which one will Genworth use for pricing?

For non-delegated loans, we will use the GSE's (Fannie Mae and Freddie Mac) methodology for selecting the representative score from the lender's credit report. The lowest of the borrower's/co-borrower's middle scores will be used to determine MI pricing. For delegated loans, we will use the representative credit score provided by the lender.

If Genworth orders credit will it delay decision and/or pricing for a commitment?

No, this credit pull process will not delay the decision of an MI Commitment (except in Vermont, see below for details about state variances).

How will I know if a loan did not receive the best rate available (Adverse Pricing)?

Our commitment will indicate that a loan received adverse pricing. Once a MI commitment has been issued on a loan, the MI price will not change unless you resubmit the loan due to revised loan characteristics, including credit score.

What states have variances to the process?

There are exceptions to the process in a few states due to statutory requirements:

- When Genworth must pull a credit report for loans on properties in **New York, Rhode Island,** and **Colorado**, the borrower will be sent notice of Genworth's intent to pull credit. This notification process should not affect the timing of your Commitment/Certificate of Insurance from Genworth.
- **Vermont** requires that we receive prior written consent from the borrower before ordering credit. Since this would delay the loan process, Genworth will not order credit for loans on properties in Vermont, but will work with the lender to obtain the required FCRA information. The loan will not be approved or declined until the FCRA information is obtained.

What about when there is more than one borrower on the loan?

When there are multiple borrowers and the MI application is declined or receives adverse pricing, Genworth will send a FCRA letter addressed to each borrower containing only that borrower's credit information and the credit score used for pricing.

How can I get copies of the FCRA-compliant notices?

If you would like to sign up to receive copies of the FCRA-compliant notices that we send to borrowers on an ongoing basis, please call the ActionCenter[®] at 800 444.5664.