

Liens, Judgments, Bankruptcies + Credit

Identify Indicators of Risk Associated with Candidates and Employees in Regulated Roles

With the removal of all civil judgments and most tax liens from credit reports in 2017, financial institutions have struggled to obtain the information they need to assess risk associated with candidates and employees, as well as report that information to The Financial Industry Regulatory Authority (FINRA).

Protect Customers and Reputation from Bad Actors

Financial institutions are responsible for protecting their customers from dishonest, reckless, or fraudulent behavior. FINRA recommends regularly screening candidates and employees appropriately for indicative events that either disqualify them from performing securities-related functions or require establishing supervisory controls for safety and security.

Comply with FINRA Investigation and Verification Requirements

FINRA requires background **investigation** and **verification** of registered representatives, including validation for accuracy of criminal records, liens, judgments, and bankruptcies. The information needs to be reported to FINRA using the Form U4 (Uniform Application for Securities Industry Registration or Transfer) and then amended to maintain accuracy¹.

Source 1: finra.org/rules-guidance/notices/15-05



Liens, Judgments, Bankruptcies + Credit: The Sterling Advantage



Per the FCRA, results are limited to lien, judgment, and bankruptcy records validated at the public record source



Leverages Sterling's extensive resources and technology to continue to strengthen background screening programs and promote regulatory compliance



Cost-effective solution that bundles credit, lien, judgment, and bankruptcy records

Failing to report validated liens, judgments, or bankruptcies or leveraging non-validated information leaves businesses vulnerable to penalties, sanctions, and reputational risk.



Validated Lien, Judgment, and Bankruptcy Records Bundled with Credit

Sterling's *Liens, Judgments, Bankruptcies + Credit* is a robust solution providing the data to empower financial organizations to assess risk as well as enable compliance with FINRA.


- Nationwide bankruptcy coverage as well as lien and judgment records at the federal, state and local levels with coverage in 2,000+ counties in 92% of states, bundled with credit
- Lien, judgment, and bankruptcy results validated at the public record source
- Strict compliance measures applied to drive accuracy, and validate that the information provided is about the candidate or employee searched



For more information, visit sterlingcheck.com/services/liens-judgments-bankruptcies-credit.

ABOUT STERLING

Sterling—a leading provider of background and identity services—offers a foundation of trust and safety that spans across industries, professions, and borders. Our technology-powered services help organizations create great environments for their workers, partners, and customers. With office locations around the world, Sterling conducts more than 100 million searches annually. Visit Sterling online at sterlingcheck.com.

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